



City Council

Special/Regular Meeting Agenda

<i>Mark Turner</i>	-	<i>Mayor</i>
<i>Marilyn Librers</i>	-	<i>Mayor Pro Tem</i>
<i>Soraida Iwanaga</i>	-	<i>Council Member</i>
<i>Yvonne Martínez Beltrán</i>	-	<i>Council Member</i>
<i>Miriam Vega</i>	-	<i>Council Member</i>

Wednesday, March 4, 2026

**5:00 p.m. Special Meeting
Commission Interviews - Open to the Public**

6:00 p.m Regular Meeting

**Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037**

Morgan Hill City Council meetings are held in person, with the option for the public to attend in person or participate by teleconference/video conference. Information on how the public may observe and participate in the meeting is below.

MEETING PARTICIPATION

Morgan Hill City Council meetings are held in person. The community may attend in person or via Zoom (video/teleconference). The meetings are also live-streamed on the City's website and Facebook page.

As a courtesy, and technology permitting, members of the public may attend online. However, the City cannot guarantee that the public's access to online technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Ralph M. Brown Act, the meeting will continue despite technical difficulties for participants using the online option.

Those wishing to participate in the meetings remotely must register in advance at <https://bit.ly/CityCouncilZoomRegistration>. Additionally, Zoom participants must be running the latest version or will be required to update to it before joining the meeting remotely.

Remote participation is also available by calling (669) 900-9128 and entering webinar ID: 873 3200 8380#. Dial *9 to raise your hand, and be called upon to speak for up to 3 minutes. Dial *6 to unmute.

PUBLIC COMMENT

Public comment may be offered verbally at the meeting or in writing before the meeting. Public comment is limited to three minutes, but the Mayor may adjust time limits for individual or total comments while ensuring all viewpoints are heard, encouraging speakers to avoid repetition, and allowing a designated spokesperson for organized support or opposition to present longer if needed.

Those attending remotely may only offer public comment for items on the agenda in one of four categories:

- Consent Calendar
- Other Business
- Public Hearings
- Closed Session

Public comment will be heard first from those attending in person, with the submission of a speaker card. Once that is complete, we will move to those on Zoom who have their hand raised. Following public comment from Zoom, we will close the public comment period for that item.

Remote public comment for items not on the agenda will not be accepted.

Written public comment may be submitted to the City Clerk:

- In person at the City Council Meeting;
- Via email to ccpubliccomment@morganhill.ca.gov; or
- Hand-delivered or mailed to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037

Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) so that your comments can be submitted to the members of the City Council with sufficient time to review them. You may continue to provide written comments up to noon on Wednesday (the day of the meeting), although Council Members may not have sufficient time to review them before the meeting. Public comments submitted to the City Clerk after noon (12:00 p.m.) the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website. It is recommended that you do not include any personal information that you do not want to be posted on the web. Please be advised that communications directed to the City Council are public

records and are subject to disclosure pursuant to the California Public Records Act and Brown Act unless exempt from disclosure under the applicable law. Communications will NOT be edited for redactions and will be printed/posted as submitted.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259 or by email at cityclerk@morganhill.ca.gov. Requests must be made as early as possible, at least two full business days before the start of the meeting.

SPECIAL/REGULAR MEETING

A special meeting of the City Council is called at 5:00 p.m. for the purpose of conducting Commission Interviews.

SPECIAL MEETING

5:00 p.m. Commission Interviews

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

COMMISSION INTERVIEWS

1. INTERVIEW CANDIDATES TO FILL TWO SEATS ON THE PARKS AND RECREATION COMMISSION AND ONE SEAT ON THE PLANNING COMMISSION

Recommendation:

1. Mayor shares the characteristics/traits that a successful applicant(s) would possess;
2. Conduct Interviews;
3. Council Members identify the top applicant(s) and provide recommendations to the Mayor; and
4. Discuss and/or appoint applicant(s).

REGULAR MEETING

6:00 p.m.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

RECOGNITIONS

Wayne Tanda

Kathy Devine

PRESENTATIONS

Children's Advocacy Center of South County

CITY COUNCIL REPORTS

Council Member Vega

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

This opportunity for public comment is for items that are not on the agenda. If you would like to make comments on an item that is on the agenda, please wait until we get to that item to offer your comments. Members of the public are entitled to address the City Council concerning any item within the Morgan Hill City Council's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda. Public comment is intended for comments. Questions posed during public comment are not generally answered. If you have questions, please send them to the City Clerk at ccpubliccomment@morganhill.ca.gov to receive a response. (See additional noticing at the end of this agenda)

ADOPTION OF AGENDA

CONSENT CALENDAR

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Pursuant to City Council Policies and Procedures (CP 97-01), any member of the Council or public may request to have an item removed from the Consent Calendar for comment and action.

2. **ADOPT UPDATES TO THE SUSTAINABLE MORGAN HILL DOCUMENT**

Recommendation:

Adopt updates to the Sustainable Morgan Hill document.

3. **ADOPT UPDATES TO COUNCIL POLICY (CP) 97-01 RULES FOR CONDUCT OF COUNCIL MEETINGS, PLACEMENT OF ITEMS ON THE AGENDA, AND MATTERS TO BE RECONSIDERED, MEMORIALIZING PUBLIC COMMENT TIME LIMIT PRACTICES**

Recommendation:

Adopt updates to City Council Policy CP 97-01, memorializing the City Council's current public comment time limit practices.

4. **APPROVE THE FEBRUARY 18, 2026 CITY COUNCIL MEETING MINUTES**

Recommendation:

Approve the February 18, 2026 City Council Meeting Minutes.

5. **RECEIVE MONTHLY BUDGET UPDATE AND JANUARY 2026 FINANCIAL AND INVESTMENT REPORTS**

Recommendation:

Receive and file reports.

PUBLIC HEARINGS

6. **APPROVE ROSEWOOD MEDICAL CAMPUS ZONING MAP AND PLANNED DEVELOPMENT (PD) MASTER PLAN AMENDMENT**

Recommendation:

1. Open and close the public hearing;
2. Certify the Final Subsequent Environmental Impact Report (SEIR) for the Rosewood (formerly Lillian Commons) Medical Mixed-Use Project, adopt the CEQA Findings of Fact, and adopt the Mitigation Monitoring and Reporting Program (MMRP); and
3. Waive the first and second reading and introduce an ordinance approving the Zoning Map Amendment and Planned Development (PD) Master Plan Amendment for the Rosewood Medical Campus, with the following land use direction: retain land uses proposed for conversion from conditional to permitted as conditional, except that Daycare Facilities, Farmers Markets, Hotel and Motels, and Restaurants may be permitted when clearly ancillary and subordinate to the medical campus, and allow Assisted Living Facilities and Skilled Nursing Facilities only with a Conditional Use Permit.

OTHER BUSINESS

7. CONTINUED DISCUSSION OF FISCAL SUSTAINABILITY

Recommendation:

Receive report and provide direction to staff regarding whether to pursue placement of a local tax measure on the 2026 ballot.

8. PROVIDE DIRECTION TO STAFF ON PROPOSED FUTURE COUNCIL INITIATED AGENDA ITEM REGARDING BLIGHTED PROPERTIES

Recommendation:

Determine if the majority of the City Council wants the following item agendized at a future meeting for discussion:

- Develop a clear and enforceable “Blight” Policy.

FUTURE COUNCIL INITIATED AGENDA ITEMS

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

NOTICE

Any documents produced by the City and distributed to the majority of the City Council less than 72 hours prior to an open meeting, will be made available for public inspection at the City Clerk's Counter at City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 and at the Morgan Hill Public Library located at 660 West Main Avenue, Morgan Hill, California, 95037 during normal business hours. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the City Council concerning any item described in the notice of this meeting during consideration of that item. If you wish to address the Council on any item on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk before the City Council discussion on the item. You are not required to give your name on the speaker card to speak to the Council, but it is very helpful. When you are called, proceed to the podium, and the Mayor will recognize you. If you wish to address the City Council on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the City Council.

Persons interested in proposing an item for the City Council agenda should contact a member of the City Council who may request an item on the agenda for a future City Council meeting. Council discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the City Council, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of City Council Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

SUSTAINABLE MORGAN HILL



Vision

To sustain a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

Choose Morgan Hill

The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses.

Strategic Priorities 2024-2025

- Fiscal Sustainability
- Affordable Housing and Homelessness
- Community Engagement
- Economic Development and Tourism
- Transportation
- Healthy Community

City Council Ongoing Priorities

- Enhancing Public Safety and Quality of Life
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining and Enhancing Infrastructure
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advocating for Local, Regional, and State Legislative Initiatives



CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Michelle Bigelow, City Clerk

APPROVED BY: City Manager

INTERVIEW CANDIDATES TO FILL TWO SEATS ON THE PARKS AND RECREATION COMMISSION AND ONE SEAT ON THE PLANNING COMMISSION

RECOMMENDATION(S)

1. Mayor shares the characteristics/traits that a successful applicant(s) would possess;
2. Conduct Interviews;
3. Council Members identify the top applicant(s) and provide recommendations to the Mayor; and
4. Discuss and/or appoint applicant(s).

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Supporting our Youth, Seniors, and Entire Community

Fostering a Positive Organizational Culture

Preserving and Cultivating Public Trust

Preserving our Community History

REPORT NARRATIVE:

The City Council is recruiting for two seats on the Parks and Recreation Commission, with terms ending April 1, 2030, and one seat on the Planning Commission with a term ending June 1, 2027. The recruitment resulted in seven applicants: Charlotte Reinthaler, Daisy Villasenor, Dawn Barreras, Julianne Whitelaw, Kais Zafer, Mike Braxton, and Stephen Adamo.

Dawn Barreras and Kais Zafer applied to the Parks and Recreation Commission, while Charlotte Reinthaler, Daisy Villasenor, Julianne Whitelaw, Mike Braxton and Stephen Adamo applied to the Planning Commission. All but one Planning Commission applicant listed the Parks and Recreation Commission as their second choice.

All applicants have been invited to interview before the City Council on March 4, 2026. All applicants have confirmed availability, and their applications are attached for Council consideration.

COMMUNITY ENGAGEMENT:

Involve

Recruitment efforts were undertaken to encourage citizens to apply for City Council appointment consideration via the Morgan Hill Times, City Website, Facebook, Instagram, NextDoor, LinkedIn, outreach to community groups, and the weekly 411 emails.

ALTERNATIVE ACTIONS:

The City Council may choose to recommend that the Mayor make some or none of the appointments to fill the vacant seats. If the City Council desires, it could reopen the application process to solicit additional applicants to fill the seats not appointed at the March 4, 2026, meeting.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

Planning Commissioners and Parks and Recreation Commissioners serve four-year terms, with possible reappointment. Every year, recruitment efforts are conducted to maintain the seven (7) member Commissions.

FISCAL AND RESOURCE IMPACT:

There is no fiscal impact associated with the actions to interview and appoint, as the recruitment and appointment process is accommodated in the Administrative Services operating budget.

CEQA (California Environmental Quality Act):

Not a Project.

The interview and appointment of commissioners is not a project, as defined in Section 15378 of the State CEQA guidelines.

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Monday, February 16, 2026 3:15:56 PM

Commission Application

First Name	Dawn
Last Name	Barreras
Address1	[REDACTED]
Address2	<i>Field not completed.</i>
City	Morgan Hill
State	CA
Zip	95037
Home Phone Number	<i>Field not completed.</i>
Cell Phone Number	[REDACTED]
email address	[REDACTED]
Occupation	marketing/ non-profit
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	[REDACTED]
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	<i>Field not completed.</i>

Commission Webpages

Please visit the links for each commission's webpage for more info:

- [Planning Commission](#)
- [Parks & Recreation](#)

- [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Parks and Recreation Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Library, Culture, and Arts Commission

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

no

What skills and/or experience do you possess that would be important to your role as a commissioner?

As a long time resident of Morgan Hill, I bring deep personal commitment and professional experience to this role. I grew up here, my late husband was raised here, and I raised my daughter in this community. My connection to Morgan Hill spans generations, and I care deeply about its future.

I am an avid outdoors person and strongly believe that public parks are essential to healthy families and a thriving community. Parks and recreation programs create opportunities for connection, wellness, and belonging.

With an MBA, I bring skills in financial stewardship, strategic planning, and thoughtful decision-making. I understand the importance of fiscally responsible programs and long-term planning to support sustainable growth. I am eager to contribute a balanced, community-centered perspective and to serve the city I love.

What do you

I understand that the Parks and Recreation Commission serves as a City Council-appointed advisory body that provides

understand the role of the commission to be and why would you like to serve on this commission?

guidance and recommendations on the planning, development, programming, and stewardship of parks, recreation facilities, trails, bicycle infrastructure, and related community activities for the residents of Morgan Hill.

Commissioners review opportunities for enhancing parks and recreation offerings, support initiatives such as youth activity programs and volunteer engagement, help coordinate community input, and advise on fiscally responsible strategies that align with City Council priorities and the approved work plan.

Recent focus areas include encouraging active participation in recreation programs, supporting trail and bicycle efforts, enhancing operations of facilities like the Magical Bridge Playground, identifying grant opportunities, and increasing volunteer involvement in park stewardship.

What would you like to accomplish as a commissioner?

As a commissioner, I would like to help ensure that Morgan Hill's parks and recreation system continues to evolve in ways that are fiscally responsible, inclusive, and responsive to community needs. I would focus on supporting long-term planning that balances growth with sustainability, ensuring our parks, trails, and facilities are well maintained while thoughtfully expanding access and programming.

I am also interested in supporting and introducing events in our parks that give residents who may not regularly use these spaces a welcoming reason to participate. Community events, family activities, and inclusive programming can introduce new audiences to our parks and strengthen connections across neighborhoods.

What are the greatest opportunities facing the community in regards to this commission?

One of the greatest opportunities facing the community through the Parks and Recreation Commission is expanding participation and access to parks and recreation programs for residents of all ages. Current priorities include encouraging youth engagement, exploring new programming, and creating more meaningful ways to involve young people in recreation planning, efforts that can strengthen long-term community health and connection.

There is also strong opportunity in grant funding exploration, enhancing volunteer and ambassador programs, including support for spaces like the Magical Bridge Playground and initiatives such as Adopt-a-Park. Additionally, continuing to improve trail and bikeway connectivity can promote active lifestyles while increasing safe, accessible recreation options throughout Morgan Hill.

If you are an incumbent seeking reappointment:

Are you next in line to

No

serve as Chair or Vice-Chair?

Are you currently serving on a committee No

Are you assigned to a special project? No

If you are assigned to a special project, please describe the project. *Field not completed.*

Please review the City Council Ethics Policy [City Council Ethics Policy](#)

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities s which I may be assigned; and that I will practice the core values set forth in this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to which I am appointed, unless excused by the Chair.

Date 2/16/2026 3:15 PM

February 16, 2026

Dear Commissioners,

I am excited to submit my application to serve on the Parks and Recreation Commission. I care deeply about ensuring Morgan Hill's parks and programs continue to grow in ways that are inclusive, fiscally responsible, and reflective of what our community needs most.

Please note that the attached resume is a professional resume rather than one focused on community service. In my professional role at Second Harvest Food Bank, I help support our mission daily and often volunteer in emergency food distributions, which keeps me closely connected to the real and evolving needs of our greater community.

I am especially passionate about supporting events and programming that give residents, particularly those who don't often visit our parks, a reason to participate and feel connected. Personally, I am also working toward a goal of walking the Camino de Santiago this April, which reflects my commitment to wellness, perseverance, and meaningful connection with outdoor recreation.

I would be honored to contribute my time, perspective, and energy to helping our parks system serve the entire community.

Thank you for your consideration.

Sincerely,
Dawn Barreras

A solid black rectangular redaction box covering the signature area.

DAWN BARRERAS

Marketing, Communications, and Fundraising

CONTACT

Phone

[REDACTED]

Email

[REDACTED]

Address

Morgan Hill, CA 95037

SKILLS

- Martech fundraising
- Donor analysis and engagement
- Integrated content strategy
- Content creation and storytelling as campaign assets
- Data-driven analysis
- Cross-departmental collaboration

EDUCATION

Santa Clara University

BS | Anthropology

MBA | Marketing concentration

REFERENCES

References available upon request

PROFESSIONAL SUMMARY

Strategic and creative marketing leader with 16+ years of experience spanning marketing agency and nonprofit sectors, currently elevating engagement and digital strategy at Second Harvest Food Bank Santa Cruz County. Skilled in developing integrated content strategies across web, email, and social media to drive audience growth and brand affinity. Adept at managing donor engagement, and optimizing digital ecosystems using data-driven insights. Established the organization's first marketing KPIs, launched multi-channel campaigns that increased fundraising and brand awareness. Known for creative direction, and leading high-impact projects from concept through execution.

EXPERIENCE

Sr. Director, Donor Stewardship

Sep 2025 – Present

Second Harvest Food Bank Santa Cruz County

- Initiated new revenue streams through online platforms: SMS appeal campaigns, online silent auction, expanded direct mail campaigns.
- Developed training modules and documentation to train staff.
- Implemented revenue strategies through statistical analysis.
- Maintained frequent interaction with leadership to measure goal achievement and determine areas of improvement.
- Led departmental transformation initiatives, aligning resources and processes with strategic objectives. Migration to new tech stack with new CRMs, Double the Donation application, FreeWill.

Sr. Director, Marketing Communications

Oct 2021 – Sep 2025

Second Harvest Food Bank Santa Cruz County

- Effective communication and advocacy with diverse stakeholders.
- Provide consistent and ongoing community-wide messaging donors, board members, staff, volunteers, and recipients.
- Establish first marketing and communication goals and comprehensive annual plan
- Execute plan in addition to unplanned pivot due to emergency response
- Establish organization's first Marketing KPIs
- Strategically generate content to relay messaging for all 'markets' served
- Coordinate all media relations for The Food Bank including submitted news articles, op-eds, newspaper ads, radio, television, website, and social media
- Analyze engagement trends on social media, adjust text and images accordingly
- Write press releases, media alerts, articles, announcements, talking points, and advertisement scripts to promote and educate on behalf of The Food Bank

- Develop tools for Development and Programs departments to manage fundraising, stewardship, education, and ad hoc special events
- Maintain relationships with important partner/vendors, and advocates, and other community-based organizations
- Manage and update website with blog articles, news/tear sheets, current fundraising campaigns, asset/ food mapping functionality, and event calendar
- Story-telling of lived experiences of donors, volunteers, recipients, and board members for stewardship and donation purposes
- Logo refresh based on 360 degree analysis with interviews with all segments of community for vesting interest and buy-in of sentimental logo
- Coordinate and supervise media relations as PIO and act as a liaison with media, Food Bank staff and recipients
- Social media: expansion of platforms, followers, and engagement
- Concerted effort towards consistent look, feel, and messaging tone
- Annual report expand to include pandemic impact report, coverage of 50th anniversary year, and pandemic timeline

Account Manager, Strategist, Principal

Jan 2009 – Jan 2021

One Umbrella Marketing, Inc.

- Working with wide ranging industries from network security, to art publishing provided opportunity apply strategies, skills, and new UI applications for all clients
- Provided strategic, scalable, outsourced marketing from high level 365 degree analysis to project management.
- Copywriting: tone shift for varied media including websites, printed collateral, presentation & pitch decks, press releases, and social media.
- Graphic Design/Art Direction: production level graphic design and art direction with freelance graphic artists.
- Social Media: content generation and scheduling.
- Collateral: flyers, catalogs, direct mail, posters, product sheets.
- Websites: editing existing sites, refreshing content for existing sites, and total re-design with storyboarding for new sites.
- Email Marketing: database management, content creation, broadcasting
- Budgetary and Deadline adherence: some clients prefer to work by the project and others prefer retainer
- Both modes provided valuable estimating and time-management skill development
- Managed a portfolio of accounts by providing timely support and guidance.

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Sunday, February 22, 2026 9:57:14 PM

Commission Application

First Name	Kais
Last Name	Zafer
Address1	[REDACTED]
Address2	[REDACTED]
City	Morgan Hill
State	CA
Zip	95037
Home Phone Number	<i>Field not completed.</i>
Cell Phone Number	[REDACTED]
email address	[REDACTED]
Occupation	Data Scientist
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	[REDACTED]
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	<i>Field not completed.</i>

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- [Parks & Recreation](#)

- [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Parks and Recreation Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Library, Culture, and Arts Commission

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

No I have not.

What skills and/or experience do you possess that would be important to your role as a commissioner?

My professional background in data analytics and strategic planning, combined with my personal experience as an active resident, position me to make immediate contributions to the Commission.

As a Data Scientist, I specialize in analyzing complex datasets to predict future trends and optimize for maximum ROI. I plan on applying these skills to help the Commission ensure that our planning evolves alongside demographic shifts, and that every tax dollar is spent on delivering maximum value for the growing Morgan Hill community.

Additionally, my job frequently involves working with stakeholders from various teams that have diverging goals, often requiring me to manage different priorities and expectations while delivering solutions that work for everyone. I look forward to bringing this experience into the commission, helping ensure residents with different priorities/goals feel heard and valued!

What do you understand the role of the commission to be and why would you like to serve on this commission?

I understand the Commission's role is to act as an advisory body to the City Council, not just on programs, but on long-term planning and development. This includes ensuring that new projects align with plans/initiatives and advising on the budget to ensure fiscal responsibility.

I would like to serve because my wife and I recently chose Morgan Hill as our long-term home to raise our 6-month-old son. We love the community, including the beautiful parks and trails, and want to help ensure Morgan Hill keeps its charm! Additionally, as an avid runner, I am a frequent user of the city sidewalks/trails - which gives me a firsthand perspective on maintenance needs and potential safety blind spots. I want to combine this personal passion with my professional background in resource optimization.

What would you like to accomplish as a commissioner?

I have two main goals I would love to accomplish as a commissioner:

1. Help the city make the smartest possible decisions with our parks budget by looking closely at what facilities residents actually use the most. I'd love to base decisions on actual usage data (when available) so investments in parks/cultural facilities deliver the greatest benefit to the community.
2. I want to ensure our playgrounds and neighborhood parks are safe, shaded, and well-maintained for families raising their kids here in Morgan Hill. I want to also ensure our park development and recreation programs are keeping up with the growth in our community.

What are the greatest opportunities facing the community in regards to this commission?

I believe Morgan Hill is attracting a lot of young families such as mine, and the commission has the unique opportunity to modernize our spaces to fit what residents actually need today. Instead of just maintaining what was built decades ago, we have the chance to really look at how our parks are being used and ask the right questions, such as: Do we need more open grass, or do we need better-shaded playgrounds, cleaner restrooms, and spaces for growing sports? The biggest opportunity is ensuring our parks and amenities deliver value not only for current residents, but for future residents as well!

If you are an incumbent seeking reappointment:

Are you next in line to serve as Chair or Vice-Chair?

No

Are you currently serving on a committee

No

Are you assigned to a

No

special project?

If you are assigned to a special project, please describe the project. *Field not completed.*

Please review the City Council Ethics Policy [City Council Ethics Policy](#)

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities s which I may be assigned; and that I will practice the core values set forth in this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to which I am appointed, unless excused by the Chair.

Date 2/22/2026 10:00 PM

Email not displaying correctly? [View it in your browser.](#)

Kais B. Zafer

[REDACTED] Morgan Hill, CA 95037
[REDACTED]

Honorable Members of the Morgan Hill City Council,

I am writing to express my interest in serving on the Morgan Hill Parks and Recreation Commission. My wife and I chose to plant our roots here to raise our six-month-old son, drawn to the city's small-town charm, great parks/trails, and welcoming community. I would be honored to actively contribute my time to help ensure our public amenities remain high quality.

By Day, I am a Data Scientist who specializes in identifying and forecasting trends whilst optimizing resource allocation to maximize ROI. I would love to apply my analytical mindset to the Commission's work, ensuring our project recommendations are strategically sound and sustainable (especially in light of the budgetary constraints the city is facing).

Beyond my professional background, I am a dedicated user of our city's trails and parks. As a runner, I have a boots on the ground perspective of Morgan Hill's trails, parks, and streets. This daily engagement makes me quite interested in the execution of the *Comprehensive Safety Action Plan* to ensure our trails, sidewalks and parks are safe all throughout our community.

I would be honored to bring both my data-driven professional expertise and my personal dedication as a local father to the Parks and Recreation Commission, helping to ensure our amenities scale sustainably alongside our growing community.

Thank you for your time and consideration.

Sincerely,

Kais B. Zafer

Kais B. Zafer

Morgan Hill, CA

Description

Senior Data Analytics Professional with 7+ years of experience in Data Analytics and Business Intelligence. Proven track record of leveraging supervised machine learning models (XGBoost, Regression) to drive strategic decision-making. Experience building self-service AI solutions using Cortex Analyst/Agent and Windsurf, and designing ETL pipelines via Apache Airflow and Python. Expert in Advanced SQL for complex data manipulation. Passionate about transforming complex data into clear, actionable insights for stakeholders

Professional Experience

Realtor.com | Senior Data Analyst - Client Analytics | Remote

June 2022 – Present

- Owned analytics for the premium seller offering from Alpha through General Availability, scaling the product to \$4M+ ACV.
- Developed a dynamic nationwide pricing/lead availability model that drove margin expansion while ensuring positive client ROI. Enabled scaling with minimal disruption to existing products.
- Leveraged Windsurf IDE and Claude Opus to build an automated allocation model that dynamically updated market distribution to products depending on fulfillment benchmarks.
- Developed a chatbot via Cortex Analyst/Agent that automated responses to complex inquiries, providing the business with performance insights without analyst intervention.
- Leveraged a regression analysis that identified time to dial latency as a statistically significant predictor of conversion, resulting in the implementation of a 9-minute SLA to boost conversion rates.
- Developed a one stop shop Streamlit reporting dashboard that provided snapshot reporting on product performance from a fulfillment, client, and consumer perspective.
- Spearheaded a revenue recovery initiative by identifying operational leakage and engineering matching logic with 70%+ accuracy, resulting in the recapture of \$2.2m in revenue.
- Ran analyses that predicted performance of different segments of leads in other product offerings, used storytelling and leveraged visualizations and powerpoints to enable the Chief Revenue Officer to make key decisions that helped inform strategic decisions.
- Established a unified Data Governance framework, standardizing KPI definitions across business units and eliminating reporting discrepancies to ensure a single source of truth. Disabled old custom reporting/dashboarding in the process, helped teams achieve a consistent understanding of performance.

SAAMA | Senior Consultant | Campbell, CA

January 2020 – May 2022

- Worked cross-functionally with engineering, product, project management, and client teams to collect business requirements, design and develop BI solutions, conduct testing, and deploy over a hundred custom analytics for the Clinical Online Data Repository - used by thousands of users.
- Provided technical leadership in all phases of BI implementation work, from data sourcing and mapping to testing and deployment. Worked with Apache Airflow to configure and schedule adapters to load and monitor data flow.
- Created URS and RRS Documentation for analytics to capture user requirements, data sources, and SQL procedures and mappings used. Created and designed online help documentation to drive user engagement on newly developed analytics.
- Designed and developed complex SQL Queries - used advanced SQL functionality to develop scripts that pulled data from Veeva eTMF, Rave EDC, and CTMS Systems. Ran lead performance tuning exercises that involved optimizing SQL scripts for optimal data pipeline performance.
- Conducted design and code reviews for offshore team's implementation work-spoke for team's work in triweekly project status meetings.
- Designated as the implementation team's product trainer-trained new team members and business users on how to use product.

SMART Modular | Business Intelligence Developer/ Systems Analyst | Newark, CA

July 2018 – Dec 2019

- Developed, designed, and deployed numerous BI dashboards that analyzed and reported historical data for high volume customers whilst offering projections for future data trends.

- Designed and implemented complex Alteryx workflows that migrated data from multiple data sources; slashed costs by automating 30+ hours of previously conducted manual work.
- Migrated packages/jobs from SSIS to Alteryx, scheduled jobs using Alteryx scheduler and developed daily status reports on data health/potential data integrity issues. Documented workflows/changes done.
- Maintained legacy dashboards/databases/macros, worked with users in Asia/Europe time zones to make changes as business and user requirements evolved.

Technical Skills

Languages: Python (Pandas, NumPy, Streamlit), SQL (Snowflake, PostgreSQL)

Machine Learning: Linear Regression, XGBoost, Predictive Modeling, Supervised Learning.

Tools & Platforms: Apache Airflow, Alteryx, Cortex Analyst/Agent, Windsurf IDE

Business Intelligence: Tableau, Qlik, Yellowfin.

Education

San Jose State University

Bachelor of Science, Business Analytics

Coursework

- Statistical Analysis | Data Mining | Marketing Research | Database Management Systems
- Quantitative Business Analysis | Calculus | Object Oriented Programming

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Monday, February 23, 2026 12:17:26 PM

Commission Application

First Name	Charlotte
Last Name	Reinthalder
Address1	[REDACTED]
Address2	[REDACTED]
City	Morgan Hill
State	CA
Zip	95037
Home Phone Number	[REDACTED]
Cell Phone Number	[REDACTED]
email address	[REDACTED]
Occupation	Assistant Deputy Clerk
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	None.
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	None.

Commission Webpages

Please visit the links for each commission's webpage for more info:

- [Planning Commission](#)
- [Parks & Recreation](#)

◦ [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Planning Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Parks and Recreation Commission

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

No.

What skills and/or experience do you possess that would be important to your role as a commissioner?

My professional experience has strengthened three skills that I believe are essential for a Planning Commissioner: the ability to learn quickly, communicate clearly, and collaborate effectively.

In my role with the Office of the Clerk of the Board at Valley Water, I regularly work with complex agenda materials, policies, and legal requirements. This has required me to become a fast and thoughtful learner—able to absorb new information, understand the broader context, and ensure details are accurate and compliant. At the same time, I recognize the importance of humility in that process. When working with subject-matter experts, attorneys, engineers, or policy staff, I understand when it is appropriate to defer to those with deeper technical expertise while I continue building my own understanding. My approach is to listen carefully, ask informed questions, and learn from experienced colleagues so that over time I can contribute more meaningfully. That balance—being proactive about learning while respecting expertise—is something I value in collaborative decision-making environments.

Clear communication is also central to my work. I coordinate with staff across departments, board members, and the public to ensure information is accurate, accessible, and well understood. I value asking thoughtful questions, listening carefully, and helping keep discussions focused and productive.

Finally, collaboration has been a constant thread throughout my career. Whether coordinating with internal teams, supporting a governing board, or organizing large initiatives and events, I work to bring people together around shared goals. As a commissioner, I would approach decisions with curiosity, respect for different perspectives, and a commitment to working constructively with fellow commissioners, staff, and the community.

What do you understand the role of the commission to be and why would you like to serve on this commission?

My understanding is that the Planning Commission plays an important role in reviewing development proposals, evaluating how they align with the City's General Plan and zoning regulations, and making recommendations or decisions that shape how Morgan Hill grows. The commission serves as a bridge between city staff, applicants, and the community, helping ensure that projects are thoughtfully considered and consistent with the city's long-term vision.

As a community member, I have often found myself paying attention to local development and asking questions about how certain decisions are made. That curiosity is a large part of why I would like to serve. Rather than remaining on the outside of the process, I would value the opportunity to better understand the planning framework, the constraints the City works within, and the many factors that must be balanced in land-use decisions.

I also believe I could contribute a practical perspective. In my professional experience, I focus on how systems and decisions fit together and whether they make sense both individually and as part of a larger plan. I value thoughtful organization, clarity, and long-term thinking. As a commissioner, I would aim to approach proposals with an open mind, ask constructive questions, and ensure that decisions reflect both the City's policies and the everyday experience of the community.

Finally, I think an important part of public service is helping build trust in the process. I would hope to serve as someone who can listen to community concerns, think through issues carefully, and help communicate why decisions are made. Even when people may disagree with an outcome, transparency and clear reasoning can go a long way toward strengthening confidence in local government.

What would you like to

I care deeply about Morgan Hill and would want my service on the commission to help the city grow thoughtfully while

accomplish as a commissioner?

preserving the character that makes it special. My goal would be to support planning decisions that keep Morgan Hill a place where families want to live, where neighborhoods feel connected, and where development fits naturally within the community.

I'm especially motivated by the idea that the decisions being made today will shape the city my children and future generations experience. If selected, I would approach the role with care, common sense, and a long-term perspective, always asking whether a decision helps maintain the identity and quality of life that people value about Morgan Hill.

What are the greatest opportunities facing the community in regards to this commission?

One of the greatest opportunities facing the community is guiding growth in a way that strengthens Morgan Hill while preserving the qualities that make people choose to live here. Cities across California are evolving, and the Planning Commission has a meaningful role in helping ensure that new development fits thoughtfully within the existing community rather than feeling disconnected from it.

I see a real opportunity to focus on how projects relate to their surroundings—how neighborhoods connect, how public spaces function, and how development contributes to the overall character of the city. When planning is done well, it creates places that feel intentional, cohesive, and lasting.

There is also an opportunity to build understanding and trust in the process. Development decisions can sometimes feel confusing or frustrating for residents, and I think the commission can play an important role in helping the community understand the reasoning behind decisions and how they align with the city's long-term plans.

If you are an incumbent seeking reappointment:

Are you next in line to serve as Chair or Vice-Chair?

No

Are you currently serving on a committee

No

Are you assigned to a special project?

No

If you are assigned to a special project, please describe the project.

Field not completed.

Please review the City

[City Council Ethics Policy](#)

Council Ethics Policy

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities s which I may be assigned; and that I will practice the core values set forth in this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to which I am appointed, unless excused by the Chair.

Charlotte D. Reinthaler

Date

2/23/2026 12:00 PM

Email not displaying correctly? [View it in your browser.](#)

February 23, 2026

City of Morgan Hill
Office of the City Clerk

Dear Members of the Selection Committee,

I am writing to express my interest in serving on the Morgan Hill Planning Commission. My professional experience combines public-sector governance with private-sector planning and logistics, giving me a thoughtful and practical perspective on how decisions shape communities.

In my current role with the Office of the Clerk of the Board at Valley Water, I work closely with a governing body and the public processes that support transparent decision-making. I prepare and review board agenda materials, ensure compliance with the Brown Act and other legal requirements, and help maintain the legislative record of the agency. This work requires careful attention to detail, neutrality, and a deep respect for the role public boards play in shaping policy and community outcomes. Being part of that process has strengthened my understanding of how thoughtful preparation and clarity lead to better decisions.

Earlier in my career with Target, I developed a strong foundation in planning, spatial awareness, and logistics as a Visual Merchandising Lead and Stores Visual Director. The work centered on how elements function together—how placement, flow, and organization influence the overall experience. I often think of this as the discipline of juxtaposition: ensuring that what sits next to something else makes sense, serves a purpose, and contributes to a cohesive whole. That same mindset translates naturally to planning and development. Communities function best when design, infrastructure, access, and long-term vision are aligned.

Across both roles, a common thread in my work is a commitment to making systems function clearly and effectively. Whether reviewing agenda items for completeness and compliance or coordinating complex store transitions and staffing logistics, I focus on the details that allow larger plans to succeed. I value collaboration, thoughtful analysis, and asking the practical question: does this make sense, both individually and as part of the bigger picture?

I am particularly interested in contributing these skills to Morgan Hill's continued growth. Planning decisions have lasting impacts, and I would welcome the opportunity to support development that is balanced, transparent, and responsive to the community.

Thank you for your time and consideration. I would be honored to contribute my experience in governance processes, planning logistics, and collaborative problem-solving to the Planning Commission.

Sincerely,

Charlotte Reinthaler

Charlotte D. Reinthaler, CMC

Charlotte D. Reinthaler, CMC

OBJECTIVE

Highly motivated strategic thinker who demonstrates a collaborative approach to leading teams with attention to detail, confidentiality, discretion, discernment, maintaining impartiality amidst divergent viewpoints and interests, and ensuring compliance with the Brown Act, District Act, and Governance policies.

EMPLOYMENT

SANTA CLARA VALLEY WATER DISTRICT – San Jose, California

Clerk of the Board | *Assistant Deputy Clerk II*

5/2020-Present

- Communicates concisely and efficiently, both written and verbally. Employs critical thinking and sound decision-making. Demonstrates situational awareness and exercises tact, sensitivity, confidentiality, and discretion. Ability to work with considerable initiative and independence while exercising good judgment in recognizing the scope of authority.
- Working knowledge of the functions of the Valley Water Board of Directors, and the Santa Clara Valley Water District. Essential knowledge of the California Public Records Act and the Brown Act. Working knowledge of the legal requirements for various matters routinely brought before the Board, including publication and notices. Knowledge of principles, practices, and methods of records management applicable to local government.
- Prepares Board agendas; reviews agenda items to ensure that all submittals are complete and adhere to District Policy and legal requirements. Collaborates with staff and other stakeholders, providing input and follow-up to ensure accuracy and clarity. Demonstrated knowledge of the minute-taking process and has contributed to sustainable social and structural change to this process. Performs document processing and acts as a custodian of historical records, ensuring staff and the public have access to legislative history in a timely manner.
- Created and maintains a variety of files, records, lists, and resource materials for the Office of the Clerk of the Board.
- Strongly engaged in the Valley Water workforce; has served on a variety of committees, most recently as the Employee Recognition Committee Chairperson and Parliamentarian on the Board for the Organization for Latino Affairs. Regularly supports activities within the agency to show commitment to the Valley Water mission, foster team collaboration, and enhance overall organizational effectiveness.

TARGET CORP – Minneapolis, Minnesota

Visual Merchandising Lead | *Stores Visual Director*

10/2015-2020

- Enforces the Target brand and communicates directions from Corporate to Executive Team Leaders and Team Members in individual and group settings.
- Provides in-depth reports of transitions, identifying hindrances to completion and offering solutions for Leaders to implement. Provides a weekly, monthly, and yearly comparable company analysis of store sales.
- Works closely with Store Directors within the West Coast division for the planning of departmental transitions to ensure seamless and holistic guest experience throughout the store. Ensure staffing and scheduling reflects business needs.
- During interim periods, identifies areas of opportunity and provides direction to Leaders to ensure the store is consistently driving sales.
- Interview, hire, validate training, and mentor Team Leaders creating road maps to growth and development. Enthusiastic about challenges, encouraging the teams, and being engaged in the community.

EDUCATION

INTERNATIONAL INSTITUTE OF MUNICIPAL CLERKS - Rancho Cucamonga, CA

Certified Municipal Clerk

SAN JOSE CITY COLLEGE - San Jose, California

Business Major, in progress | GPA: 3.84 | Bachelor of Science in Business, Leadership and Management Certificate

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Wednesday, January 28, 2026 2:20:15 PM

Commission Application

First Name	Daisy
Last Name	Villasenor
Address1	[REDACTED]
Address2	<i>Field not completed.</i>
City	Morgan Hill
State	CA
Zip	95037
Home Phone Number	[REDACTED]
Cell Phone Number	[REDACTED]
email address	[REDACTED]
Occupation	Health Information Management Specialist
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	n/a
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	<i>Field not completed.</i>

Commission Webpages

Please visit the links for each commission's webpage for more info:

- [Planning Commission](#)
- [Parks & Recreation](#)

◦ [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Planning Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Parks and Recreation Commission

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

n/a

What skills and/or experience do you possess that would be important to your role as a commissioner?

My career in Health Information Management has trained me to handle and verify data. I actually enjoy reading and checking the fine print, which I would continue to do to ensure we are making evidence-based decisions for our city.

What do you understand the role of the commission to be and why would you like to serve on this commission?

I understand the Planning Commission to be an advisory body to the City Council, in regards to development plans and projects in Morgan Hill. They review applications, communicate with the people, and make sure everything is organized, compliant, and respectful to Morgan Hill. I want to serve as a native who intends to continue living here for the next few decades and wants to deepen their roots in the community, and I want to be someone that can use my skills and connections to help Morgan Hill grow sustainably while also preserving our small town feel.

What would you like to accomplish as a commissioner?

Ultimately, I want to be part of a Commission that makes Morgan Hill known as a fiscally sustainable, environmentally responsible, and accessible town for all ages and abilities. I want to look back

and know that I helped approve projects that added value to our community, protected our native beauty, and ensured that the next generation of Morgan Hill residents have a place to call home

What are the greatest opportunities facing the community in regards to this commission?

I believe the biggest opportunity I see is the chance to modernize our growth without losing our character. I'm a big fan of Form-Based Code because it shifts the focus to how a building actually looks and interacts with the street. By prioritizing the physical form and native landscaping of new projects, we can meet our housing goals while ensuring the results are beautiful and walkable.

If you are an incumbent seeking reappointment:

Are you next in line to serve as Chair or Vice-Chair?

No

Are you currently serving on a committee

No

Are you assigned to a special project?

No

If you are assigned to a special project, please describe the project.

Field not completed.

Please review the City Council Ethics Policy

[City Council Ethics Policy](#)

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities which I may be assigned; and that I will practice the core values set forth in

Daisy Villasenor

this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to which I am appointed, unless excused by the Chair.

Date

1/28/2026 2:30 PM

Email not displaying correctly? [View it in your browser.](#)

Daisy Villasenor



Dear Honorable Mayor and Members of the City Council,

Please accept this letter as a formal expression of my interest in serving on the Morgan Hill Planning Commission. As someone who was born and raised here, I have a deep appreciation for our city's history and a real stake in its future. Now, as I turn 30, I am eager to take my years of community involvement and put them to work in a formal role that helps shape the city's growth for the next generation.

My background offers a mix of technical expertise and community-centered leadership. In my career as a Health Information Management (HIM) Specialist at Kaiser Permanente, my daily work is all about accuracy and following state and county rules. This has prepared me to dive into the details of environmental studies and zoning codes with a sharp eye. I'm used to making decisions based on facts and evidence, and I understand how important it is to keep things transparent and high-quality when handling public information.

For over a decade, I've had the privilege of being a cheer coach for the Morgan Hill Raiders and Britton Middle School. The experience taught me that coaching is about so much more than just the sport. I've learned a lot when working through disagreements and concerns with parents, listening to students, and keeping a cool head when things get stressful. I've learned how to be fair and transparent, which I think is exactly what's needed when discussing the future of our town.

Growing up here, I still remember our city's deep agricultural roots, but I also see the real-world challenges we're facing with growth and housing. I am personally invested in making sure Morgan Hill stays a place where the kids I coach today can actually afford to grow up, work, and start their own families tomorrow. I am also a huge fan of our local landscapes. I would love to bring that passion to the Commission to ensure that as we grow, we continue to prioritize the green, native, and water-efficient landscaping that keeps Morgan Hill beautiful.

I am fully prepared to commit the time needed for meetings, site visits, and the "homework" required for each project. I believe my professional background and my roots as a coach would make me a balanced and dedicated addition to the Commission.

Thank you for your time and for everything you do for our city. I look forward to the possibility of discussing how I can help.

Sincerely,

Daisy Villasenor

DAISY J. VILLASENOR

Morgan Hill, CA 95037 | [REDACTED]

EXPERIENCE

Health Information Management Specialist | Kaiser Permanente – Santa Clara, CA

July 2022 – Present

- Manage the creation of legal vital records (birth/death) via CAL-IVRS, ensuring 100% accuracy for Santa Clara County Vital Records.
- Review medical and legal documents for strict adherence to state standards and proper documentation protocols.
- Act as a primary liaison between county officials, hospital departments, and community partners to ensure seamless data transfer.

Admitting Representative | Kaiser Permanente – Santa Clara, CA

July 2018 – July 2021

- Trained staff on department policies, software systems, and legislative compliance.
- Provided high-level service in a fast-paced environment, de-escalating stressful situations with patience and clarity.
- Managed point-of-service collections and financial data entry with rigorous attention to detail.

Boba Barista / Trainer | T4 TEA FOR U – Morgan Hill, CA

September 2017 – March 2019

- Gained professional experience in a local small business, taking & making accurate orders, managing inventory and maintaining cleanliness.

Head Cheerleading Coach | Morgan Hill Raiders/San Jose

August 2013 – Present

- Directed multiple youth teams within the Morgan Hill and San Jose communities, fostering discipline, teamwork, and civic pride.
- Organize fundraising and interpret regional/national competition rules to lead teams to Top 3 rankings.

SKILLS

- Regulatory Compliance, Inter-Agency Liaison, Conflict Resolution.
- EPIC, CAL-IVRS, Electronic Health Records (EHR), POS Financial Systems.
- Microsoft Office Suite.

EDUCATION

Associate of Arts: Liberal Arts & Sciences Gavilan College – Gilroy, CA

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Friday, February 13, 2026 11:38:47 AM

Commission Application

First Name	Julianne
Last Name	Whitelaw
Address1	[REDACTED]
Address2	<i>Field not completed.</i>
City	Morgan Hill
State	CA
Zip	95037
Home Phone Number	[REDACTED]
Cell Phone Number	<i>Field not completed.</i>
email address	[REDACTED]
Occupation	Communications
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	[REDACTED]
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	<i>Field not completed.</i>

Commission Webpages

Please visit the links for each commission's webpage for more info:

- [Planning Commission](#)
- [Parks & Recreation](#)

◦ [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Planning Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Parks and Recreation Commission

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

No

What skills and/or experience do you possess that would be important to your role as a commissioner?

I bring 30 years of business and leadership experience, working on complex issues that require clear strategic thinking and sound pragmatic judgment. I have led large teams, managed high-pressure situations, and built consensus among people with different viewpoints. My long-standing involvement in the local running community, Freedom Fest, and other volunteer efforts has given me a strong connection to Morgan Hill and an understanding of how city decisions affect residents. I am skilled at listening to different perspectives, asking thoughtful questions, and weighing trade-offs. I would bring a balanced, community-focused, and detail-oriented approach to my role as a commissioner.

What do you understand the role of the commission to be and why would you like to serve on this commission?

The Planning Commission reviews development and land use proposals, approves certain permits, and advises the City Council on how Morgan Hill should grow and change. It helps ensure projects align with the city's long-term growth plans and considers their impact on residents and quality of life. I'd like to serve because I care a lot about how our city evolves, and how we skillfully manage our expected growth rate over the next 10

years.

What would you like to accomplish as a commissioner?

I want to help Morgan Hill continue to grow in a way that feels exciting and sustainable for the people who live and work here. I embrace the growth we're seeing, the businesses it brings, and the energy it adds to our downtown. At the same time, I want to make sure we protect the charm, character, and history that make Morgan Hill feel like home. As a commissioner, I'd focus on decisions that support a vibrant local economy without placing unnecessary burdens on residents and businesses, aiming for the right balance between welcoming change and preserving what makes this community special.

What are the greatest opportunities facing the community in regards to this commission?

One of the biggest opportunities is to help Morgan Hill grow in a way that feels intentional and true to who we are as a community. The commission can encourage development that supports our growing population with the right mix of housing, services, and businesses, with a clear focus on sustainable growth. That includes continuing to invest in a vibrant downtown and creating more neighborhood-friendly spaces that complement residential areas, like Lawson's Bakery on Monterey. It also means balancing new housing with the infrastructure and services needed to support it. Overall, there is an opportunity to support projects that make it easier to live, work, and spend time here without losing our town charm. The last thing we want to do is become another San Jose.

If you are an incumbent seeking reappointment:

Are you next in line to serve as Chair or Vice-Chair?

Field not completed.

Are you currently serving on a committee

No

Are you assigned to a special project?

No

If you are assigned to a special project, please describe the project.

Field not completed.

Please review the City Council Ethics Policy

[City Council Ethics Policy](#)

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be

Julianne Whitelaw

appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities s which I may be assigned; and that I will practice the core values set forth in this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to which I am appointed, unless excused by the Chair.

Date

2/13/2026 11:30 AM

Email not displaying correctly? [View it in your browser.](#)

February 13, 2026

City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

Dear Members of the Morgan Hill City Council,

I've lived in Morgan Hill for 25 years, and during that time I've come to care deeply about our city and the people who live here. I'm applying to serve on the Planning Commission because I want to help ensure that Morgan Hill's growth and development remain thoughtful, deliberate, and reflective of what makes our community special.

Over the years, I've built strong connections through local events, volunteering, school, and the running community. I've consistently volunteered at Freedom Fest, served as President of the South Valley Running Club, and worked as Race Director for the Mt. Madonna Challenge. Those roles have given me the chance to collaborate with the community, make lifelong friends, and contribute to Morgan Hill in meaningful ways.

I'd like to now serve our town on the team that helps guide Morgan Hill's future growth so it continues to serve everyone who lives here today and in the future.

Thank you for considering my application.

Sincerely,

Julianne Whitelaw

████████████████████

Julianne Whitelaw

[REDACTED], Morgan Hill, CA | [REDACTED]

Visionary communications leader with 30 years of experience crafting and executing global strategies that enhance company reputation, foster impactful storytelling, and drive audience engagement. Highly creative professional with a proven ability to conceptualize and deliver innovative communication campaigns that inspire and resonate. Proven track record in leading high-performing teams, managing crises, and partnering with executives to align communication initiatives with business objectives.

UNITY (2024-PRESENT)

SENIOR DIRECTOR, HEAD OF CORPORATE, EMPLOYEE AND INTERNATIONAL COMMUNICATIONS

- Shape how the world sees and understands Unity, one of the most important gaming companies on the planet.
- Lead corporate reputation, crisis response and risk mitigation, corporate storytelling, CEO communications, financial communications, employee comms, business and broadcast media, and comms programs across the UK, Japan, and Korea.
- Achieve impactful results, including the successful introduction of a new CEO, the rollback of controversial policies, and the launch of the company's most significant product in seven years.
- Spearhead a transformation in the communications culture by refreshing the earnings approach, embracing new media outlets (podcasts, social livestreams), and cultivating relationships with top-tier journalists such as *Bloomberg*, *CNBC*, *The Wall Street Journal*, *Forbes*, and *The Verge*.

INTEL CORPORATION (2020-2024)

SENIOR DIRECTOR, GLOBAL COMMUNICATIONS AND HEAD OF STORY LAB

- Built and led Intel's award-winning Story Lab organization, the company's first in-house creative storytelling team made up of writers, designers, producers, videographers, and social media experts.
- Modernized, designed and executed 360-degree strategies amplifying Intel's reputation and achieving:
 - 1.5M unique views on Intel's Newsroom
 - 11M views on YouTube
 - 600% higher LinkedIn engagement for Story Lab content vs. baseline
 - 99% monthly employee engagement rate on new internal comms platform
- Partnered with executives to create cohesive narratives, significantly elevating executive communications and thought leadership.
- Recognized with the *2024 Top Achievers Team* award for consistently delivering innovative, high-impact communications.
- Managed a team of 40.

EBAY (2018-2020)

SENIOR DIRECTOR, HEAD OF GLOBAL CORPORATE COMMUNICATIONS

- Directed the corporate communications strategy and partnered with C-suite executives to navigate critical positive and negative company moments, including major company announcements, earnings and M&A, CEO departure, activist investor challenges, and a DOJ/FBI investigation.

- Strengthened eBay's corporate narrative and up-leveled executive and technology communications, achieving broader media visibility and enhancing the company's leadership position.
- Established eBay's Creative Studio, delivering storytelling and experiences that brought the marketplace to life for global audiences across multiple channels.
- Managed a team of 20.

WEBER SHANDWICK (2011-2017)

EXECUTIVE VICE PRESIDENT, CORPORATE AND TECHNOLOGY PRACTICE LEAD (WEST COAST)

- Built the West Coast Corporate Practice and led the Technology Practice, managing 75% of regional revenue and providing strategic counsel on positioning, thought leadership, media strategy, and crises.
- Led the global Qualcomm account, working with senior communication partners at the company to manage high-stakes situations including regulatory investigations, lawsuits, and an activist investor campaign, as well as entering new markets and introducing new technologies.
- Other direct clients included American Airlines, General Motors, Motorola, Sutter Health, and Ubisoft.
- Managed a team of 50.

CISCO (2000-2011)

DIRECTOR, CORPORATE POSITIONING AND EXECUTIVE COMMUNICATIONS (2007-2011)

+ OTHER ROLES IN PR AND EXECUTIVE COMMS (2000-2007)

- Developed Cisco's corporate narrative, ensuring consistency across all external and internal channels.
 - Led communications for the Emerging Markets region, driving awareness and engagement across 130 countries while living and working in the UK.
 - Managed executive communications for senior leaders, creating impactful messaging strategies during business transformations and global campaigns.
-

AWARDS

- Silver Anvil & Golden Quill Award for Crisis Communications
 - Ragan Communications Creative Awards for content, design and production²
 - Intel Top Achievers Team Recognition
-

LIFE

- Bachelor of Science, University of Houston Honors College, Magna Cum Laude
- Founder and Executive Director, The Wishbone Foundation (2021–Present)
- Ultra-marathoner since 2008
- Former member of the San Jose Sports Hall of Fame BOD
- 2010 Race Director, Mt Madonna Challenge
- 2012 Runner of the Year, South Valley Running Club
- 2013 President, South Valley Running Club

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Monday, February 23, 2026 4:07:03 PM

Commission Application

First Name	Mike
Last Name	Braxton
Address1	[REDACTED]
Address2	<i>Field not completed.</i>
City	Morgan hill
State	California
Zip	95037
Home Phone Number	<i>Field not completed.</i>
Cell Phone Number	[REDACTED]
email address	[REDACTED]
Occupation	Retired
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	[REDACTED]
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	<i>Field not completed.</i>

Commission Webpages

Please visit the links for each commission's webpage for more info:

- [Planning Commission](#)
- [Parks & Recreation](#)

◦ [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Planning Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Field not completed.

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

No

What skills and/or experience do you possess that would be important to your role as a commissioner?

As a former real estate fraud criminal investigator for the Santa Clara District Attorneys Office I understand how infrastructure, land use, lighting, transit access, and density influence safety and neighborhood stability.

What do you understand the role of the commission to be and why would you like to serve on this commission?

I believe the role of the commission is to advise the city council on long term physical development, land use and zoning policies. I would like to be a part of that.

What would you like to accomplish as a commissioner?

I would like to be that intermediary between the public and city council.

What are the greatest

Development proposal and the cities master plan.

opportunities facing the community in regards to this commission?

If you are an incumbent seeking reappointment:

Are you next in line to serve as Chair or Vice-Chair? *Field not completed.*

Are you currently serving on a committee *Field not completed.*

Are you assigned to a special project? *Field not completed.*

If you are assigned to a special project, please describe the project. *Field not completed.*

Please review the City Council Ethics Policy [City Council Ethics Policy](#)

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities s which I may be assigned; and that I will practice the core values set forth in this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to

which I am appointed,
unless excused by the
Chair.

Date

2/23/2026 3:45 PM

Email not displaying correctly? [View it in your browser.](#)

MIKE BRAXTON

Applicant for Planning Commission



COVER LETTER

To whom it may concern,

As a former officer with the San Jose Police Department and a former District Attorney investigator, Mike understands how infrastructure, land use, lighting, transit access, and density influence safety and neighborhood stability.

I can evaluate development proposals through a multidimensional lens:

- Crime prevention through environmental design
- Traffic flow and pedestrian safety
- Emergency access and infrastructure capacity
- Housing density aligned with community character
- Long-term neighborhood sustainability

I recognize that thoughtful planning is foundational to public safety.

I thank you for your thoughtful consideration

Mike Braxton

Mike Braxton — Candidate for City Planning Commission

Mike Braxton embodies executive-level leadership, disciplined public service, business acumen, and visionary civic thinking—making him exceptionally qualified to serve on the City Planning Commission. His career reflects strategic intellect, steady moral courage, operational management experience, and a deep commitment to building cities that are safe, economically vibrant, and future-ready.

A Strategic Mindset Anchored in Unity

Mike leads with clarity, conviction, and a unifying spirit. His leadership philosophy centers on the belief that growth must strengthen entire communities—not divide them. He approaches planning with long-range vision, principled resolve, and a focus on generational impact. He does not simply evaluate projects—he evaluates outcomes. He does not react to growth—he plans for sustainable progress.

Public Safety Expertise That Shapes Smart Development

As a former officer with the San Jose Police Department and a former District Attorney investigator, Mike understands how infrastructure, land use, lighting, transit access, and density influence safety and neighborhood stability.

He evaluates development proposals through a multidimensional lens:

- Crime prevention through environmental design
- Traffic flow and pedestrian safety
- Emergency access and infrastructure capacity
- Housing density aligned with community character
- Long-term neighborhood sustainability

He recognizes that thoughtful planning is foundational to public safety.

Data-Driven, Policy-Level Analytical Excellence

Mike’s investigative background demanded disciplined reasoning, evidence review, and objective analysis. His leadership style is rooted in “data-driven decision-making”, ensuring policy recommendations are grounded in facts, impact assessments, and measurable outcomes—not rhetoric.

On the Planning Commission, this translates into:

- Rigorous review of zoning and land-use proposals
- Careful analysis of environmental and traffic impact reports
- Growth projections aligned with infrastructure capacity
- Transparent, accountable voting based on evidence

He brings executive composure to complex deliberations—measured, analytical, and future-focused.

Business Management & Fiscal Responsibility

Beyond public service, Mike has successfully managed business operations—developing strategic plans, overseeing budgets, assessing financial risk, and ensuring operational efficiency. This business leadership experience adds a critical dimension to his qualifications.

He understands:

- Economic feasibility of development projects
- Responsible fiscal stewardship
- Return on public infrastructure investments
- Long-term economic sustainability for local communities

City planning is not only about land—it is about economic ecosystems. Mike brings the financial literacy and executive oversight necessary to protect both taxpayers and future growth.

High-Level Governance & Consensus Building

Serving on the executive committee of a major statewide advocacy organization, Mike gained governance-level experience navigating policy frameworks, facilitating stakeholder engagement, and building consensus across diverse perspectives.

He has demonstrated the ability to:

- Balance competing community interests
- Facilitate structured and respectful public dialogue
- Align development goals with community values
- Advance inclusive, forward-thinking solutions

He understands that durable planning decisions are built on trust and collaboration.

Vision for Sustainable and Intelligent Growth

Mike supports:

- Smart, transit-oriented development
- Responsible housing expansion
- Environmental stewardship and climate resilience
- Preservation of neighborhood integrity
- Economic opportunity for small businesses
- Infrastructure planning that anticipates future demand

He views planning as generational stewardship—shaping opportunity, safety, and prosperity for decades.

The Right Leader for the Commission

Mike Braxton brings a rare combination of public safety expertise, investigative precision, data-driven analysis, business management experience, executive governance leadership, and community-centered vision.

His mindset reflects disciplined optimism, unwavering integrity, and principled passion. He listens carefully. He studies thoroughly. He leads decisively.

Mike Braxton is not simply prepared to serve on the Planning Commission—he is prepared to elevate it with strategic, data-informed, and economically sound leadership.

From: noreply@civicplus.com
To: [CityClerk](#)
Subject: Online Form Submittal: Commission Application
Date: Friday, January 23, 2026 12:30:56 PM

Commission Application

First Name	Stephen
Last Name	Adamo
Address1	[REDACTED]
Address2	<i>Field not completed.</i>
City	Morgan Hill
State	CA
Zip	95037
Home Phone Number	<i>Field not completed.</i>
Cell Phone Number	[REDACTED] 6
email address	[REDACTED]
Occupation	Retired from School District
Are you a registered voter?	yes
Please list any properties you own in Morgan Hill	[REDACTED]
Do you have any relatives currently employed by the City of Morgan Hill?	No
If yes, please provide name	<i>Field not completed.</i>

Commission Webpages

Please visit the links for each commission's webpage for more info:

- [Planning Commission](#)
- [Parks & Recreation](#)

◦ [Library, Culture, & Arts](#)

Please select the commission you are interested in serving on

Planning Commission

Please select the commission that would be your second choice. If you do not have a second choice, please move on to the next question.

Parks and Recreation Commission

Please upload a letter of interest or cover letter

[REDACTED]

Please upload a resume

[REDACTED]

Have you ever served on any other citizen advisory commission or committee? If yes, please list and briefly explain the purpose of each one.

CBOC for MHUSD

What skills and/or experience do you possess that would be important to your role as a commissioner?

20 years in school construction and planning, current engagement in current CMH projects and programs mostly supporting and feedback. Knowledge of and experience with public processes.

What do you understand the role of the commission to be and why would you like to serve on this commission?

Minimal understanding of the actual work...but overall assuming both work to further the City's standards and key strategies in reviewing and either approving or recommending approval for projects or programs.

What would you like to accomplish as a commissioner?

Bring a sensible and experienced mindset to the work.

What are the greatest

Finding balance with the identified needs and wants of the community with legal requirements and other guiding principals.

opportunities facing the community in regards to this commission?

If you are an incumbent seeking reappointment:

Are you next in line to serve as Chair or Vice-Chair? *Field not completed.*

Are you currently serving on a committee *Field not completed.*

Are you assigned to a special project? *Field not completed.*

If you are assigned to a special project, please describe the project. *Field not completed.*

Please review the City Council Ethics Policy [City Council Ethics Policy](#)

Please type name to sign. By my signature, I agree to comply with all government regulations, should I be appointed to serve on a City of Morgan Hill Commission or Committee and confirm that I have read the attached Ethics Policy and that I do subscribe to this Policy; that I will apply it to the specific responsibilities s which I may be assigned; and that I will practice the core values set forth in this Policy in my public service for the City of Morgan Hill. Additionally, I commit to attend and participate in all Commission and Committee meetings to

which I am appointed,
unless excused by the
Chair.

Date

1/23/2026 12:30 PM

Email not displaying correctly? [View it in your browser.](#)

Steve Adamo

Morgan Hill CA 95037

Thank you for considering my resume for consideration as a member of City Commissions. I kept the resume succinct as I thought that would be appreciated.

I retired in October of 2020 at the “top of my game” and I think...a young age, 58 ;-)

Sorry for the bit of silliness...but I like to bring a bit of levity to serious work...it helps to relieve some of the stress in what can be a stressful environment in collaborating with so many diverse opinions and “needs”. I have worked in this environment where a balance must be found but with a focus on the “reality” of what the “super-majority” needs and wants are and aligning with established goals and standards.

I am super-interested in supporting our community of Morgan Hill and still like to “work hard” and commit to roles that I assume. I am more interested in serving on the Planning Commission but would also be happy to serve for the Parks Commission. While you did not ask for references, I would encourage you speak with Chris Ghione as he is somewhat familiar with my relative work and experiences.

Respectfully

Steve Adamo

Steve Adamo

Morgan Hill CA 95037

Program Management, Supervision and Consulting

Program Management...Business Development...Team Building...Consulting

More than 36 years of experience in construction including new residential and commercial construction. Leadership team member as a director for large public school agency. Highly innovative and successful leader and team builder, proven leader in effective and efficient procedures and processes realizing the highest levels of productivity and customer satisfaction.

A leader with a unique combination of analytical, creative and problem-solving skills coupled with a keen ability to establish collaboration and business focus

Career history

Retired, Public Works and General Supporter, HOA President; Since retiring in 2020, committed to supporting local community. Engaging with CMH budget cycle, feedback to Public Works Director (Chris Ghione) and generally supporting CMH teams via feedback and involvement. Successfully recommissioning a local HOA dormant (non-compliant) for over 20 years which is self-managed and improving communication, effective and compliant operations, and customer satisfaction.

Director, Construction, Facilities and Operations, San Jose Unified School District 2007-2020
Responsible for **\$1 billion** construction program, maintenance and operations departments as well as purchasing and contracts for all of the SJUSD services. Lead direct and indirect reports totaling more than 200 FTE.

- Program and Construction Management for Design and Construction of School Projects including new and renovation work. Lead teams of designers, staff and contractors, collaborated with the Division of the State Architect for multiple years.
- Manage Maintenance and Operations teams to manage 50 locations with more than 3 million square feet of building space.
- Lead and managed SJUSD's purchasing and contracts department in procuring and managing all contracts for SJUSD.

Manager, Foreman and Carpenter, San Jose Unified School District. 1986-1995, 1997-2007

Foreman and Assistant Superintendent, San Jose Construction 1995-1997
While on leave from SJUSD, worked on a number of new construction and renovation projects for San Jose Construction.

Chapter 2.22 MASTER PROVISIONS FOR BOARDS AND COMMISSIONS*

Sections:

[2.22.010 Establishment of boards and commissions.](#)

[2.22.030 Clerk and secretary.](#)

[2.22.040 Rules of procedure.](#)

[2.22.050 Rules of attendance.](#)

[2.22.060 Meetings.](#)

[2.22.070 Compensation.](#)

[2.22.080 Effect.](#)

* Prior ordinance history: Ords. 811 N.S., 890 N.S., 891 N.S., 1607 N.S. and 1719 N.S.

2.22.010 Establishment of boards and commissions.

A. There are established within the city the following boards and commissions:

1. Planning commission;
2. Parks and recreation commission;
3. Library, culture and arts commission; and
4. Disaster council.

B. Unless otherwise set forth, all members of boards, commissions and committees shall be residents of the city and shall continue to be residents of the city during their terms of office. Notwithstanding the foregoing, individuals who reside within the Morgan Hill Unified School District boundary and who do not otherwise reside in any city other than Morgan Hill may be appointed to boards, commissions and committees provided that no more than thirty percent of the members of any board, commission or committee shall be non-Morgan Hill residents.

C. Members shall be appointed by the mayor subject to approval of a majority vote of the city council and may be removed without cause by vote of any three members of the city council.

D. The appointment terms of members may be extended, at the discretion of the city council, until such time as a successor member may be appointed and take office.

E. Vacancies in the commission occurring other than by expiration of term shall be filled for the unexpired term in the same manner as original appointments.

F. The members of the commission shall organize the commission and shall elect from its members a chair and vice-chair and such other officers as may be necessary in accordance with adopted city council policy.

(Ord. 1778 N.S. § 2 (part), 2006)

(Ord. No 1930 N.S., § 2, 4-22-2009; Ord. No. 1935 N.S., § 1, 6-3-2009)

2.22.030 Clerk and secretary.

The city clerk or designate shall also act as clerk for each of the boards and commissions and shall have authority to sign any official notices and also to certify any resolution of the commissions or boards. The city council may appoint a person not a member of the commission or board to act as secretary of the commission or board. The secretary shall keep a record of all proceedings of said board or commission, its resolutions, its findings and actions, which records shall be a public record and kept with the city clerk in the City Hall building.

(Ord. 1778 N.S. § 2 (part), 2006)

2.22.040 Rules of procedure.

A. The chair shall preside at all meetings of the board or commission. The vice chair shall assume the duties of the chair in the absence of or in case of inability of the chair.

B. A majority of the members of the commission or board shall constitute a quorum for the transaction of business.

C. Unless otherwise specified herein, each board or commission may adopt its own rules and regulations for the transaction of its business. Such rules shall be subject to approval of the city council before becoming effective.
(Ord. 1778 N.S. § 2 (part), 2006)

2.22.050 Rules of attendance.

If any member is absent from three of any six consecutive regular board or commission meetings, unless such absence is with the permission of the chair, or vice chair in absence of the chair, expressed in the official minutes, the member's seat shall be deemed vacated. The city manager shall so notify the city council and the council shall take action to fill the seat within a reasonable period of time.
(Ord. 1778 N.S. § 2 (part), 2006)

2.22.060 Meetings.

Unless otherwise specified, the commission shall hold regular meetings once every two months at a designated time and place which shall be fixed and determined by the commission and entered upon in its minutes. Special meetings of the commission may be called at any time by the chair or by a majority of the members of the board upon notice being given to all members of the board and to all news media at least twenty-four hours in advance of the meetings, as required by the laws of the state of California.
(Ord. 1778 N.S. § 2 (part), 2006)
(Ord. No. 1930 N.S., § 3, 4-22-2009)

2.22.070 Compensation.

Members of the boards and commissions shall serve without compensation but may receive reimbursement for actual and necessary expenditures made or incurred in the performance of their prescribed duties in accordance with state law and the Municipal Code and policies of the city of Morgan Hill.
(Ord. 1778 N.S. § 2 (part), 2006)

2.22.080 Effect.

Nothing in this chapter shall be construed as restricting or curtailing any of the powers of the city council or city officers as defined by the laws of the state of California or by this Municipal Code. Except as otherwise set forth in Chapter 2.36, the city council declares that the public interest and convenience require the appointment of the boards and commissions established pursuant to Section 2.22.010 to act purely in an advisory capacity to the city council.
(Ord. 1778 N.S. § 2 (part), 2006)

Chapter 2.32

PARKS AND RECREATION COMMISSION*

Sections:

2.32.010 Created.

2.32.020 Membership—Terms of office.

2.32.030 Powers and duties.

* Prior ordinance history: Ord. 1368 N.S.

2.32.010 Created.

There is established a new commission which is entitled the "Morgan Hill parks and recreation commission" to serve in an advisory capacity to the city council. (Ord. 1778 N.S. § 4 (part), 2006)

2.32.020 Membership—Terms of office.

The commission shall consist of seven members. Members shall not be officials or employees of the city nor be paid members of any organization receiving financial support from the city. Notwithstanding any language to the contrary, the mayor and city council may appoint a Morgan Hill Unified School District official as a member of the commission.

For the first seven members appointed, the terms of three of the members shall expire on May 1, 1999, and the terms of four of the members shall expire on May 1, 2000. All new full term appointments after April 1, 2006 shall be for a period of four years. (Ord. 1778 N.S. § 4 (part), 2006)

2.32.030 Powers and duties.

The powers and functions of the commission shall be as follows, provided that nothing in this Chapter 2.32 shall be construed to give the commission power or duty to supervise or administer any public buildings, public parks, streets or other public property or programs:

A. To hold hearings on matters pertaining to planning and development of parks, trails, recreation programs for all segments of the population,

bicycle facilities, and capital expenditures related to parks, trails, recreational facilities, and bicycle facilities;

B. To facilitate coordination of the efficient and effective use of recreation facilities by other public, private, and non-profit groups and organizations to city residents;

C. To consider, formulate and propose fiscally prudent programs, activities, resources, plans and development designed to provide for, regulate, and direct the future growth and development of the parks facilities and recreation programming for the people of the city;

D. To make investigations and reports for future acquisition of park sites;

E. To review opportunities for joint use of recreation/parks, and storm retention/detention;

F. To act on behalf of the city and function as the City of Morgan Hill Bicycle and Trails Advisory Committee;

G. To conduct such other hearings as are necessary and in accordance with its own rules and regulations for the transaction of its business, or rules for conduct; and

H. To report its decisions and recommendations relating to the above matters, in writing to the city council. (Ord. 1778 N.S. § 4 (part), 2006) (Ord. No. 1930 N.S., § 4, 4-22-2009)

Chapter 2.36 PLANNING COMMISSION*

Sections:

[2.36.010 Created--Statutory authority.](#)

[2.36.020 Membership--Terms of office--Vacancies.](#)

[2.36.030 Meetings.](#)

[2.36.040 Powers and duties.](#)

* Prior ordinance history: Ords. 470 N.S. and 483 N.S.

2.36.010 Created--Statutory authority.

The planning commission is established pursuant to the authority contained in Chapter 3 of Title VII of the California Government Code, entitled "Local Planning, " as existing or hereafter amended. Reference shall be made to said Chapter 3 for interpretation of this chapter. (Ord. 811 N.S. § 1 (II-3-1), 1987)

2.36.020 Membership--Terms of office--Vacancies.

A. The city planning commission shall consist of seven members. Members of the planning commission shall serve the following terms:

1. In the year 1998, three members shall be appointed to serve terms ending June 1, 2001;
2. The four members who were appointed in 1996 shall serve terms ending June 1, 1999;
3. Thereafter, all terms shall be for four years and shall expire on June 1st.

(Ord. 1778 N.S. § 5, 2006; Ord. 1407 N.S. § 2, 1998; Ord. 1083 N.S. § 1, 1992; Ord. 811 N.S. § 1 (II-3-2), 1987)

2.36.030 Meetings.

The commission shall hold regular meetings at least twice a month or as otherwise deemed necessary by the commission. All meetings of the commission shall be held in the city council chambers at City Hall or other location designated by minute order of the city council or at a location deemed necessary or appropriate by the planning commission.

(Ord. 1197 N.S. § 1 (part), 1994; Ord. 811 N.S. § 1 (II-3-3), 1987)

2.36.040 Powers and duties.

The planning commission shall have the powers and shall perform all the duties conferred and imposed upon city planning commissions by the applicable provisions of Chapter 3 of Title VII of the Government Code of the state and, in addition, the planning commission shall:

- A. Perform all the functions assigned to the commission by the subdivision and zoning ordinances (Titles 17 and 18 of this code) of the city, and all general laws of the state of California;
- B. Serve as an advisory body to the city council on matters related to city growth and development and on such other matters as may be requested by the council;
- C. Promote public interest in and understanding of the subdivision and zoning ordinances of the city, and also of all master plans and other official plans and regulations pertaining to planning which have been approved officially by the city council;
- D. Review and advise the city council on all proposed amendments to Title 17, Subdivisions, and Title 18, Planning and Land Use Regulations;
- E. Approve or disapprove application for designation of cultural resources and historic districts pursuant to Chapter 18.75 of this code, or as amended;

F. Approve or disapprove permits sought to remove or demolish a cultural resource, cultural resource site or historic district pursuant to Chapter 18.75 of this code, or as amended.
(Ord. 1111 N.S. §§ 2, 3, 1992; Ord. 899 N.S. § 18, 1989; Ord. 811 N.S. § 1 (II-3-4), 1987)

**CHILDREN'S
ADVOCACY CENTER**
of Santa Clara County



CAC SOUTH COUNTY

*Helping children & teens in our community to
find the hope, help, & healing they deserve.*



OUR MISSION

The Children's Advocacy Center of Santa Clara County is a collaboration dedicated to the health, protection, and empowerment of all youth.

OUR VISION

At the Children's Advocacy Center of Santa Clara County, we envision a County where children are safe from abuse, survivors receive the resources to heal, families are resilient, prevention is possible, and justice is accessible.

CAC SOUTH COUNTY @ VHC MORGAN HILL



WHY A CAC?

Without CACs



With CACs



OUR IMPACT

**95% of
Caregivers
Strongly
Agree**

"CAC staff provided resources to support their child and respond to his or her needs in the days and weeks ahead."

**97%
Good**

*"Of children/youth (10 and older) say CAC staff were "good" at listening to them" and **87%** stated that the Center made them feel "very" safe!*

**100% of
MDT
Strongly
Agree**

"I believe the clients served through the Center benefit from the collaborative approach of our multidisciplinary team."

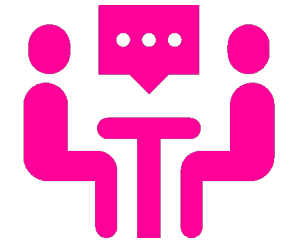
75% of the Forensic Interviews in which a minor disclosed molestation, aggravated sexual assault, statutory rape, or mental and physical abuse were charged by the DAO.

90% were successfully prosecuted, resulting in a plea or conviction.

CAC SOUTH COUNTY SERVICES



Forensic Interview Room



Multidisciplinary Forensic Interviews

Forensic Interviews provide children and youth with a safe space to tell what happened to them to experts specially trained in trauma-informed and legally sound interviewing.



Specialized Medical Exams

Specially-trained and expert medical staff provides age-appropriate evaluations for young survivors of sexual abuse, assault, physical abuse, and neglect. Patients, parents, and caregivers are often relieved to learn that their bodies are healthy.



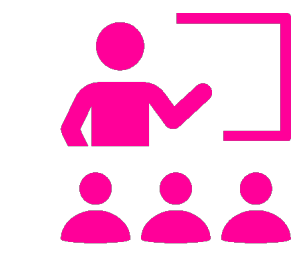
Therapy

Specialized evidence-based, trauma-focused mental health services for youth and their family members to help cope with the trauma and to assist them through the healing process.



Advocacy Services

Victim Advocates from Community Solutions work in collaboration with the Victim Services Unit from the Santa Clara County District Attorney's Office. Advocates support the child, parents, and caregivers throughout the investigation and prosecution of the case, connecting families to support services including victim's compensation, confidential advocacy, case management, therapy, and counseling.



Professional Training

The CAC provides expert training for professionals. We also partner with organizations to offer classes for families and the community on healthy parenting and child abuse prevention.



SOUTH COUNTY PARTNERS



District Attorney's Office, Lead Agency
Program Manager, DDAs, Victim Advocates

County of Santa Clara Health System
CAC Medical Clinic Staff

Office of the Sherriff
Forensic Interview Coordinator

Morgan Hill Police Department

Gilroy Police Department

Department of Family & Children's Services (DFCS)

Designated Social Worker

Community Solutions

Confidential Victim Advocates & Counseling

Pacific Clinics
Mental Health Services

VHC - MORGAN HILL CHILD ADVOCACY CENTER

TEST FIT PLAN

JULY 15, 2024

SCALE: 1/8" = 1'-0"

Keeping the existing door will remove (1) work station

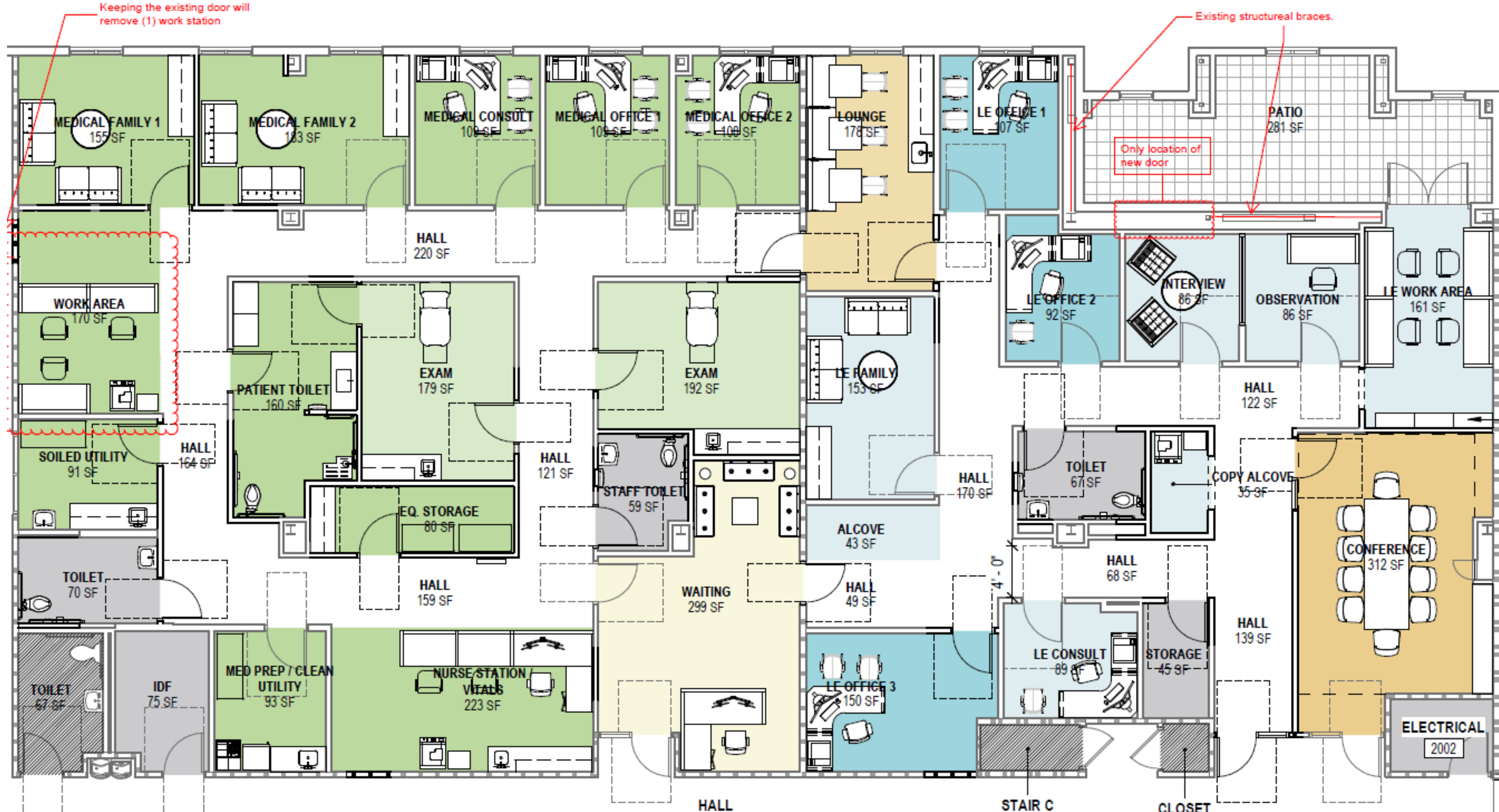
Existing structural braces.

Only location of new door

LEGEND

- OFFICE
- OFFICE SUPPORT
- CLINICAL EXAM ROOM
- CLINICAL SUPPORT
- LOBBY/ RECEPTION
- CONFERENCE
- SHARED AMENITY
- BUILDING SUPPORT
- NOT IN SCOPE

FILE CABINETS



CAC SOUTH COUNTY TIMELINE

WINTER-SPRING 2026 Construction Planning Meetings & Partner Planning Meetings

JULY 2025

AUG 2025

DEC 2025

JAN 2026

FEB 2026

OPENING END 2026,
BEGINNING 2027



1st Partners Meeting (Ongoing each month beginning in Sept.)



RFP BID Approval BOS



Bids Approved Late November
Construction Begins March



On-boarding & Training New Staff
*Establish MOUs with New Partner Agencies



Groundbreaking



CONNECT WITH US!

Contact

Children's Advocacy Center of
Santa Clara County

455 O'Connor Drive, Suite 150,
San Jose, CA, 95128

669-299-8800 (Main)

669-299-8810 (Child Abuse Medical
Evaluation 24/7 Hotline)

669-299-8830 (Forensic Interviews)

**CHILDREN'S
ADVOCACY CENTER**
of Santa Clara County



A collaboration dedicated to the health,
protection, and empowerment of all youth



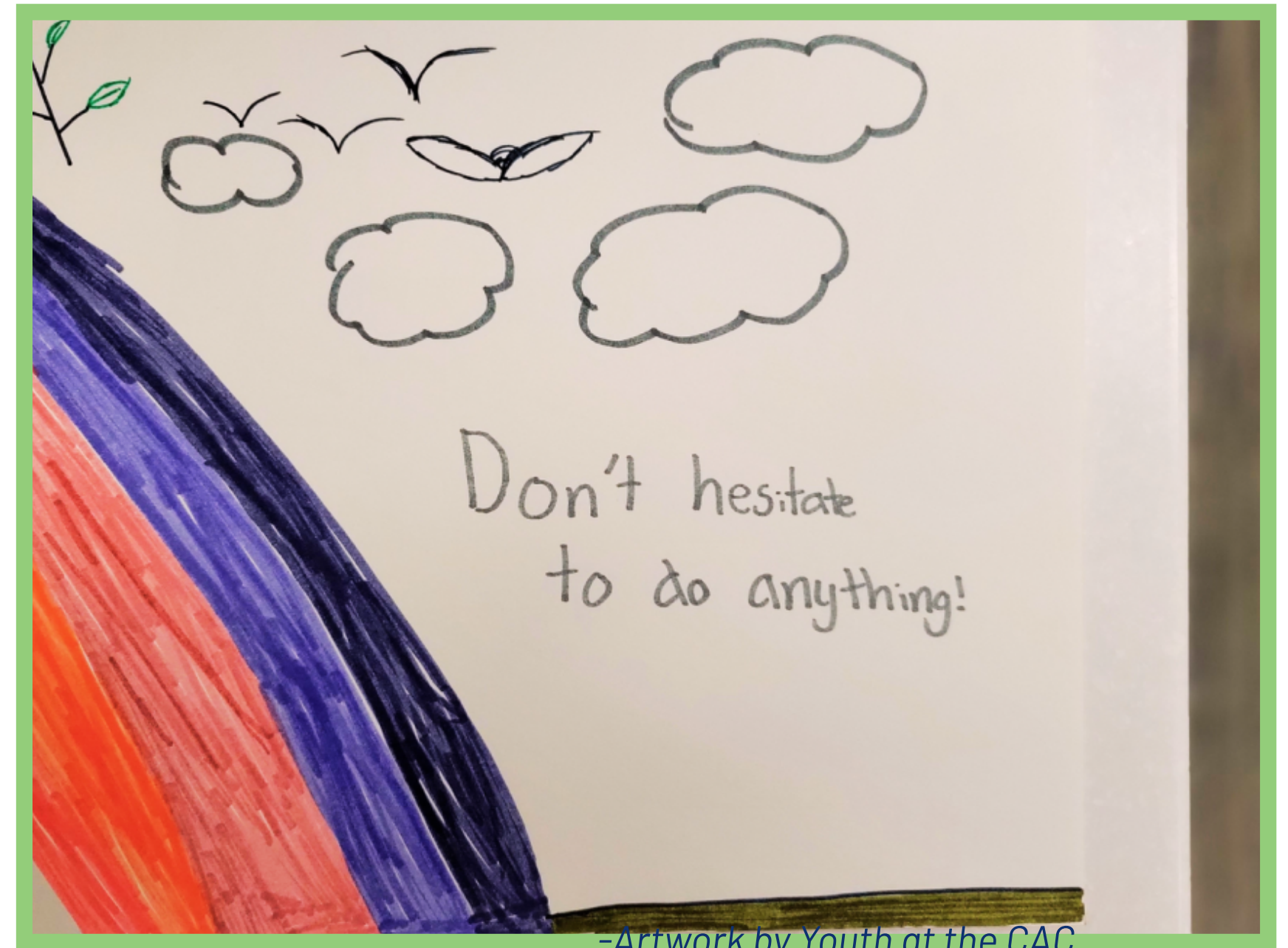
www.cac-sccgov.org



CAC@dao.sccgov.org



Watch our video



-Artwork by Youth at the CAC



CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Christina Turner, City Manager

APPROVED BY: City Manager

ADOPT UPDATES TO THE SUSTAINABLE MORGAN HILL DOCUMENT

RECOMMENDATION(S)

Adopt updates to the Sustainable Morgan Hill document.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Enhancing Public Safety and Quality of Life

Protecting the Environment and Preserving Open Space and Agricultural Land

Maintaining and Enhancing Infrastructure

Supporting our Youth, Seniors, and Entire Community

Fostering a Positive Organizational Culture

Preserving and Cultivating Public Trust

Preserving our Community History

Enhancing Diversity and Inclusiveness

Advocating for Local, Regional, and State Legislative Initiatives

2024-2025 Strategic Priorities

Fiscal Sustainability

Affordable Housing and Homelessness

Community Engagement

Economic Development and Tourism

Transportation

Healthy Community

REPORT NARRATIVE:

On February 6 and 7, 2026, the City Council held its annual Goal Setting Workshop, partially facilitated by Jacob Green and Associates (JGA). In advance of the Workshop, JGA conducted individual interviews with each Council Member to identify their priorities and perspectives. During the Workshop, Council Members reviewed and discussed these priorities collectively, reaffirmed the City's Vision, and considered refinements to the Strategic and Ongoing Priorities.

As a result of these discussions, the City Council suggested the following updates to the Strategic and Ongoing Priorities for 2026–2027:

- **Added Public Safety** as a Strategic Priority.
- **Added Economic Mobility** as a Strategic Priority to support disadvantaged areas and expand opportunities for the Community.
- **Removed Community Engagement** as a standalone Strategic Priority and incorporated it into the Ongoing Priority of Preserving and Cultivating Public Trust.
- **Removed Transportation** as a standalone Strategic Priority, recognizing that transportation-related initiatives are embedded within other priority areas and ongoing infrastructure efforts.
- **Revised “Healthy Community” to “Promoting a Healthy Community”** and moved it to the list of Ongoing Priorities.

Definitions for the new Strategic Priorities were drafted, and minor refinements were made to existing definitions to ensure alignment with the current staff workplan. The updated 2026-2027 Sustainable Morgan Hill document is attached.

COMMUNITY ENGAGEMENT:

Involve - the City Council Goal Setting Workshops were open to the public and recorded for later viewing on the City's website.

ALTERNATIVE ACTIONS:

City Council could decide to make additional or no changes to Sustainable Morgan Hill.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council reviews its goals and priorities at the beginning and middle of each year.

FISCAL AND RESOURCE IMPACT:

Updating Sustainable Morgan Hill does not have an immediate fiscal or resource impact.

CEQA (California Environmental Quality Act):

Not a Project - Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.



SUSTAINABLE MORGAN HILL



Vision

To sustain a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

Choose Morgan Hill

The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses.

Strategic Priorities 2024~~6~~-2025~~7~~

- Fiscal Sustainability
- **Public Safety**
- Affordable Housing and Homelessness
- **Community Engagement**
- Economic Development and Tourism
- **Transportation**
- **Healthy Community**
- **Economic Mobility**

City Council Ongoing Priorities

- Enhancing Public Safety and Quality of Life
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining and Enhancing Infrastructure
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advocating for Local, Regional, and State Legislative Initiatives
- **Promoting a Healthy Community**

STRATEGIC PRIORITIES 2024~~6~~-2025~~7~~

Fiscal Sustainability

The City will continue to be financial stewards of its resources and assets to ensure long-term fiscal sustainability. Through the budget development process, the City, within the fiscal sustainability path, will prudently carry out the City Council's priorities, while maintaining adequate fund balance reserves. The City will continue to explore new or expand existing revenue sources, **while also pursuing cost-containment measures and expense reductions as necessary** to ensure long-term fiscal sustainability.



Public Safety

Morgan Hill is committed to advancing a comprehensive vision of public safety that protects and enhances the quality of life for all Community members. Public safety extends beyond traditional police and fire response to include proactive Community policing, youth engagement, coordinated mental health and crisis response, traffic safety, crime prevention, and the creation of safe and welcoming public spaces. Through the collaborative efforts of Police, Fire, and Public Services, the City will promote prevention, preparedness, and resilience by maintaining safe infrastructure, responding efficiently to emergencies, and addressing emerging Community risks. Guided by 21st-century policing principles, transparency, accountability, and Community partnership, the City will align resources strategically to build public trust and ensure a safe, inclusive, and thriving Community for all.



STRATEGIC PRIORITIES 2024~~6~~-20257

Affordable Housing and Homelessness

Morgan Hill will continue to improve, preserve, and develop new safe, quality, rental, and ownership housing for workers and residents at all income levels. To the extent possible, the City will respond to and reconcile new housing initiatives and legislative mandates. The City is guided by the vision of its General Plan, a long-term plan for the physical development of the Community. The vision includes the preservation of agriculture, incentives to foster infill development, and new housing for families of various sizes, ages, and incomes. Like many other cities in the Bay Area, Morgan Hill is experiencing transformative growth and working to meet the housing needs of its current and future residents. The City's Housing Program is grounded in five key pillars:

- **Production of New Affordable Housing Units:** Morgan Hill will continue to improve, preserve, and develop new safe, quality, rental and ownership housing for workers and residents at all income levels through the implementation of its Inclusionary Housing Ordinance (IHO). The City will seek partnerships that create new housing opportunities directly aligned with the City's "fair share" Regional Housing Needs Allocation (RHNA).
- **Promotion of Housing Program:** The City manages an inventory of BMR deed-restricted **ownership and rental** units and collaborates with the County of Santa Clara and local non-profits to connect residents to **housing** resources. Staff will focus on communications, engagement, and education of housing resources and services with particular attention to the Spanish-speaking residents.
- **Prevention of Homelessness:** Implement the Countywide Community Plan to End Homelessness by continuing to identify barriers and housing problem solving at the local level through the assistance of the Unhoused Specialist, and advance efforts to increase coordination in South County among its service providers. The City will continue to employ a balanced approach, offering resources and referrals to services, partnering with **the our** faith-based community and non-profits to create appropriate local service points, while also utilizing available resources to reduce encampments.
- **Protection of Quality of Life for New and Existing Neighborhoods Ensuring Healthy Neighborhoods for All:** The City will continue to seek quality development that balances the needs of existing and new neighborhoods.
- **Preservation of Existing Affordable Housing Inventory:** The City has a robust inventory of Below Market Rate (BMR) **ownership and rental** housing units. Through the City's thoughtful planning, affordable housing is integrated throughout the Community and balanced throughout ~~new~~ developments. The City's IHO ~~further~~ ensures **the future production and preservation** of income-restricted units. The City ~~will~~ coordinates the sale of and lease up process of **upcoming new and previously owned** affordable **homes** ~~developments~~ to ensure residents are **made** aware of ~~and accessing~~ upcoming housing opportunities.



STRATEGIC PRIORITIES 2024~~6~~-20257

Economic Development and Tourism

The City's Economic Development efforts focus on implementing the Economic Blueprint strategies and actions to help build long-term fiscal sustainability and improve quality of life for residents. This will be achieved by attracting jobs and commercial investment which generate revenues to support essential City services and improve critical City infrastructure. The Economic Blueprint is focused on advancing economic prosperity and vitality by attracting investment, development, and jobs in four key industries:

- **Healthcare:** Grow and foster medical and diagnostic services by advancing and supporting the entitlement process for new medical facilities. Promote and market Morgan Hill as a desired location for medical and diagnostic providers.
- **Innovation and Advanced Manufacturing:** Grow existing companies, attract new industry, and grow high-quality jobs. Support and advance the entitlement and permit process of new developments. Promote and market Morgan Hill as a premier location for commercial and industrial investment.
- **Retail:** Grow retail offerings and strengthen commercial nodes. Utilize incentives and available tools to attract new investments that increase both jobs and revenue to the Community.
- **Tourism:** Grow leisure, agriculture, wine country, and sports and recreational tourism. Continue to nurture Downtown's transformation as a Community gathering place. Support the Downtown Property Based Improvement District and manage parking supply. Support and incentivize additional lodging investments, implement activations with partner organizations, and partner with Visit Morgan Hill to support increased tourism and vibrancy.
Strengthen Morgan Hill's position as a premier South County destination by expanding leisure, agri-tourism, wine country, sports, and recreational travel. Support and incentivize high-quality lodging investment to grow the hospitality base and economic impact. Partner closely with Visit Morgan Hill to drive increased visitation, overnight stays, and year-round vibrancy. Continue elevating Downtown as a dynamic community gathering place through strong support of the Downtown Property Based Improvement District, thoughtful parking management, and strategic activations and signature events with partner organizations.



STRATEGIC PRIORITIES 2024~~6~~-2025~~7~~

Economic Mobility

The City of Morgan is committed to fostering an environment where all residents can achieve long-term stability and upward opportunity. These efforts are guided by the implementation of the ELEVATE Morgan Hill economic mobility plan, which builds clear and accessible pathways for every resident to thrive. ELEVATE Morgan Hill focuses on:

- **Local Careers and Entrepreneurship:** Collaborate with schools, employers, and workforce agencies to connect residents to quality jobs, skill-building opportunities, and entrepreneurship pathways. By supporting local hiring and business growth, residents can build their futures here in Morgan Hill.
- **Housing Access and Stability:** Provide clear resources to help residents secure and maintain a stable housing foundation for long-term mobility and family well-being.
- **Civic Influence and Connection:** Create welcoming, culturally responsive spaces for residents to share ideas and influence decisions, with particular focus to those facing the steepest barriers, including Spanish-speaking residents.

By aligning resources, policy making, and fostering strategic partnerships, the City can turn the promise of opportunity into reality, ensuring prosperity is broadly shared and every resident has a clear path to improved well-being.





CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Christina Turner, City Manager

APPROVED BY: City Manager

ADOPT UPDATES TO COUNCIL POLICY (CP) 97-01 RULES FOR CONDUCT OF COUNCIL MEETINGS, PLACEMENT OF ITEMS ON THE AGENDA, AND MATTERS TO BE RECONSIDERED, MEMORIALIZING PUBLIC COMMENT TIME LIMIT PRACTICES

RECOMMENDATION(S)

Adopt updates to City Council Policy CP 97-01, memorializing the City Council's current public comment time limit practices.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Supporting our Youth, Seniors, and Entire Community

Preserving and Cultivating Public Trust

REPORT NARRATIVE:

At the February 6, 2026, City Council Goal Setting Workshop, the City Council discussed the public comment timing provisions of CP 97-01 and directed staff to update the policy to memorialize the City's current informal practice of adjusting individual speaking time when many speakers are present, in order to balance public participation with the efficient conduct of the agenda. The updated language specifies that speaking time may be reduced from 3 minutes to 2 minutes when more than 10 speakers are present, and to 1 minute when more than 20 speakers are present. The Mayor or Presiding Officer retains discretion to modify speaker time limits when necessary to maintain orderly meeting management and ensure fair opportunities for public participation.

To memorialize the City's current practice, staff recommends the City Council adopt the proposed amendments to CP 97-01, Section 6.2, Limitations (Attachment 1), which clarify public comment time limits. The proposed language is as follows:

6.2 Limitations: The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. If there are many speakers, the Mayor or Presiding Officer may reduce speaking time to 2 minutes for more than 10 speakers and to 1 minute for more than 20 speakers. The Mayor or Presiding Officer retains discretion to modify speaker time limits when necessary to maintain orderly meeting management and ensure fair opportunities for public participation. Speakers are called in the order in

which their speaker cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments.

COMMUNITY ENGAGEMENT:

This report serves to inform the Community of the potential change in Council policy.

ALTERNATIVE ACTIONS:

The City Council may direct staff to make additional changes, make different changes, or make no changes to City Council Policy 97-01.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

At the February 6, 2026, City Council Goal Setting Workshop, the City Council discussed the public comment timing provisions of CP 97-01 and directed staff to update the policy to memorialize the City's current informal practice.

FISCAL AND RESOURCE IMPACT:

Updating City Council Policy 97-01 does not have a fiscal or resource impact.

CEQA (California Environmental Quality Act):

Not a Project.

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: **RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS, PLACEMENT OF ITEMS ON THE AGENDA, AND MATTERS TO BE RECONSIDERED**

EFFECTIVE DATE: **May 7, 1997**

REVISED DATE: **March 15, 2023, August 23, 2023, June 19, 2024, March 4, 2026**

ORIGINATING DEPARTMENT: **CITY MANAGER**

SECTION 1 - SCOPE

- 1.1 These rules shall establish the procedures for the conduct of all meetings of the City Council of the City of Morgan Hill. The purpose of these rules is to provide procedures consistent with the Ralph M. Brown Act, establish procedures that will be convenient for the public, be fair to all members of the City Council, and contribute to the orderly conduct of City business.

SECTION 2 - MEETINGS

- 2.1 Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2 Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution.
- 2.3 Review Status of Agenda at 9:00 p.m.: The City Council may review the agenda at 9:00 p.m. to determine if it will be able to conclude its business by 10:00 p.m. If, at 10:00 p.m., the City Council has not concluded its business, before continuing the meeting, it shall review and discuss the status of the remaining agenda items and determine by majority vote whether to continue any remaining items to a future regular or special meeting, adjourn the meeting to another date and time, or extend the meeting beyond 10:00 p.m. as needed. The meeting may be extended beyond 10:00 p.m. one time. Additional extensions of time will be at the Mayor's discretion.
- 2.4 Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.5 Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law. At times, Closed Sessions may need to be held in a different order from the one presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained, or to allow extra time to discuss and deliberate on an important closed session item. Closed session items may be continued until the conclusion

of the agenda.

- 2.6 Quorum:** Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If fewer than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.7 Adjourned Meetings:** The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

- 3.1 Posting of Notice and Agenda:** For every regular or special meeting, the City Clerk or other authorized person shall post a notice of the meeting specifying the time and place at which the meeting will be held and an agenda containing a brief description of all items of business to be discussed at the meeting. The notice and agenda may be combined in a single document.
- a. Posting for Regular Meetings:** For any regular meeting of the City Council, the notice and agenda shall be posted no later than seventy-two (72) hours before the time set for the meeting, consistent with all Brown Act requirements.
 - b. Posting for Special Meetings:** For any special meetings of the City Council, the notice and agenda shall be posted no later than twenty-four (24) hours before the time set for the meeting, consistent with all Brown Act requirements.
- 3.2 Location of Posting:** The notice and agenda shall be posted on the City's website and in a place to which the public has unrestricted access during at least normal business hours and where the notice and agenda are not likely to be removed or obscured by other posted materials.
- 3.3 Availability of the Agenda to the Public:** The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters:** All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Placement of items on the agenda:** The Mayor, City Manager, or City Attorney may place items on the agenda. Members of the City Council may request items to be added to an upcoming City Council agenda by requesting an item during the "Future Council Initiated Agenda Items" Section of the agenda. When a Future Council Initiated Agenda Item is requested, the Council Member making the request will send the City Manager a brief summary outlining the request and any relevant background. If the requested item is not included in the current Strategic Priorities Workplan, the team will bring it forward at a

future Council Meeting within 30-45 days of the request, via a brief staff report that includes the brief summary provided by the requesting Council Member. At that meeting, the City Council will review the request and determine whether a majority wants the items agendized for discussion at a future meeting.

- 4.3 Council shall not act or take a position on: Matters outside of the Morgan Hill City Council's subject matter jurisdiction, including foreign or international events. Appropriate subject-matter jurisdiction includes agenda items directly related to Morgan Hill business and County/regional items that have a direct impact on the City (e.g., countywide emergency services or transportation).
- 4.4 Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
 - a. Upon a majority determination that an "emergency" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials after the posting of the agenda.
- 4.5 Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.
- 4.6 City Council Reports: On an alternating basis, at each Regular City Council meeting, with a time limit of three minutes, a Council Member has the opportunity to share with the Council and community any pertinent updates or information regarding their appointments to outside agencies, upcoming events, or relevant City business. These are non-action items.
- 4.7 City Manager Report: These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.
- 4.8 City Attorney Report: These are updates on current City activities, reports on issues raised at previous Council meetings, or reportable actions of the City Council in Closed Sessions and/or current litigation. These are non-action items.
- 4.9 Other Reports: These are pertinent updates or information on upcoming activities or events relevant to City business with a time limit of one minute. These are non-action items.
- 4.10 Public Comment for items not on the agenda: This refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, the Council cannot take any action. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.
- 4.11 Consent Calendar: These are items of a routine or generally uncontested nature. Any member of the Council or the public may request that an item be pulled from the consent calendar and acted on individually by the Council. Items pulled will be discussed after

action is taken on the balance of the consent calendar. The Mayor shall decide if the items are heard before or after moving on to public hearing and other business items.

- 4.12 Public Hearings:** These are matters that are duly noticed and published in a newspaper of general circulation, and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor of or against a matter or ask questions about the matter.
- 4.13 Other Business:** These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.
- 4.14 Future Business:** These are items that members of the City Council wish to discuss to take action on potentially or have placed on future agendas.

SECTION 5. ORDER OF BUSINESS

- 5.1** The order of business at meetings of the City Council shall be as follows:
- a.** CALL TO ORDER
 - b.** ROLL CALL ATTENDANCE
 - c.** DECLARATION OF POSTING AGENDA
 - d.** WORKSHOP (if needed; 5:00-6:00 p.m., or as deemed appropriate)
 - e.** CLOSED SESSION (if needed; 5:00-6:00 p.m., or as deemed appropriate)
 - f.** SILENT INVOCATION
 - g.** PLEDGE OF ALLEGIANCE
 - h.** PRESENTATIONS
 - i.** PROCLAMATIONS
 - j.** RECOGNITIONS
 - k.** CITY COUNCIL REPORTS
 - l.** CITY MANAGER'S REPORT
 - m.** CITY ATTORNEY'S REPORT
 - n.** OTHER REPORTS
 - o.** PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA
 - p.** ADOPTION OF AGENDA
 - q.** CONSENT CALENDAR
 - r.** PUBLIC HEARINGS

- s. OTHER BUSINESS
- t. FUTURE COUNCIL INITIATED AGENDA ITEMS
- u. CLOSED SESSION
- v. ADJOURNMENT

SECTION 6. PUBLIC COMMENT

- 6.1 Public Comment:** Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council. Still, items raised during public comment may be referred to a future City Council agenda at the request of the Mayor or City Council.
- 6.2 Limitations:** The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. **If there are many speakers, the Mayor or Presiding Officer may reduce speaking time to 2 minutes for more than 10 speakers and to 1 minute for more than 20 speakers. The Mayor or Presiding Officer retains discretion to modify speaker time limits when necessary to maintain orderly meeting management and ensure fair opportunity for public participation.** Speakers are called in the order in which their speaker cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments.

The Mayor or Presiding Officer may allow speakers who wish to speak under public comment for items not on the agenda to concede a portion of their time. Specifically, one speaker may concede a portion of their time to one other speaker. For all other business items, the Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker from a group. Specifically, up to two speakers may concede their time to one speaker, unless a majority of the City Council objects. Speakers who wish to designate a group speaker shall notify the City Clerk before discussion on the item begins. Additionally, any speaker who concedes their time must be present at that City Council meeting. Speakers who would like to share documents or presentations may do so by submitting said documents to the City Clerk by noon on the day of the City Council Meeting. Speakers may not share videos or presentations that contain embedded videos.

- 6.3 Procedure:** To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name, contact information, and the subject(s) upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be called to speak by the City Clerk.

Public comment may be provided in writing for items on the agenda, as well as for items not on the agenda. Public comment in writing may be submitted via email to

ccpubliccomment@morganhill.ca.gov or by mail to the City Clerk at 17575 Peak Avenue, Morgan Hill, CA 95037. Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) for your comments to be submitted to the members of the City Council with sufficient time to review the comments. You may continue to provide written comments up to noon on Wednesday (the day of the meeting although Council Members may not have sufficient time to review them. Public comments submitted to the City Clerk after noon the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website, so do not include any personal information you do not want to be posted on the web.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

- a.** The Presiding Officer of the City Council, who shall be the Mayor or, in the mayor's absence, shall be the Mayor Pro Tempore, or in their absence any other designated member of the City Council, shall be responsible for maintaining the order and decorum of meetings. It shall be the duty and responsibility of the Presiding Officer to ensure that the rules of operation and decorum contained herein are observed. The Presiding Officer shall maintain control of communication between Council Members and between the Council, staff, and public.
- b.** Communication with Council Members:
 - 1.** Council Members should request the floor from the Presiding Officer before speaking.
 - 2.** When one member of the Council has the floor and is speaking, other Council Members shall not interrupt or otherwise disturb the speaker.
 - 3.** During both questions, when one Council Member has the floor, they are limited to 5 minutes. During discussion, the Mayor and Council Members as a whole are limited to 15 minutes. The time limit may be extended at the Mayor's discretion.
 - 4.** With the concurrence of the Mayor, a Council Member holding the floor may address a question to another Council Member. The Council Member being questioned may or may not respond while the floor remains with the Council Member asking the question. The reply shall be limited to the question asked.
- c.** The Mayor or Presiding Officer may declare that an item within the meeting will be conducted in "workshop" format, which means that the procedures described in section 7.1B do not strictly apply. This is to allow for a more open discussion without strict formalities. The Mayor or Presiding Officer may end the workshop format for the item at their discretion.
- d.** Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
2. After a witness or subject matter expert has addressed the City Council during public comment, Council members may only ask questions of witnesses or subject matter experts. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to question the person directly.
3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
4. Members of the public shall direct their questions and comments through the Presiding Officer.

7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to Rosenberg's Rules of Order (available at <https://www.cacities.org/UploadedFiles/LeagueInternet/77/77d4ee2b-c0bc-4ec2-881b-42ccdbbe73c9.pdf>) as a guide for the conduct of meetings. The guideline that governmental bodies need not require seconds for motions, resolutions, or ordinances is not adopted as a rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless a majority of the City Council members present objects.

7.3 Motions: The Mayor or any member of the City Council may bring a matter of business on the agenda before the Council by making a motion. Before the matter can be considered or debated, it must be seconded. Once the motion has been properly made and seconded, the Presiding Officer shall open the matter for full debate, offering the first opportunity to debate to the moving party and, thereafter, to any Council Member recognized by the Mayor or Presiding Officer. The debate shall be closed upon the consent of a majority of the Council.

7.4 Reconsideration: Immediately after a vote on a matter, any member of the City Council may request to have their vote changed on a matter before the Council moves on to the next item. Such a request will be granted by the Mayor or Presiding Officer unless a majority of the Council objects.

A matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where the action is taken or at a subsequent Council meeting; however, nothing in this policy precludes a majority of City Council members from requesting reconsideration of any item.

7.5 Debate:

- a. The discussions and deliberations at meetings of the City Council are to secure the informed judgment of Council members on proposals submitted for decision. This purpose is best served by exchanging ideas through discussion and debate.

Debate is regulated by these rules to ensure every member has a reasonable and equal opportunity to be heard.

b. Obtaining the Floor for Debate:

As soon as a debatable motion has been stated to the Council by the Mayor or Presiding Officer, any member of the Council has a right to discuss it after obtaining the floor. The member obtains the floor by seeking recognition from the Mayor or Presiding Officer. A member who has been recognized is entitled to be heard so long as they observe the rules of debate.

c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize questions or discussion. If a Council member has already spoken, other members wishing to speak should be recognized before those who have already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

d. Relevancy of Debate:

All discussion must be relevant to the motion before the City Council. A member is given the floor only to discuss the pending question; any discussion that departs is out of order. The Mayor or Presiding Officer should then direct the speaker to limit discussion to the question before the City Council.

A motion-its nature or consequences-may be attacked vigorously. But it is never permissible to attack the motives, character, or personality of a member either directly or by innuendo or implication. It is the duty of the Mayor or Presiding Officer instantly to stop any member who engages in personal attacks. It is the motion, not its proposer, that is the subject of debate. Meetings must discuss measures and ideas, not people.

Arguments, for or against a measure, should be stated as concisely as possible.

Debate must be fundamentally impersonal. All discussion is addressed to the Mayor or Presiding Officer and must never be directed to any individual.

e. Mayor's Duties During Debate:

The Mayor or Presiding Officer is responsible for controlling and expediting debate. A Council member who has been recognized to speak on a question has a right to the undivided attention of the Council.

It is the duty of the Mayor or Presiding Officer to keep the subject clearly before the members, to rule out irrelevant discussion, and to restate the question whenever necessary.

SECTION 8. DECORUM

8.1 Council Members: Members of the City Council value and recognize the importance of

- the trust invested in them by the public to accomplish the business of the City. Council Members shall accord the utmost courtesy to each other, to City employees, and to the public appearing before the City Council.
- 8.2** City Employees: Members of City staff shall observe the same rules of order and decorum applicable to the City Council. City staff shall act at all times in a business and professional manner towards Council Members and members of the public.
- 8.3** Public: Members of the public attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council.
- 8.4** Noise in the Chamber: Noise emanating from the audience within the Council Chamber or lobby area, which disrupts City Council meetings, shall not be permitted.
- 8.5** Sergeant-at-Arms: The Chief of Police, or his/her designated representative, shall be ex officio Sergeant-at-Arms of the City Council.

SECTION 9. VIOLATIONS OF PROCEDURES

- 9.1** Nothing in these policies and procedures shall invalidate a properly noticed and acted upon action of the City Council in accordance with State Law.

This policy shall remain in effect until modified by the City Council.

APPROVED:

MARK TURNER, MAYOR



City Council

Meeting Minutes

- Mark Turner* - Mayor
- Marilyn Librers* - Mayor Pro Tem
- Soraida Iwanaga* - Council Member
- Yvonne Martínez Beltrán* - Council Member
- Miriam Vega* - Council Member

Wednesday, February 18, 2026

5:15 p.m. Closed Session
6:00 p.m. Regular Session

Council Chamber Building
17555 Peak Avenue, Morgan Hill, CA 95037

SPECIAL/REGULAR MEETING

A special meeting of the City Council was called at 5:15 p.m. for the purpose of conducting a closed session.

SPECIAL MEETING

5:15 p.m. Closed Session

CALL TO ORDER

Mayor Turner called the City Council meeting to order at 5:15 p.m.

ROLL CALL ATTENDANCE

Deputy City Clerk Rossi called the roll.

PRESENT	Mark Turner, Marilyn Librers, Soraida Iwanaga, Yvonne Martinez Beltran, Miriam Vega
ABSENT	None

DECLARATION OF POSTING AGENDA

Deputy City Clerk Rossi declared the posting of the agenda.

CLOSED SESSION

City Attorney Larkin announced the closed session items.

Conference With Legal Counsel – Existing Litigation (§ 54956.9)

City of Morgan Hill v. Garcia, 6th District Court of Appeal, Case No. H052498

Public Employee Appointment (§ 54957)

Title: City Attorney

OPPORTUNITY FOR PUBLIC COMMENT ON CLOSED SESSION

Public comment opened at 5:16 p.m. With no requests to speak, public comment closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 5:16 p.m.

REGULAR MEETING

The regular meeting convened at 6:02 p.m.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATIONS

YAC Presentation - Developmental Asset #8: Youth as Resources

CITY COUNCIL REPORTS

Council Member Martinez Beltran shared that on February 5 she partnered with Nueva Esperanza to host an employer training on immigration rights and responsibilities and participated in a webinar led by California Attorney General Rob Bonta. She attended the February 11 Silicon Valley Clean Energy Board and the groundbreaking for the new Children’s Advocacy Center at the DePaul Center, which will provide critical services locally for vulnerable South County children and families. She shared that on February 21 she will be assisting with the First Responder and Senior Appreciation Pancake Breakfast at the Morgan Hill Grange from 8:00 to 11:00 a.m.

CITY MANAGER’S REPORT

City Manager Turner shared updates highlighting the launch of the “My Love Letter to Morgan Hill” campaign as part of the City’s 120th Anniversary celebration, encouraging residents to participate through creative submissions. She also announced the upcoming Elevate Morgan Hill community conversation on housing and jobs scheduled

for February 28. Additionally, she reported on the groundbreaking of The Magnolias affordable housing development, which will provide 66 units serving agricultural workers, veterans, and individuals in need of rapid rehousing. Lastly, she noted that the City is currently recruiting applicants for openings on the Planning Commission and Parks & Recreation Commission.

CITY ATTORNEY'S REPORT

City Attorney Larkin shared that the Council met in closed session earlier in the evening on two items and there was no reportable action.

OTHER REPORTS

Mayor Turner shared that the City recently completed planting 25 trees along the Upper Little West Llagas Creek Trail. He noted it was a great community event, with Council Members Vega and Martinez Beltran participating, and expressed appreciation to everyone who came out to help. He also reported on the Mobility Partnership meeting, where he raised concerns with Caltrans regarding potholes and roadway conditions at the southbound Tennant Avenue and Dunne Avenue off-ramps and the northbound Tennant Avenue on-ramp. He reported that he will continue to advocate for needed repairs at those locations.

PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Public comment opened at 6:16 p.m. With no requests to speak, public comment closed.

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

RESULT:	Passed
MOVER:	Council Member Iwanaga
SECONDER:	Council Member Vega
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

CONSENT CALENDAR

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Pursuant to City Council Policies and Procedures (CP 97-01), any member of the Council or public may request to have an item removed from the Consent Calendar for comment and action.

MOTION:

Approving the consent calendar items 2, 3, and 7.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Council Member Vega
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

2. ADOPT RESOLUTION AUTHORIZING THE DISPLAY OF THE DONATE LIFE FLAG

Recommendation:

Adopt resolution authorizing the display of the Donate Life Flag annually during the month of April.

3. ADOPT ORDINANCE NO. 2374, NEW SERIES, AN ORDINANCE OF THE CITY OF MORGAN HILL REPEALING CHAPTER 15.63 (PROHIBITION OF NATURAL GAS INFRASTRUCTURE IN NEW BUILDINGS) OF TITLE 15 (BUILDINGS AND CONSTRUCTION) OF THE MORGAN HILL MUNICIPAL CODE

Recommendation:

Waive the reading, adopt Ordinance No. 2374, New Series, and declare that said title, which appears on the agenda, shall be determined to have been read by title and further reading waived.

7. RECEIVE ANNUAL REPORT ON 2025 CITY ENGINEER ACCEPTANCES OF PUBLIC IMPROVEMENTS COMPLETED BY PRIVATE DEVELOPMENT PROJECTS

Recommendation:

Accept and file Annual Report on 2025 City Engineer acceptances of public improvements completed by private development projects.

ITEMS PULLED FOR DICUSSION

1. ACCEPT MORGAN HILL MAGICAL BRIDGE SHADE STRUCTURE PROJECT IN THE AMOUNT OF \$362,726

Recommendation:

1. Accept as complete the Morgan Hill Magical Bridge Shade Structure

- Project;
- 2. Authorize the City Engineer to sign the Notice of Completion; and
- 3. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

Public Services Director Ghione provided a report.

Public comment opened at 6:19 p.m. With no requests to speak, public comment closed.

MOTION:

Approving the recommended actions.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Mayor Pro Tem Librers
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

4. APPROVE A REIMBURSEMENT AGREEMENT WITH KB HOME SOUTH BAY INC. FOR OUT-OF-TRACT, NON-FRONTAGE IMPROVEMENTS ALONG MISSION VIEW DRIVE ASSOCIATED WITH THE CROSSWINDS RESIDENTIAL DEVELOPMENT PROJECT

Recommendation:

- 1. Approve a Reimbursement Agreement with KB Home South Bay Inc. for out-of-tract, non-frontage improvements associated with the Crosswinds Residential Development Project; and
- 2. Authorize the City Manager to execute the Reimbursement Agreement.

Public Services Director Ghione provided a report.

Public comment opened at 6:24 p.m. With no requests to speak, public comment closed.

MOTION:

Approving the recommended actions.

RESULT:	Passed
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MOVER:	Council Member Martinez Beltran
SECONDER:	Council Member Iwanaga
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

5. APPROVE PURCHASE OF EMERGENCY COMMUNICATIONS CENTER CONSOLE FURNITURE FROM THE RUSS BASSETT CORPORATION IN THE AMOUNT OF \$104,538

Recommendation:

1. Approve the purchase of Emergency Communications Center Console Furniture from the Russ Bassett Corporation in the amount of \$104,538; and
2. Authorize the City Manager to execute the sales agreement and any related documents necessary to implement the project.

Police Support Services Manager Tada provided a report.

Public comment opened at 6:26 p.m. With no requests to speak, public comment closed.

MOTION:

Approving the recommended actions.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Council Member Vega
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

6. APPROVE THE JANUARY 28, 2026 CITY COUNCIL AND FEBRUARY 6 & 7, 2026 GOAL SETTING WORKSHOP MEETING MINUTES

Recommendation:

Approve the January 28, 2026 City Council and February 6 & 7, 2026 Goal Setting Workshop Meeting Minutes.

Public comment opened at 6:32 p.m. With no requests to speak, public comment closed.

MOTION:

Approving the recommended action.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Council Member Iwanaga
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

PUBLIC HEARINGS

8. ADOPT RESOLUTION APPROVING COMMENCEMENT OF 2026 WEED ABATEMENT PROGRAM

Recommendation:

1. Open/Close public hearing; and
2. Adopt resolution authorizing Santa Clara County to commence weed abatement activities.

Public Services Director Ghione provided a presentation and report.

The public hearing opened at 6:37 p.m. With no requests to speak, the public hearing closed.

MOTION:

Approving the recommended actions.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Council Member Vega
AYES:	Mayor Turner, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None
RECUSE:	Mayor Pro Tem Marilyn Librers, Council Member Soraida Iwanaga

The meeting recessed at 6:38 p.m. and reconvened at 6:44 p.m.

OTHER BUSINESS

9. APPROVE COMPREHENSIVE SAFETY ACTION PLAN

Recommendation:

Approve Comprehensive Safety Action Plan.

Public Services Director Ghione provided a report.

Public comment opened at 7:12 p.m.

Brian Sullivan was called to speak.

With no further requests to speak, public comment closed.

MOTION:

Approving the recommended action.

RESULT:	Passed
MOVER:	Council Member Vega
SECONDER:	Council Member Martinez Beltran
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

10. APPROVE NEGOTIATIONS WITH BAY AREA SPORTS FUNDING LLC FOR POTENTIAL DEVELOPMENT OF A PUBLIC-PRIVATE PARTNERSHIP FOR AN INDOOR SPORTS FACILITY AT THE BUTTERFIELD PARK SITE

Recommendation:

Authorize staff to pursue a lease/partnership agreement with Bay Area Sports Funding LLC for development of an indoor multi-use sports facility on a portion of the Butterfield Park site.

Public Service Director Ghione provided a presentation and report.

Public comment opened at 7:34 p.m.

Doug Muirhead was called to speak.

With no further requests to speak, public comment closed.

MOTION:

Approving the recommended action, including a three-month update.

RESULT:	Passed
MOVER:	Council Member Martinez Beltran
SECONDER:	Mayor Pro Tem Librers
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

11. PROVIDE DIRECTION TO STAFF ON PROPOSED FUTURE COUNCIL INITIATED AGENDA ITEM TO EXPLORE POSSIBILITY OF INDOOR SPORTS AND RECREATION COMPLEX

Recommendation:

Determine if the majority of the City Council wants the following item agendized at a future meeting for discussion:

Strategic exploration of an indoor sports and recreation complex.

City Manager Turner and Mayor Turner provided the report.

Public comment opened at 7:52 p.m. With no requests to speak, public comment closed.

MOTION:

Approving the recommended action.

RESULT:	Passed
MOVER:	Council Member Vega
SECONDER:	Council Member Iwanaga
AYES:	Mayor Turner, Mayor Pro Tem Librers, Council Member Iwanaga, Council Member Martinez Beltran, Council Member Vega
NAYS:	None
ABSTAIN:	None

FUTURE COUNCIL INITIATED AGENDA ITEMS

Council Member Martinez Beltran requested an evaluation of whether and how traffic and circulation considerations associated with the City’s Comprehensive Safety Action Plan could be incorporated into the City’s objective development standards.

ADJOURNMENT

There being no further business, Mayor Turner adjourned the meeting at 7:52 p.m.

Minutes Prepared by:
Vicky Rossi, Deputy City Clerk



CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Dat Nguyen, Finance Director

APPROVED BY: City Manager

RECEIVE MONTHLY BUDGET UPDATE AND JANUARY 2026 FINANCIAL AND INVESTMENT REPORTS

RECOMMENDATION(S)

Receive and file reports.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Preserving and Cultivating Public Trust

2024-2025 Strategic Priorities

Fiscal Sustainability

Community Engagement

REPORT NARRATIVE:

As part of the City Council's expectation to maintain a high level of transparency and to be responsible stewards of public funds, staff are providing this monthly budget update, along with the January 2026 financial and investment reports.

January 2026 Financial Report

The Revenue and Expense Summary through January 2026 is included on page 4 of the attached monthly financial and investment reports. Overall, General Fund revenues total \$28.0 million or about 48% of the budget. Expenditures and encumbrances through January totaled \$37.3 million, of which approximately \$2.7 million is attributable to outstanding encumbrances, compared to prior year expenditures, including encumbrances, of \$36.5 million. This represents an increase of \$0.8 million, including encumbrances, compared to the prior year. Excluding encumbrances, expenditures increased by about \$1.4 million, primarily due to negotiated salary adjustments and overall cost increases.

Budget Update

There has been no material change since the last budget update to the Council on February 6, 2026. Regarding water revenue, Morgan Hill residents consumed about the same amount of water through January compared to the prior three-year average. As a result, no revenue stabilization water rate was implemented.

COMMUNITY ENGAGEMENT:

Inform

Finance staff prepares these financial reports to inform City officials, the Council, the community, and various lenders and stakeholders about the financial health of the organization, which assists each one of the interested parties in making sound financial and investment decisions.

ALTERNATIVE ACTIONS:

Not Applicable

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council receives and files the financial and investment report for each month. At the September 16, 2015 meeting, City Council recommended monthly financial and investment reports be agendaized under the Consent Agenda, and quarterly financial and investment reports be presented to City Council as an "Other Business" item.

FISCAL AND RESOURCE IMPACT:

The preparation of the report is a part of the Finance workplan.

CEQA (California Environmental Quality Act):

Not a Project

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL

Monthly Financial and Investment Reports

January 31, 2026 - 58% of Year Complete



CITY OF MORGAN HILL

Prepared by:

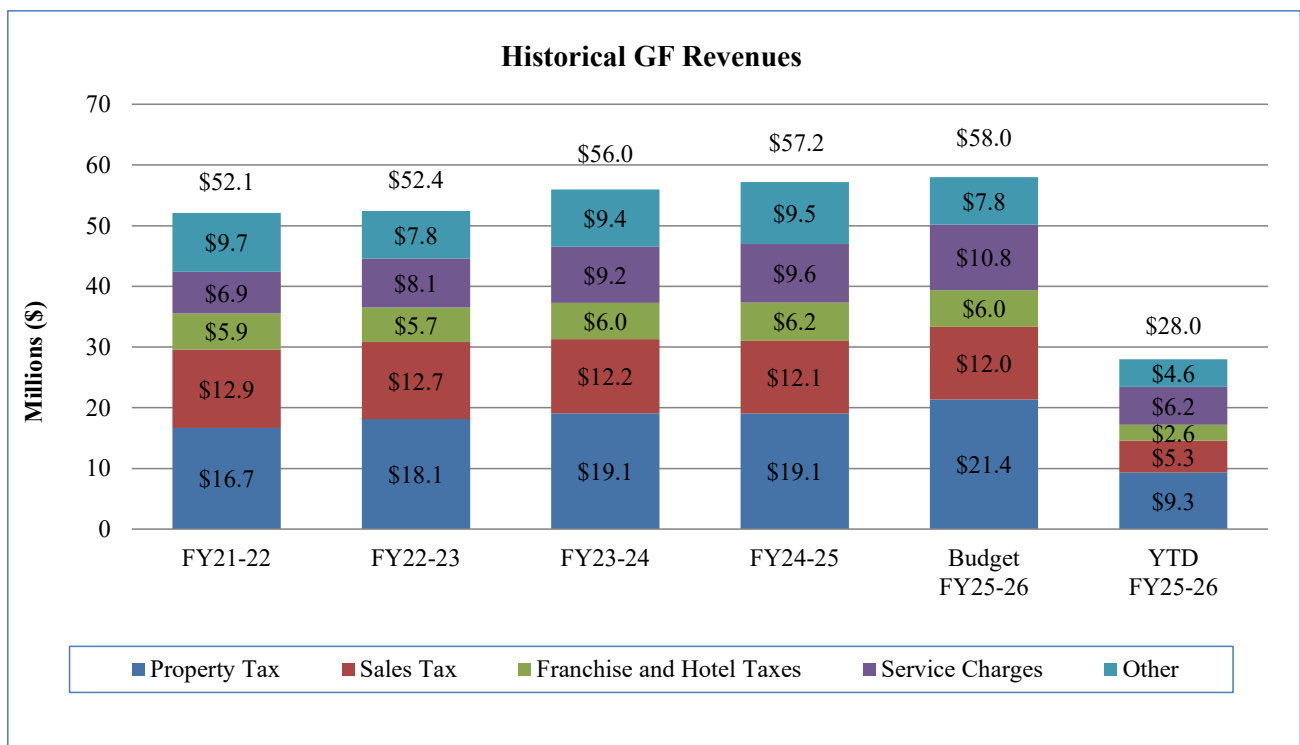
FINANCE DEPARTMENT



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2025-26
FOR THE MONTH ENDED JANUARY 2026 – 58% OF YEAR COMPLETE

- General Fund** – Revenues through January totaled \$28.0 million, or about 48% of the budget. For property tax revenue, the County estimates the City will receive approximately \$21.7 million in property tax revenue for the current fiscal year, slightly exceeding the budget of \$21.4 million. However, after adjusting for the excess ERAF set-aside of 20%, or \$0.6 million, the property tax revenue shows a slight decrease over the budget. As for sales tax, the consultant’s latest projection estimates the City’s current fiscal year sales tax revenue at approximately \$12.4 million, a slight increase from the prior projection of \$12.1 million, primarily due to one-time adjustments.

The chart below shows historical General Fund revenues by major revenue category from FY21-22 through FY24-25 Actual, FY25-26 Budget, and YTD as of January 31, 2026.



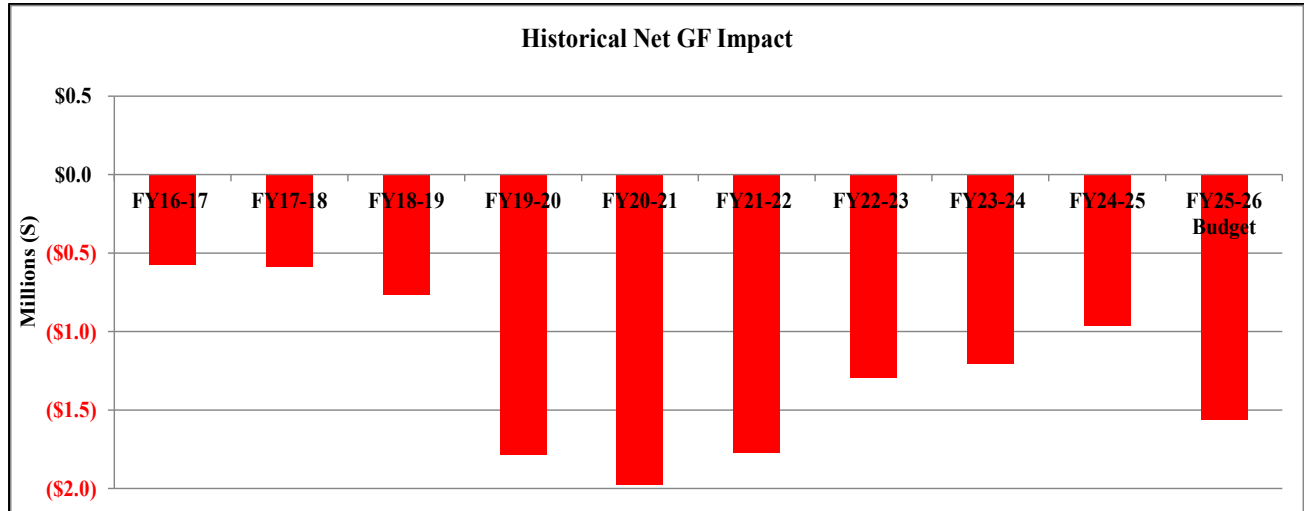
General Fund expenditures and encumbrances through January totaled \$37.3 million, of which approximately \$2.7 million is attributable to outstanding encumbrances, compared to prior year expenditures, including encumbrances, of \$36.5 million. This represents an increase of \$0.8 million, including encumbrances, compared to the prior year. Excluding encumbrances, expenditures increased by about \$1.4 million, primarily due to negotiated salary adjustments, and overall cost increases.

- Community Services** – The Community Services Department’s recreation operations, as reflected in the schedule presented on page 7 of the Monthly Financial and Investments Reports, shows a negative impact to the General Fund of approximately \$1.6 million as of January 31, 2026. Recreation operations are expected to be on target with budget.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2025-26
FOR THE MONTH ENDED JANUARY 2026 – 58% OF YEAR COMPLETE

The chart below shows the historical net impact of Recreation Operations to the general fund.



Due to longstanding governmental accounting and budgeting convention, the City’s recreation operations are not charged for indirect costs (known in Morgan Hill as “General Fund Administration”) from the central services departments of City Attorney, City Manager, and Administrative Services. The City’s other governmental funds, such as Development Services, and the proprietary funds, such as Water and Wastewater, and the Information Services Fund, are assessed such charges through the City’s indirect cost allocation plan, prepared in compliance with the guidelines set forth in the Code of Federal Regulations Title 2, Chapter II, Part 200 (formerly OMB Circular No. A-87), which mandates certain calculation and cost allocation practices that must be followed in order to qualify for Federal grant funding, but which also represents best practice for non-grant funded City operations like utilities and information services.

- **Development Services Fund** – Revenues through January totaled \$5.2 million, compared to approximately \$3.5 million for the same period last year, primarily due to updated fees and increased activity. Expenditures, including encumbrances, totaled \$3.9 million.
- **Debt Service Funds** – Expenditures through January totaled \$0.6 million. The debt service for the first half of the year includes both interest and principal, while the second half will include interest only. Debt service payments were scheduled when the bonds were issued and are budgeted for the months specified in the underlying bond documents. The General Fund’s portion of the annual debt service payments is approximately \$200,000, less than one percent of the General Fund’s budgeted revenues.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2025-26
FOR THE MONTH ENDED JANUARY 2026 – 58% OF YEAR COMPLETE

- **Wastewater Operations** – Revenues through January 31, 2026 totaled \$10.7 million. Expenditures and outstanding encumbrances totaled \$10.5 million or 57% of the budget. The table below shows historical Wastewater Operations revenues and expenditures from FY21-22 through FY24-25 Actual, FY25-26 Budget, and YTD as of January 31, 2026.

(amount in millions)					Budget	YTD
	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY25-26
Revenues	14.9	15.3	15.2	18.2	18.4	10.7
Expenditures	14.8	16.0	14.9	18.1	18.5	10.5
Operating Margin	0.1	(0.7)	0.3	0.1	(0.1)	0.2
Operating Margin without Encumbrances	0.1	(0.7)	0.3	0.1	(0.1)	0.5

- **Water Operations** – Water Operations includes Utility Billing, Water Conservation, and Water Operations. Revenues through January 31, 2026 totaled \$11.7 million. Water Operations expenditures, including outstanding encumbrances, totaled \$13.0 million. Morgan Hill residents consumed about the same amount of water through January compared to the prior three-year average. As a result, no revenue stabilization water rate was implemented. The table below shows Water Operations revenues and expenditures from FY21-22 through FY24-25 Actual, FY25-26 Budget, and YTD as of January 31, 2026.

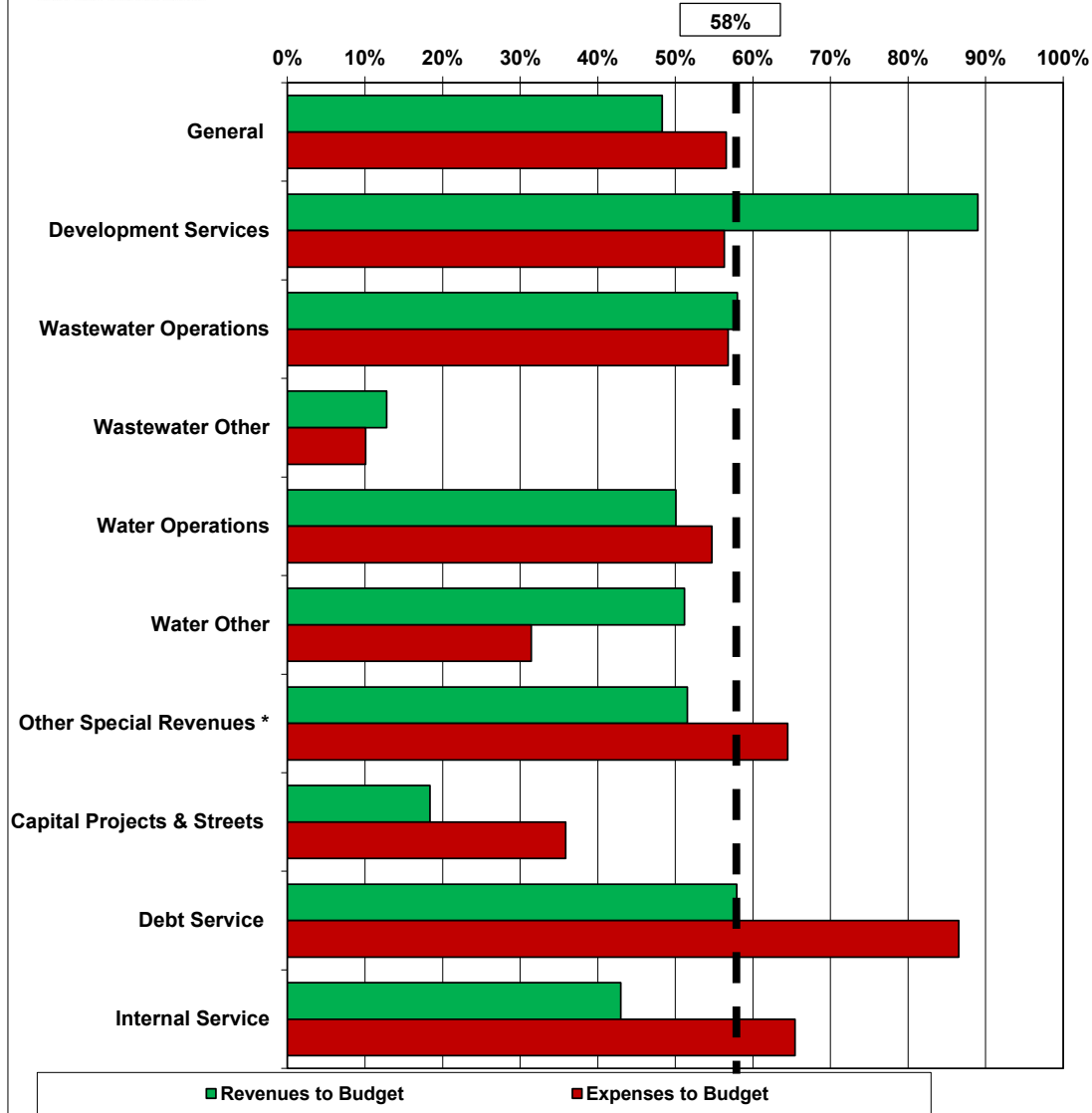
(amount in millions)					Budget	YTD
	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY25-26
Revenues	16.0	18.1	18.7	21.5	23.5	11.7
Expenditures	15.2	18.0	19.1	21.5	23.8	13.0
Operating Margin	0.8	0.1	(0.4)	-	(0.3)	(1.3)
Operating Margin without Encumbrances	0.8	0.1	(0.4)	-	(0.3)	(0.8)

- **Investments** – Six securities were called, and four new securities were purchased. Total interest earnings received on investments were \$383,000 during the month.



Morgan Hill YTD Revenue & Expense Summary January 31, 2026 - 58% of Year Complete

Percentage of Actual to Budget



FUND NAME	REVENUES		EXPENSES	
	ACTUAL	% OF BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET
General	\$ 28,001,128	48%	\$ 37,330,350	57%
Development Services	5,230,484	89%	3,886,784	56%
Wastewater Operations	10,682,286	58%	10,483,537	57%
Wastewater Other	5,854,072	13%	8,280,426	10%
Water Operations	11,737,969	50%	12,998,407	55%
Water Other	6,540,794	51%	12,415,279	31%
Other Special Revenues *	3,684,137	52%	6,164,367	64%
Capital Projects & Streets	6,048,107	18%	16,226,952	36%
Debt Service	403,402	58%	591,826	87%
Internal Service	7,021,950	43%	10,885,534	65%
TOTAL FOR ALL FUNDS	\$ 85,204,328	38%	\$ 119,263,463	39%

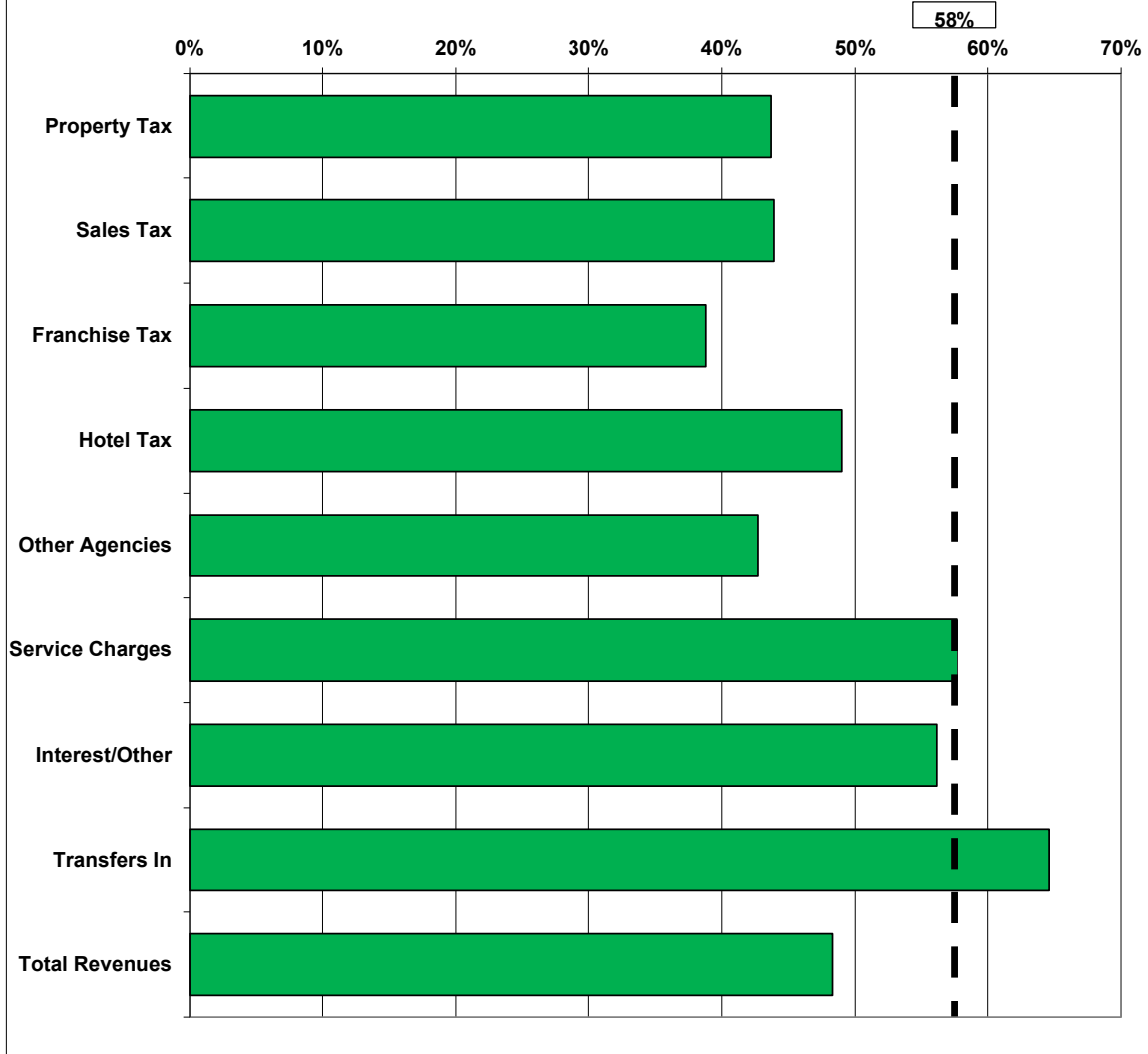
* Includes all Special Revenue Funds except Development Services Fund and Street Funds.



Morgan Hill YTD General Fund Revenues

January 31, 2026 - 58% of Year Complete

Percent of Actual to Budget

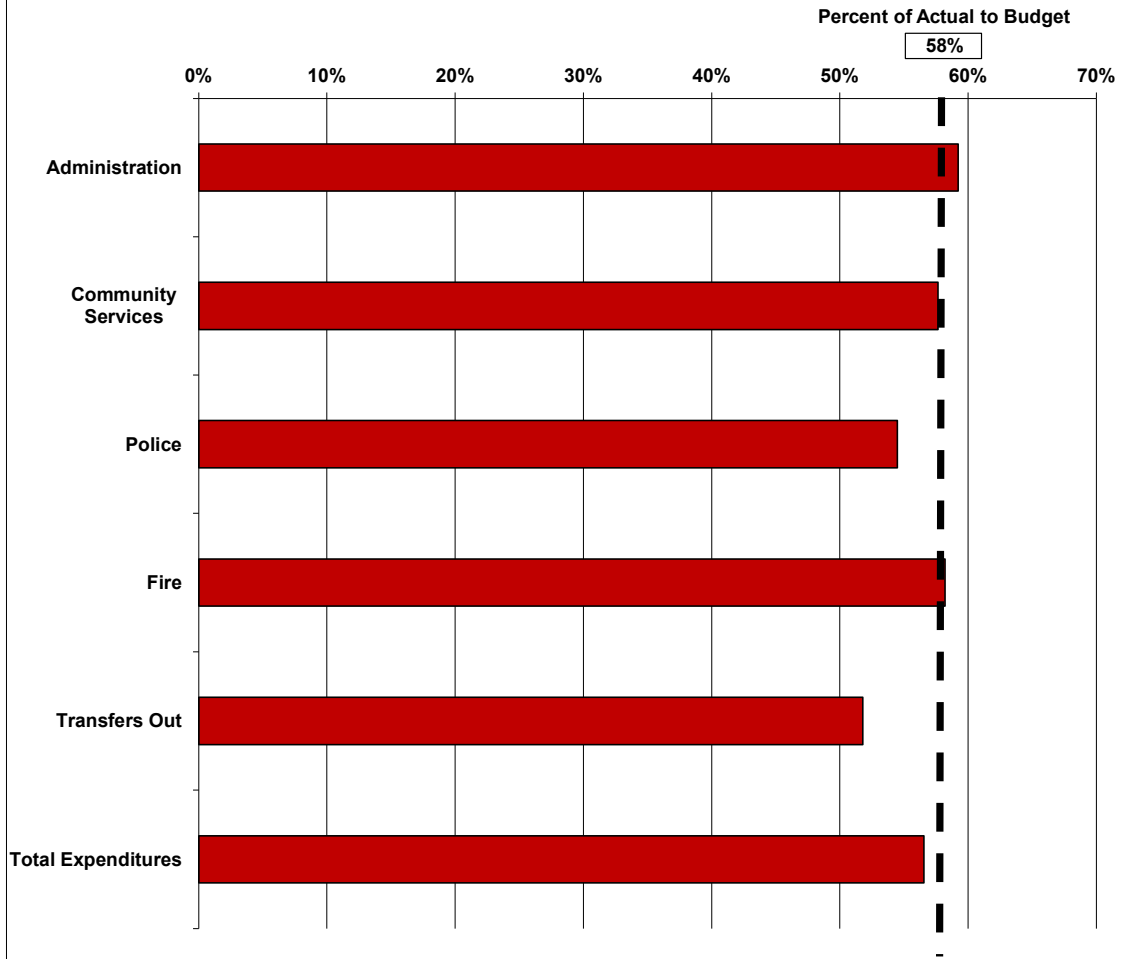


REVENUE CATEGORY	BUDGET	ACTUAL	% OF BUDGET	PRIOR YEAR TO DATE	% CHANGE FROM PRIOR YEAR
Property Tax	\$ 21,369,792	\$ 9,328,406	44%	\$ 8,829,797	6%
Sales Tax	11,989,269	5,262,448	44%	4,967,753	6%
Franchise Tax	3,354,166	1,302,367	39%	1,215,542	7%
Hotel Tax	2,658,340	1,303,536	49%	1,262,996	3%
Other Agencies	940,183	400,996	43%	841,740	-52%
Service Charges	10,834,856	6,253,073	58%	6,033,499	4%
Interest/Other	3,468,411	1,947,374	56%	1,936,631	1%
Transfers In	3,411,140	2,202,928	65%	2,036,981	8%
TOTAL REVENUES	\$ 58,026,156	\$ 28,001,128	48%	\$ 27,124,939	3%



Morgan Hill YTD General Fund Expenditures

January 31, 2026 - 58% of Year Complete



EXPENDITURE CATEGORY	BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET	PRIOR YTD PLUS ENCUMBRANCES	% CHANGE FROM PRIOR YEAR
Administration	\$ 7,097,361	\$ 4,203,794	59%	\$ 4,076,282	3%
Community Services	20,216,055	11,654,676	58%	11,473,648	2%
Police	26,079,133	14,211,106	54%	14,074,907	1%
Fire	11,212,073	6,526,313	58%	6,016,886	8%
Transfers Out	1,418,558	734,462	52%	850,634	-14%
TOTAL EXPENDITURES	\$ 66,023,180	\$ 37,330,350	57%	\$ 36,492,357	2%

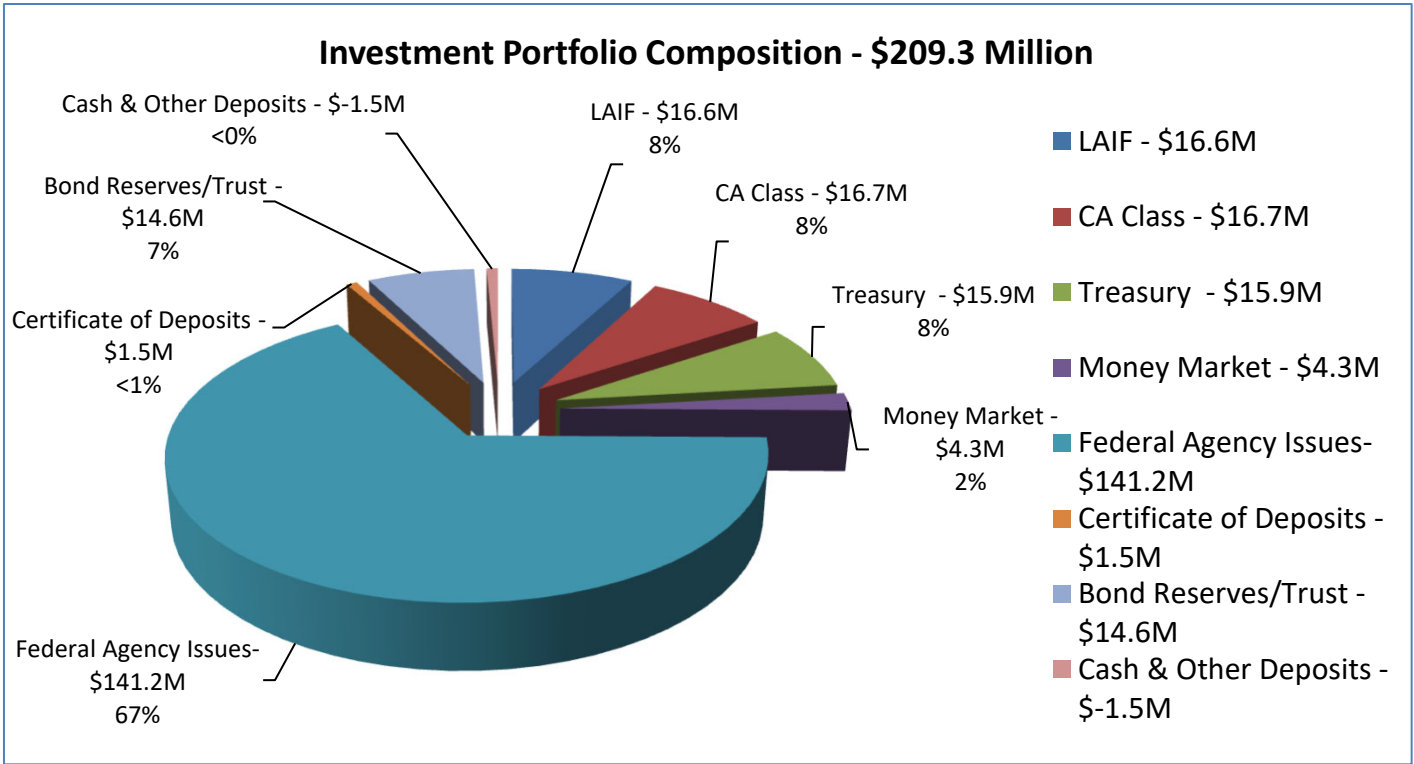


**City of Morgan Hill
 Recreation Report - Fiscal Year 2025-26
 For the Month Ended January 31, 2026
 58% of Year Complete**

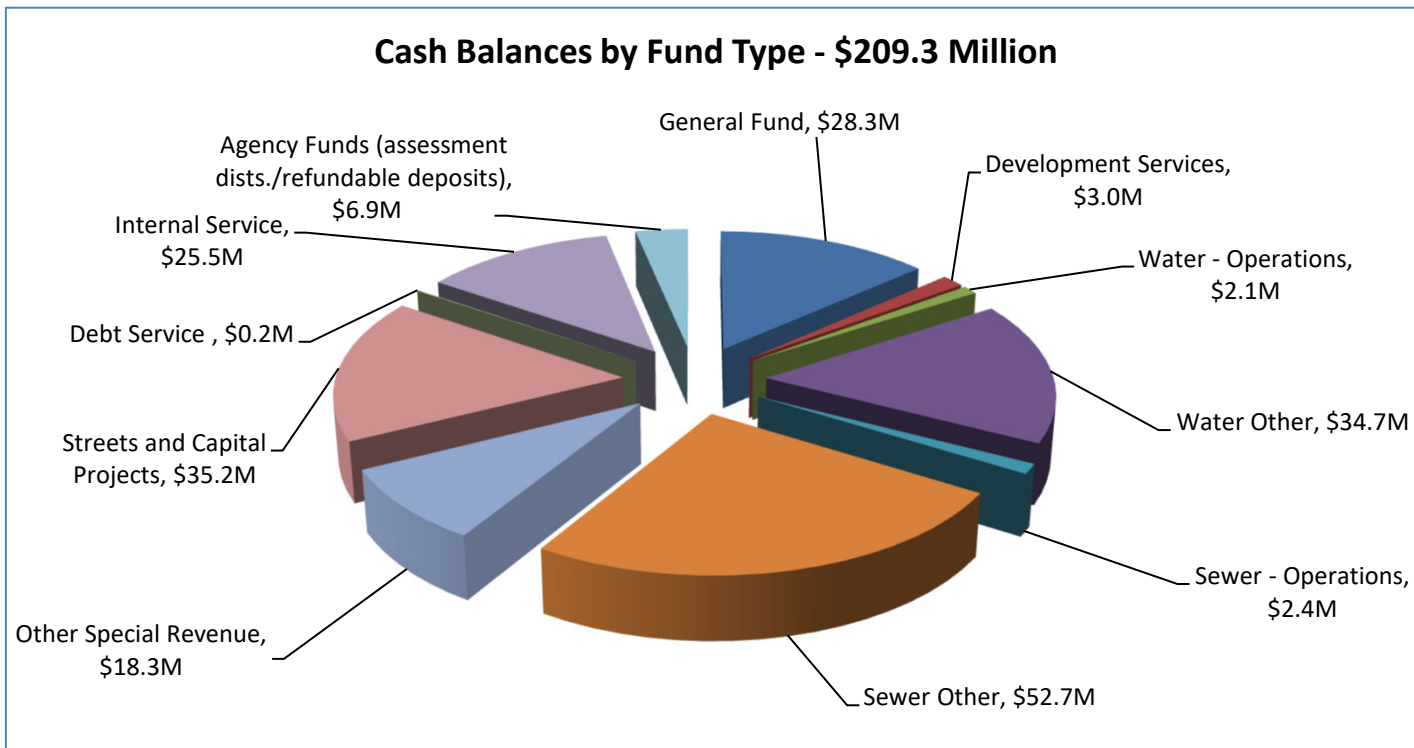
	<u>Budget</u>	<u>January 2026</u>	<u>YTD</u>	<u>% of Budget</u>
Revenues				
Membership Services & Rec Programs	\$ 6,830,960	\$ 560,090	\$ 3,835,827	
Facility Rentals	1,245,612	173,548	896,118	
Community Services	178,498	8,273	78,693	
Transfers in	100,000	6,250	58,333	
Total Revenues	\$ 8,355,070	\$ 748,162	\$ 4,868,971	58%
Less: Expenditures				
Membership & Program Services	\$ 7,541,945	\$ 428,372	\$ 4,004,210	
Facility Rentals	1,451,514	93,540	702,286	
Community Services	923,254	49,418	415,263	
Total Expenditures	\$ 9,916,714	\$ 571,328	\$ 5,121,759	52%
Net Impact without encumbrances	\$ (1,561,644)	\$ 176,833	\$ (252,788)	
Encumbrances	-	-	1,310,483	
Net Impact with encumbrances	\$ (1,561,644)	\$ 176,833	\$ (1,563,270)	

City of Morgan Hill Monthly Investment Report - January 31, 2026

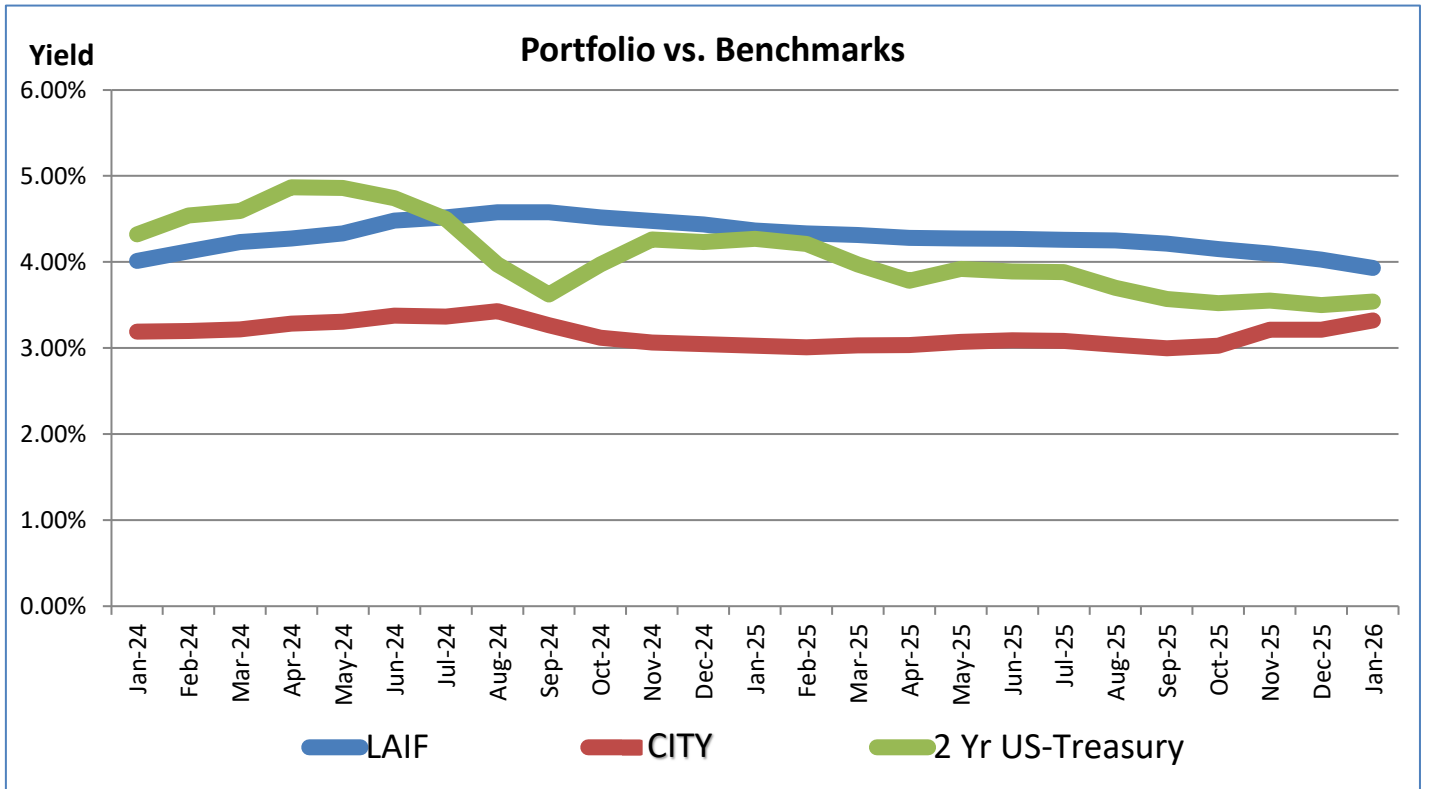
The following are the snapshots of City's investment portfolio as of January 31, 2026. The first chart shows the portfolio composition by investment type:



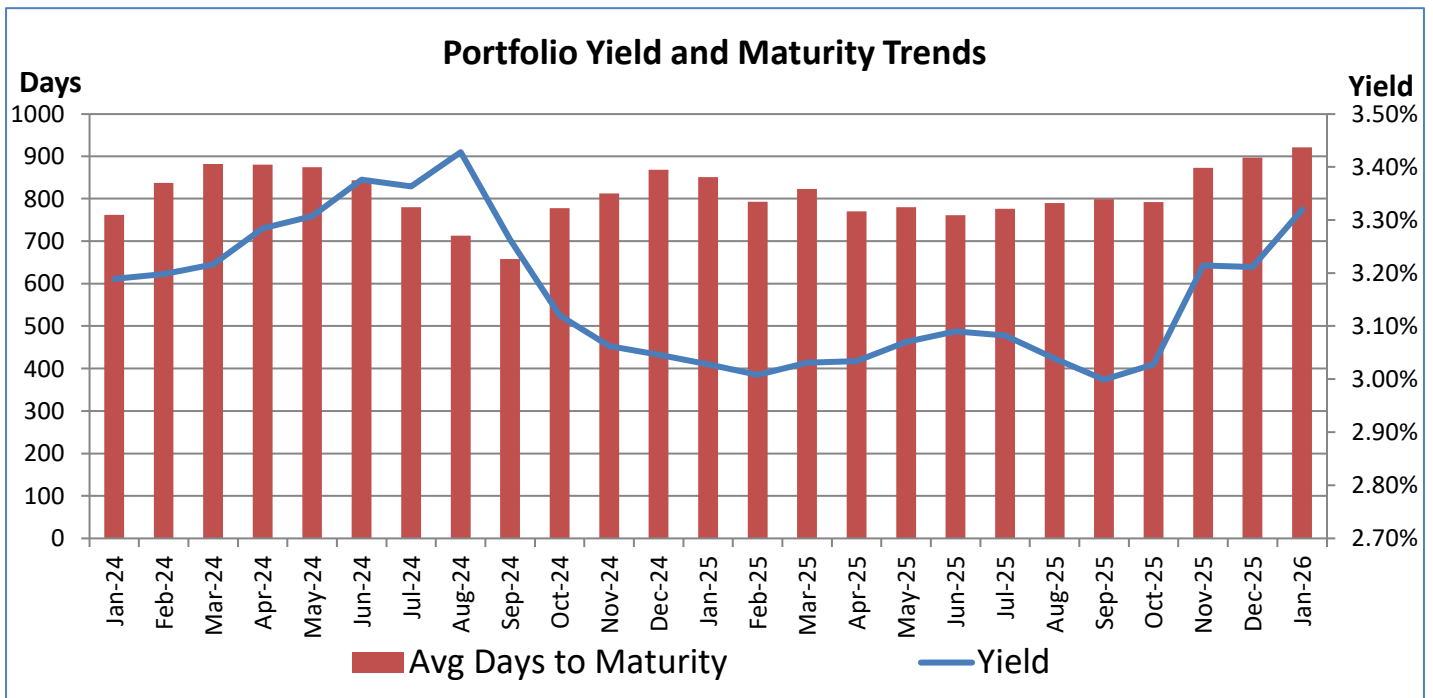
The chart below shows cash balances by fund type reconciled to City's financial system:



The following chart illustrates a yield comparison by month among the City's portfolio, LAIF and 2-Year US Treasury:



The chart below illustrates monthly average days to maturity of the City's portfolio along with the weighted average yield for the past two years:





**City of Morgan Hill
Investment Portfolio Detail
As of January 31, 2026**

Investment Type	CUSIP	Settlement Date	Cost Value	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
L A I F			\$ 16,577,272	\$ 16,577,272	7.9%	\$ 16,613,435	3.93%		
California C L A S S			16,737,179	16,737,179	8.0%	16,737,179	3.78%		
WFB Money Market			4,041,405	4,041,405	1.9%	4,041,405	3.62%		
US Bank - Portfolio of Securities									
Dreyfus Treasury Agency MM	261908107		297,341	297,341	0.1%	297,341	3.58%		
Treasury Note	91282CCZ2	10/8/2021	1,987,656	1,998,357	1.0%	1,964,660	1.00%	9/30/2026	9/30/2026
Treasury Note	912828U24	6/13/2022	1,904,688	1,983,014	0.9%	1,975,340	3.16%	11/15/2026	11/15/2026
Treasury Note	91282CFL0	9/30/2024	2,031,719	2,023,242	1.0%	2,012,660	3.53%	9/30/2029	9/30/2029
Treasury Note	91282CLL3	10/1/2024	1,994,323	1,995,249	1.0%	1,994,920	3.53%	9/15/2027	9/15/2027
Treasury Note	91282CCV1	10/4/2024	1,822,536	1,881,331	0.9%	1,880,080	3.61%	8/31/2028	8/31/2028
Treasury Note	31282CFJ5	10/7/2024	1,949,794	1,958,622	0.9%	1,962,960	3.76%	8/31/2029	8/31/2029
Treasury Note	91282CFY2	12/19/2024	1,959,077	1,965,185	0.9%	2,011,800	4.39%	11/30/2029	11/30/2029
Treasury Note	91282CJM4	12/9/2025	2,057,023	2,053,260	1.0%	2,050,400	3.77%	11/30/2030	11/30/2030
FHLB Bond	3130ALCV4	2/24/2021	2,000,000	2,000,000	1.0%	1,996,400	0.75%	2/24/2026	2/24/2026
FHLB Bond	3130ALDB7	2/25/2021	2,000,000	2,000,000	1.0%	1,995,700	0.66%	2/25/2026	2/25/2026
FHLB Bond	3130AKZ25	2/26/2021	2,000,000	2,000,000	1.0%	1,995,960	0.65%	2/26/2026	2/26/2026
FHLB Bond	3130ALGS7	3/10/2021	2,000,000	2,000,000	1.0%	1,994,300	0.85%	3/10/2026	3/10/2026
FHLB Bond	3130ALEP5	3/16/2021	2,000,000	2,000,000	1.0%	1,992,980	0.70%	3/16/2026	3/16/2026
FHLB Bond	3130ALDN1	3/16/2021	2,000,000	2,000,000	1.0%	1,993,180	0.80%	3/16/2026	3/16/2026
FHLB Bond	3130AMNH1	6/9/2021	2,000,000	2,000,000	1.0%	1,981,600	1.08%	2/5/2026	6/9/2026
FHLB Bond	3130AMYJ5	6/30/2021	2,000,000	2,000,000	1.0%	1,977,540	1.00%	3/30/2026	6/30/2026
FHLB Bond	3130AMYP1	7/15/2021	3,000,000	3,000,000	1.4%	2,965,380	1.13%	4/15/2026	7/15/2026
FHLB Bond	3130ANJC5	8/26/2021	2,000,000	2,000,000	1.0%	1,968,060	0.80%	8/26/2026	8/26/2026
FHLB Bond	3130ANLW8	8/26/2021	3,000,000	3,000,000	1.4%	2,955,900	1.00%	2/26/2026	8/26/2026
FHLB Bond	3130ANLZ1	8/26/2021	2,000,000	2,000,000	1.0%	1,969,220	0.90%	8/26/2026	8/26/2026
FHLB Bond	3130A8XY4	9/13/2021	2,103,340	2,012,644	1.0%	1,979,300	0.82%	9/11/2026	9/11/2026
FFCB Bond	3133EM4X7	9/28/2021	1,982,960	1,997,906	1.0%	1,965,900	0.98%	9/10/2026	9/10/2026
FHLB Bond	3130APCH6	9/29/2021	3,000,000	3,000,000	1.4%	2,951,670	1.13%	2/5/2026	9/29/2026
FHLB Bond	3130ANZE3	9/30/2021	2,000,000	2,000,000	1.0%	1,964,760	0.88%	9/30/2026	9/30/2026
FHLB Bond	3130AP6N0	9/30/2021	3,000,000	3,000,000	1.4%	2,949,750	1.05%	3/30/2026	9/30/2026
FHLB Bond	3130AP6M2	9/30/2021	3,000,000	3,000,000	1.4%	2,949,450	1.02%	3/30/2026	9/30/2026
FHLB Bond	3130APCG8	10/19/2021	2,000,000	2,000,000	1.0%	1,962,560	1.00%	4/19/2026	10/19/2026
FHLB Bond	3130APNX9	11/18/2021	2,000,000	2,000,000	1.0%	1,963,980	1.30%	11/18/2026	11/18/2026
FHLB Bond	3130AQHU0	1/19/2022	2,000,000	2,000,000	1.0%	1,975,100	1.74%	1/19/2027	1/19/2027
FHLB Bond	3130B2P58	9/26/2024	2,003,014	2,000,000	1.0%	1,998,760	3.87%	9/10/2026	9/10/2029
FHLB Bond	3130B36N8	10/15/2024	1,944,000	1,995,553	1.0%	1,996,820	4.32%	4/15/2026	10/15/2029
FHLB Bond	3130B5A73	2/26/2025	2,000,000	2,000,000	1.0%	2,009,220	4.75%	8/26/2026	2/26/2030
FAMCMTN Bond	31424WZC9	5/7/2025	3,000,000	3,000,000	1.4%	2,995,680	4.55%	5/7/2026	5/7/2030
FHLB Bond	3130B6F50	5/28/2025	2,000,000	2,000,000	1.0%	2,002,780	4.75%	5/14/2026	5/14/2030
FAMCMTN Bond	31424WB50	5/28/2025	2,000,000	2,000,000	1.0%	1,999,840	4.74%	5/28/2026	5/28/2030
FFCB Bond	3133ER3L3	6/6/2025	2,029,443	2,000,000	1.0%	2,000,600	4.69%	2/13/2026	2/13/2029
FAMCMTN Bond	31424WG30	6/26/2025	1,200,000	1,200,000	0.6%	1,204,056	4.33%	6/26/2026	6/26/2028
FFCB Bond	3133ETMB0	6/27/2025	2,000,775	2,000,000	1.0%	2,003,920	4.65%	6/24/2026	6/24/2030
FAMCMTN Bond	31424WG55	7/1/2025	2,000,000	2,000,000	1.0%	2,004,940	4.60%	7/1/2026	7/1/2030
FFCB Bond	3133ETNA1	7/2/2025	2,000,000	2,000,000	1.0%	2,003,160	4.50%	7/2/2026	1/2/2030
FHLMCMTN Bond	3134HBB59	7/30/2025	2,000,000	2,000,000	1.0%	2,002,380	4.64%	4/30/2026	7/30/2030
FNMA Bond	3136GAM22	8/12/2025	2,988,270	2,998,432	1.4%	3,000,270	4.14%	2/12/2026	8/12/2030
FAMCMTN Bond	31424WVN81	8/12/2025	2,000,000	2,000,000	1.0%	2,001,900	4.39%	8/12/2026	8/12/2030
FFCB Bond	3133ETUP0	8/20/2025	2,000,000	2,000,000	1.0%	1,999,120	4.49%	2/20/2026	5/20/2030
FFCB Bond	3133ETUN5	8/25/2025	2,000,000	2,000,000	1.0%	1,999,300	4.45%	2/25/2026	2/25/2030
FNMA Bond	3136GAQF9	9/3/2025	2,000,000	2,000,000	1.0%	1,996,760	4.25%	6/3/2026	6/3/2030
FFCB Bond	3133ETXY8	9/16/2025	2,000,000	2,000,000	1.0%	1,997,420	4.00%	9/16/2026	9/16/2030
FHLB Bond	3130B7SF2	9/18/2025	2,000,222	2,000,000	1.0%	1,984,320	4.00%	9/17/2026	9/17/2030
FNMA Bond	3136GAUR8	9/25/2025	2,000,000	2,000,000	1.0%	1,972,360	4.20%	3/18/2026	9/18/2030
FNMA Bond	3136GAVD8	9/26/2025	2,000,000	2,000,000	1.0%	1,999,460	4.13%	6/26/2026	9/26/2030
FHLB Bond	3130B7YU2	10/15/2025	2,000,000	2,000,000	1.0%	1,995,160	4.33%	4/15/2026	10/15/2030
FFCB Bond	3133ETJ73	10/21/2025	2,000,000	2,000,000	1.0%	1,995,180	4.12%	4/21/2026	10/21/2030
FFCB Bond	3133ETJ73	10/21/2025	2,000,000	2,000,000	1.0%	1,995,180	4.12%	4/21/2026	10/21/2030

Investment Type	CUSIP	Settlement Date	Cost Value	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
FNMA Bond	3136GAYT0	10/22/2025	2,000,000	2,000,000	1.0%	1,989,740	4.00%	4/23/2026	10/23/2028
FNMA Bond	3136GAZ44	10/24/2025	2,000,000	2,000,000	1.0%	1,997,480	4.00%	10/15/2026	10/15/2030
FHLMCMTN Bond	3134HB3J8	11/3/2025	2,000,000	2,000,000	1.0%	2,000,220	4.00%	5/1/2026	11/1/2028
FNMA Bond	3136GC3B9	11/5/2025	2,000,000	2,000,000	1.0%	2,000,380	4.25%	5/5/2026	11/5/2030
FNMA Bond	3136GC2M6	11/6/2025	2,000,000	2,000,000	1.0%	2,001,960	4.08%	5/6/2026	5/6/2030
FNMA Bond	3136GC3V5	11/6/2025	2,000,000	2,000,000	1.0%	1,997,780	4.13%	11/6/2026	11/6/2030
FNMA Bond	3136GC5Z4	11/18/2025	2,000,000	2,000,000	1.0%	1,996,980	4.13%	5/18/2026	5/18/2029
FHLMCMTN Bond	3134HB6G1	11/20/2025	2,000,000	2,000,000	1.0%	1,999,960	4.00%	5/20/2026	11/20/2028
FHLMCMTN Bond	3134HB6J5	11/20/2025	2,000,000	2,000,000	1.0%	2,000,160	4.45%	2/6/2026	11/6/2030
FHLMCMTN Bond	3134HB7G0	11/20/2025	2,000,000	2,000,000	1.0%	1,997,120	4.15%	11/13/2026	11/13/2030
FHLB Bond	3130B8NB4	11/21/2025	2,000,000	2,000,000	1.0%	2,000,140	4.07%	2/9/2026	11/9/2027
FAMCMTN Bond	31424W3P5	11/25/2025	1,000,000	1,000,000	0.5%	990,808	4.13%	11/25/2026	11/25/2030
FHLMCMTN Bond	3134HCFN4	12/10/2025	2,000,000	2,000,000	1.0%	2,000,040	4.08%	6/10/2026	12/10/2029
FNMA Bond	3136GCAE5	12/11/2025	2,000,000	2,000,000	1.0%	1,998,600	4.03%	6/11/2027	12/11/2030
FHLMCMTN Bond	3134HCGL7	12/11/2025	2,000,000	2,000,000	1.0%	1,995,360	4.05%	6/11/2026	12/11/2028
FHLMCMTN Bond	3134HCGL7	12/11/2025	2,000,000	2,000,000	1.0%	1,995,360	4.05%	6/11/2026	12/11/2028
FFCB Bond	3133ET3X3	12/12/2025	2,000,000	2,000,000	1.0%	1,998,220	4.26%	6/12/2026	12/12/2030
FHLMCMTN Bond	3134HCCW7	12/15/2025	2,000,000	2,000,000	1.0%	1,993,040	4.25%	6/2/2026	12/2/2030
FHLMCMTN Bond	3134HCFX2	12/23/2025	2,000,000	2,000,000	1.0%	1,997,280	4.18%	12/23/2026	12/30/2030
FFCB Bond	3133ET6F9	1/8/2026	2,000,000	2,000,000	1.0%	1,995,980	4.06%	7/8/2026	7/8/2030
FNMA Bond	3136GCD93	1/8/2026	2,000,000	2,000,000	1.0%	1,997,300	4.06%	1/8/2027	1/8/2031
FHLB Bond	3130B9A83	1/28/2026	2,000,000	2,000,000	1.0%	1,997,460	4.00%	1/28/2028	1/28/2031
FHLMCMTN Bond	3134HCRN1	1/28/2026	2,000,000	2,000,000	1.0%	1,998,280	4.15%	1/28/2027	1/28/2031
CD - Morgan Stanley Bank	61690DGT9	11/8/2023	250,000	250,000	0.1%	258,100	5.05%	11/8/2028	11/8/2028
CD - Morgan Stanley Private Bank	61768EE82	11/8/2023	250,000	250,000	0.1%	258,100	5.05%	11/8/2028	11/8/2028
CD - American Express	02589AF98	11/8/2023	250,000	250,000	0.1%	257,775	5.00%	11/8/2028	11/8/2028
CD - State Bank India	8562834U7	11/24/2023	250,000	250,000	0.1%	259,950	5.00%	11/24/2028	11/24/2028
CD - JPMorgan Chase	46659CLN8	9/30/2025	250,000	250,000	0.1%	250,230	4.13%	9/30/2030	9/30/2030
CD - Sallie Mae	795451EE9	12/10/2025	250,000	250,000	0.1%	249,938	3.90%	12/10/2030	12/10/2030
Sub Total/Average			\$ 158,756,182	\$ 158,860,136	75.9%	\$ 158,231,177	3.19%		
Total City Managed/Average			\$ 196,112,038	\$ 196,215,992	93.8%	\$ 195,623,196	3.31%		
Bond Reserve Accounts - Held By Trustees			\$ 6,709,099	\$ 6,709,099	3.2%	\$ 6,709,099			
Cash/Deposits			\$ (1,522,302)	\$ (1,522,302)	-0.7%	\$ (1,522,302)			
PARS and CALPERS CERBT Trust			\$ 7,887,404	\$ 7,887,404	3.8%	\$ 10,993,822			
GRAND TOTAL/AVERAGE			\$ 209,186,240	\$ 209,290,194	100.0%	\$ 211,803,816			



CITY OF MORGAN HILL CASH AND INVESTMENT REPORT
FOR THE MONTH OF JANUARY 31, 2026
FOR THE FISCAL YEAR OF 2025-26

	Invested in Fund	Yield	Book Value End of Month	% of Total	Market Value
Investments					
State Treasurer LAIF - City	All Funds Pooled	3.93%	\$ 16,577,272	7.9%	\$ 16,613,435
California CLASS	All Funds Pooled	3.78%	16,737,179	8.0%	16,737,179
US Bank - Portfolio of Securities	All Funds Pooled	3.19%	158,860,136	75.9%	158,231,177
WFB MMA	All Funds Pooled	3.62%	4,041,405	1.9%	4,041,405
	SUBTOTAL		\$ 196,215,992	93.8%	\$ 195,623,196
Bond Reserve Accounts - held by trustees					
Zions Bank - Civic Center/Library Facility	Debt Service	3.33%	480	0.0%	480
Blackrock Liq Fund					
Zions Bank - MH Police Facility Lease Revenue Bonds	Debt Service	3.33%	611	0.0%	611
Blackrock Liq Fund					
BNY - RDA Bonds	Agency Fund	3.29%	6,708,008	3.2%	6,708,008
Dreyfus Cash Mgmt 521					
	SUBTOTAL		6,709,099	3.2%	6,709,099
Other Cash/Deposits					
General Checking	All Funds		(1,568,152)	-0.7%	(1,568,152)
Workers' Comp Administrators	Workers' Comp		30,000	0.0%	30,000
Petty Cash & Emergency Cash	General Fund		15,850	0.0%	15,850
CALPERS CERBT - OPEB Trust			5,237,404	2.5%	7,331,033
PARS - PENSION Trust			2,650,000	1.3%	3,662,789 **
	SUBTOTAL		6,365,102	3.0%	9,471,520
Total Cash and Investments			\$ 209,290,194	100.0%	\$ 211,803,816


** As of 12/31/2025


CASH ACTIVITY SUMMARY
FY 2025-26


Fund Type	07/01/2025 Balance	Change in Cash Balance	1/31/2026 Balance
General Fund	\$ 27,754,684	\$ 500,157	\$ 28,254,841
Development Services	1,256,663	1,754,520	3,011,184
Water - Operations	1,682,675	408,658	2,091,333
Water Other	33,378,396	1,364,131	34,742,527
Sewer - Operations	581,685	1,866,618	2,448,303
Sewer Other	51,823,477	839,739	52,663,216
Other Special Revenue	18,941,285	(646,741)	18,294,544
Streets and Capital Projects	40,813,196	(5,584,382)	35,228,814
Debt Service	354,990	(188,424)	166,566
Internal Service	29,447,571	(3,995,896)	25,451,675
Agency Funds (assessment dists./refundable deposits)	6,701,471	235,721	6,937,192
Total	\$ 212,736,093	\$ (3,445,900)	\$ 209,290,194

Note: See Investment Portfolio Detail for maturities of "Investments." Market values are obtained from the City's investment brokers' monthly reports.

I certify that information on the investment report has been reconciled to the general ledger and bank statements and that there are sufficient funds to meet the expenditure requirements of the City for the next six months. The portfolio is in compliance with the City of Morgan Hill Investment Policy and all State laws and regulations.

Prepared by: 
 Gina Nazareno, Senior Accountant

Approved by: 
 Cindy Murphy, Treasurer

Reviewed by: 
 Dat Nguyen, Finance Director



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2025-26
For the Month Ended January 31, 2026
58% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
010 GENERAL FUND							
TAXES							
Property Tax - Secured/Unsecured	\$ 17,345,642	17,945,642	\$ 7,972,656	44%	\$ 7,545,860	\$ 426,796	6%
Property Tax - RPTTF Residual Distribution	3,098,634	3,098,634	1,238,324	40%	1,160,036	78,288	7%
Property Tax - Supplemental Roll	325,515	325,515	117,425	36%	123,901	(6,476)	-5%
Sales Tax	12,711,087	11,511,087	5,117,475	44%	4,787,355	330,120	7%
Public Safety Sales Tax	478,182	478,182	144,972	30%	180,398	(35,426)	-20%
Transient Occupancy Taxes	2,958,340	2,658,340	1,303,536	49%	1,262,996	40,540	3%
Franchise (Refuse ,Cable ,PG&E)	3,354,166	3,354,166	1,302,367	39%	1,215,542	86,826	7%
Property Transfer Tax	642,000	642,000	288,104	45%	300,230	(12,125)	-4%
TOTAL TAXES	40,913,566	40,013,566	17,484,861	44%	16,576,318	908,544	5%
LICENSES/PERMITS							
Business License	200,000	200,000	76,939	38%	80,881	(3,943)	-5%
Other Permits	82,750	82,750	198,708	240%	165,568	33,140	20%
TOTAL LICENSES/PERMITS	282,750	282,750	275,647	97%	246,449	29,198	12%
FINES AND PENALTIES							
Parking Enforcement	9,800	9,800	3,308	34%	5,520	(2,212)	-40%
Bails & Fines	55,000	55,000	20,975	38%	15,475	5,500	36%
Administrative Citations	20,000	20,000	11,800	59%	11,077	723	7%
TOTAL FINES AND PENALTIES	84,800	84,800	36,084	43%	32,072	4,011	13%
OTHER AGENCIES							
Motor Vehicle in-Lieu	63,654	63,654	70,915	111%	73,134	(2,219)	-3%
Other Revenue - Other Agencies	434,545	940,183	400,996	43%	841,740	(440,744)	-52%
TOTAL OTHER AGENCIES	498,199	1,003,837	471,911	47%	914,874	(442,963)	-48%
CHARGES CURRENT SERVICES							
Police False Alarm Charge	33,500	33,500	14,262	43%	16,437	(2,175)	-13%
Business License Application Review	84,872	84,872	33,480	39%	32,031	1,449	5%
Membership Services & Rec Programs	6,830,960	6,830,960	3,835,827	56%	3,596,529	239,298	7%
Facility Rentals	1,245,612	1,245,612	896,118	72%	900,808	(4,690)	-1%
Community Services	138,498	178,498	78,693	44%	113,943	(35,250)	-31%
General Administration Overhead	1,727,037	1,727,037	1,015,238	59%	981,698	33,540	3%
Other Charges Current Services	734,377	734,377	379,454	52%	392,053	(12,599)	-3%
TOTAL CURRENT SERVICES	10,794,856	10,834,856	6,253,073	58%	6,033,499	219,574	4%
OTHER REVENUE							
Use of money/property	1,283,417	1,583,417	685,561	43%	822,183	(136,622)	-17%
Other Revenues	548,648	811,790	591,063	73%	462,563	128,499	28%
TOTAL OTHER REVENUE	1,832,065	2,395,207	1,276,624	53%	1,284,746	(8,122)	-1%
TRANSFERS IN							
One Time Transfer	165,000	165,000	96,250	58%	96,250	-	0%
Public Safety Facilities Fund	50,000	50,000	29,167	58%	29,167	-	0%
Supplemental Law Enforcement Fund	100,000	100,000	100,000	100%	100,000	-	n/a
Countywide Solid Waste	563,961	544,328	328,977	60%	315,191	13,786	4%
Streets	851,932	851,932	582,937	68%	528,915	54,023	10%
Park Maintenance	650,000	650,000	379,167	58%	379,167	-	n/a
Sewer Operations	434,390	434,390	290,394	67%	241,325	49,069	20%
Water Operations	434,390	434,390	290,394	67%	241,325	49,069	20%
Open Space	81,100	81,100	47,308	58%	47,308	-	n/a
Park Development	100,000	100,000	58,333	58%	58,333	-	n/a
TOTAL TRANSFERS IN	3,430,773	3,411,140	2,202,928	65%	2,036,981	165,947	8%
TOTAL GENERAL FUND	57,837,009	58,026,156	28,001,128	48%	27,124,939	876,189	3%
SPECIAL REVENUE FUNDS							
202 STREET MAINTENANCE							
Gas Tax 2105 - 2107.5	851,932	851,932	427,872	50%	455,325	(27,453)	-6%
Interest / Other Revenue/Other Charges	1,665	1,665	5,993	360%	4,485	1,507	34%
202 STREET MAINTENANCE	853,597	853,597	433,865	51%	459,810	(25,946)	-6%



City of Morgan Hill
 Year to Date Revenues - Fiscal Year 2025-26
 For the Month Ended January 31, 2026
 58% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
SPECIAL REVENUE FUNDS							
205 SUPPLEMENTAL LAW ENFORCEMENT FUND							
Interest Income	11,065	11,065	10,199	92%	8,746	1,453	17%
Police Grant/SLEF/JAG	100,000	100,000	151,537	152%	127,997	23,540	18%
205 SUPPLEMENTAL LAW ENFORCEMENT FUND	111,065	111,065	161,736	146%	136,743	24,993	18%
206 DEVELOPMENT SERVICES							
Building Fees	3,655,850	3,578,850	2,771,290	77%	2,264,165	507,126	22%
Planning Fees	954,276	1,059,276	1,409,879	133%	660,895	748,984	113%
Engineering Fees	723,341	723,341	1,009,586	140%	511,674	497,911	97%
Other Revenue/Current Charges	544,851	516,851	39,729	8%	110,912	(71,183)	-64%
206 DEVELOPMENT SERVICES	5,878,318	5,878,318	5,230,484	89%	3,547,646	1,682,838	47%
207 LONG RANGE PLANNING	827,760	827,760	918,939	111%	506,253	412,686	82%
215 and 216 HCD BLOCK GRANT							
Interest Income/Other Revenue	994	994	1,263	127%	1,384	(121)	-9%
215 and 216 HCD BLOCK GRANT	994	994	1,263	127%	1,384	(121)	-9%
225 ASSET SEIZURE	1,631	1,631	1,906	117%	2,110	(204)	-10%
229 LIGHTING AND LANDSCAPE	207,135	207,135	119,709	58%	115,527	4,182	4%
230 COMMUNITY FACILITIES DISTRICT	28,314	28,314	17,980	64%	17,888	92	1%
232 ENVIRONMENTAL PROGRAMS	525,286	525,286	293,271	56%	273,469	19,802	7%
234 MOBILE HOME PARK RENT STAB.	2,447	2,447	5,108	209%	5,151	(43)	-1%
236 HOUSING MITIGATION	3,061,720	3,478,220	920,704	26%	1,041,537	(120,833)	-12%
240 EMPLOYEE ASSISTANCE	481	481	4,490	933%	4,521	(31)	-1%
246 COUNTYWIDE SOLID WASTE	2,393,478	1,716,866	1,111,488	65%	1,285,234	(173,746)	-14%
255 HOUSING SUCCESSOR AGENCY	418,260	418,260	126,809	30%	382,841	(256,032)	-67%
260 PUBLIC ART	869	869	733	84%	243	490	202%
TOTAL SPECIAL REVENUE FUNDS	14,311,356	14,051,244	9,348,485	67%	7,780,359	1,568,127	20%
CAPITAL PROJECTS FUNDS							
301 PARK DEVELOPMENT	2,324,852	2,324,852	559,622	24%	1,792,283	(1,232,661)	-69%
302 PARK MAINTENANCE	1,008,792	1,008,792	31,709	3%	52,593	(20,884)	-40%
303 LOCAL DRAINAGE	3,672,294	3,672,294	118,311	3%	404,221	(285,911)	-71%
304 LOCAL DRAINAGE/NON AB1600	28,357	187,838	23,756	13%	152,430	(128,674)	-84%
306 AGRICULTURE & OPEN SPACE PRESERVATION	10,461	10,461	156,931	1500%	415,440	(258,508)	-62%
308 STREET CIP	7,777,340	7,777,340	1,863,104	24%	3,077,504	(1,214,400)	-39%
309 TRAFFIC IMPACT	3,584,714	3,584,714	732,646	20%	1,873,209	(1,140,562)	-61%
315 PUBLIC SAFETY FACILITIES IMPACT	2,217,137	2,217,137	770,753	35%	5,696,306	(4,925,553)	-86%
346 PUBLIC FACILITIES NON-AB1600	26,226	26,226	32,927	126%	169,098	(136,172)	-81%
347 PUBLIC FACILITIES IMPACT	994,483	994,483	83,164	8%	313,187	(230,024)	-73%
348 LIBRARY	2,180,740	2,180,740	387,069	18%	1,282,301	(895,232)	-70%
350 UNDERGROUNDING	47,258	47,258	69,399	147%	68,387	1,011	1%
360 COMMUNITY/REC IMPACT FUND	3,802,095	3,802,095	673,019	18%	2,377,903	(1,704,884)	-72%
375 QUIMBY FEE	4,268,487	4,268,487	111,832	3%	1,253,539	(1,141,708)	-91%
TOTAL CAPITAL PROJECTS FUNDS	31,943,236	32,102,717	5,614,242	17%	18,928,403	(13,314,161)	-70%
DEBT SERVICE FUNDS							
420 CIVIC CENTER DEBT	302,376	302,376	176,256	58%	175,324	931	1%
441 POLICE FACILITY BOND	394,304	394,304	227,146	58%	224,696	2,450	1%
TOTAL DEBT SERVICE FUNDS	696,680	696,680	403,402	58%	400,020	3,381	1%



City of Morgan Hill
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 For the Month Ended January 31, 2026
 58% of Year Complete

	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
ENTERPRISE FUNDS							
640 WASTEWATER OPERATION							
Sewer Service Fees	17,871,000	17,871,000	10,471,496	59%	8,414,617	2,056,879	24%
Interest Income/Transfers	121,041	121,041	36,973	31%	41,297	(4,324)	-10%
Other Revenue/Current Charges	428,860	428,860	173,816	41%	174,294	(478)	0%
640 WASTEWATER OPERATION	18,420,901	18,420,901	10,682,286	58%	8,630,209	2,052,077	24%
641 WASTEWATER EXPANSION							
Interest Income	164,788	164,788	405,739	246%	451,358	(45,619)	-10%
Development Impact Fee	30,415,728	30,415,728	1,502,388	5%	7,905,849	(6,403,461)	-81%
641 WASTEWATER EXPANSION	30,580,516	30,580,516	1,908,127	6%	8,357,207	(6,449,080)	-77%
642 WASTEWATER RATE STABILIZATION	93,037	93,037	59,350	64%	64,465	(5,115)	-8%
643 WASTEWATER CAPITAL PROJECT	15,076,739	15,076,739	3,886,595	26%	4,034,057	(147,461)	-4%
TOTAL SEWER FUNDS	64,171,193	64,171,193	16,536,358	26%	21,085,937	(4,549,579)	-22%
650 WATER OPERATION							
Water Sales	21,385,800	21,385,800	10,760,649	50%	10,294,860	465,789	5%
Meter Install & Service	110,000	110,000	32,193	29%	49,395	(17,202)	-35%
Transfers-In / Interest Income	911,184	911,184	485,656	53%	485,058	597	0%
Other Revenue/Current Charges	1,044,838	1,044,838	459,472	44%	470,737	(11,264)	-2%
650 WATER OPERATION	23,451,822	23,451,822	11,737,969	50%	11,300,050	437,919	4%
651 WATER EXPANSION							
Interest Income/Other Revenue/Transfer	40,273	40,273	102,640	255%	102,324	316	0%
Development Impact Fee	4,833,886	4,833,886	553,258	11%	2,957,157	(2,403,899)	-81%
651 WATER EXPANSION	4,874,159	4,874,159	655,898	13%	3,059,481	(2,403,583)	-79%
652 WATER RATE STABILIZATION	99,247	99,247	63,481	64%	69,621	(6,140)	-9%
653 WATER CAPITAL PROJECT	7,809,380	7,809,380	5,821,415	75%	3,882,142	1,939,273	50%
TOTAL WATER FUNDS	36,234,608	36,234,608	18,278,763	50%	18,311,294	(32,531)	0%
TOTAL ENTERPRISE FUNDS	100,405,801	100,405,801	34,815,121	35%	39,397,231	(4,582,110)	-12%
INTERNAL SERVICE FUNDS							
730 INFORMATION SYSTEMS	3,038,971	3,038,971	1,772,198	58%	1,683,424	88,774	5%
740 BUILDING MAINTENANCE	1,270,189	1,270,189	747,584	59%	831,466	(83,882)	-10%
741 BUILDING REPLACEMENT	1,049,288	2,299,288	620,881	27%	615,716	5,165	1%
745 CIP ADMINISTRATION	2,880,028	2,880,028	264,091	9%	1,332,835	(1,068,744)	-80%
760 UNEMPLOYMENT INSURANCE	8,298	8,298	4,878	59%	5,631	(753)	-13%
770 WORKERS COMPENSATION	1,211,610	1,211,610	372,901	31%	594,162	(221,262)	-37%
790 EQUIPMENT REPLACEMENT	1,615,158	1,615,158	950,205	59%	1,048,853	(98,648)	-9%
791 EMPLOYEE BENEFITS	1,251,963	1,251,963	683,048	55%	668,025	15,024	2%
795 GENERAL LIABILITY INSURANCE	2,769,881	2,769,881	1,606,164	58%	1,462,817	143,347	10%
TOTAL INTERNAL SERVICE FUNDS	15,095,386	16,345,386	7,021,950	43%	8,242,929	(1,220,980)	-15%
TOTAL FOR ALL FUNDS	\$ 220,289,468	\$ 221,627,983	\$ 85,204,328	38%	\$ 101,873,881	\$ (16,669,553)	-16%



City of Morgan Hill
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 58% of Year Complete

FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
010 GENERAL FUND								
I. ADMINISTRATION								
	CITY COUNCIL	\$ 37,654	\$ 631,504	\$ 486,521	\$ -	\$ 486,521	77%	\$ 290,073
	CITY ATTORNEY	112,315	1,151,353	575,158	83,505	658,663	57%	563,609
	CITY MANAGER	61,225	1,041,692	399,457	25,000	424,457	41%	395,284
	HUMAN RESOURCES	132,475	1,032,289	622,630	-	622,630	60%	545,103
	COUNCIL SVCS & RECORDS MGMT							
	Council Svcs & Records Mgmt	50,356	627,757	326,812	-	326,812	52%	322,612
	Elections	3,033	38,516	20,869	-	20,869	54%	271,041
	COUNCIL SVCS & RECORDS MGMT	53,389	666,273	347,681	-	347,681	52%	593,653
	FINANCE	302,971	2,574,249	1,224,371	439,472	1,663,842	65%	1,127,805
	TOTAL ADMINISTRATION	700,028	7,097,361	3,655,818	547,976	4,203,794	59%	3,515,528
II. COMMUNITY SERVICES								
	Membership Services & Rec. Programs	428,372	7,541,945	4,004,210	1,170,530	5,174,740	69%	4,252,035
	Recreation Facility Rentals	93,540	1,451,514	702,286	78,758	781,045	54%	317,585
	Innovative Transit	-	-	-	-	-	n/a	389,552
	Community Services	49,418	923,254	415,263	61,194	476,457	52%	324,069
	Park Maintenance	88,870	1,563,784	659,903	70,609	730,512	47%	641,828
	Environmental Services	42,519	885,890	413,857	-	413,857	47%	352,989
	Countywide Solid Waste Program	38,681	546,317	276,439	-	276,439	51%	274,775
	Street Maintenance	334,652	3,600,422	1,911,361	31,548	1,942,910	54%	1,808,349
	Downtown Maintenance	23,774	398,326	171,186	33,189	204,375	51%	159,683
	PD Building Maintenance	43,038	729,167	320,878	76,713	397,590	55%	368,558
	Cable Television	7,599	91,406	53,137	-	53,137	58%	52,859
	COMMUNITY SERVICES	1,150,462	17,732,025	8,928,519	1,522,542	10,451,061	59%	8,942,283
	CODE COMPLIANCE	34,241	420,943	239,679	-	239,679	57%	221,555
	INFRASTRUCTURE PLANNING & CONGESTION MGMT	65,967	644,253	314,833	28,826	343,659	53%	252,288
	ECONOMIC DEVELOPMENT PROGRAMS	57,007	1,418,834	512,768	107,509	620,277	44%	488,003
	TOTAL COMMUNITY SERVICES	1,307,677	20,216,055	9,995,800	1,658,876	11,654,676	58%	9,904,128
III. PUBLIC SAFETY								
	POLICE							
	PD Administration	160,604	1,964,769	1,038,795	11,480	1,050,275	53%	949,793
	Field Operations	999,557	14,237,974	7,568,276	42,434	7,610,710	53%	6,558,379
	Support Services	213,403	2,766,134	1,547,297	64,474	1,611,771	58%	1,559,933
	Emergency Services/Haz Mat	22,388	278,548	148,315	-	148,315	53%	137,996
	Special Operations	290,719	4,405,650	2,367,081	29,661	2,396,741	54%	2,508,035
	Dispatch Services	191,475	2,426,058	1,368,347	24,946	1,393,293	57%	1,256,086
	POLICE	1,878,147	26,079,133	14,038,111	172,995	14,211,106	54%	12,970,221
	FIRE	835,060	11,212,073	6,211,813	314,500	6,526,313	58%	5,984,635
	TOTAL PUBLIC SAFETY	2,713,207	37,291,206	20,249,924	487,495	20,737,419	56%	18,954,856
IV. TRANSFERS								
	Other	104,923	1,418,558	734,462	-	734,462	52%	850,634
	TOTAL TRANSFERS	104,923	1,418,558	734,462	-	734,462	52%	850,634
	TOTAL GENERAL FUND	4,825,834	66,023,180	34,636,003	2,694,348	37,330,350	57%	33,225,146



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FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
SPECIAL REVENUE FUNDS								
202	STREET MAINTENANCE	583,401	857,492	586,181	-	586,181	68%	532,095
205	PUBLIC SAFETY/SUPP.LAW	100,115	101,380	100,805	-	100,805	99%	100,790
206 DEVELOPMENT SERVICES FUND								
	Planning	127,963	1,734,431	953,235	-	953,235	55%	900,649
	Building	227,501	3,331,894	1,620,213	95,652	1,715,864	51%	1,601,821
	Engineering	97,163	1,837,532	876,751	340,933	1,217,685	66%	873,904
206	DEVELOPMENT SERVICES FUND	452,627	6,903,857	3,450,199	436,585	3,886,784	56%	3,376,374
207	LONG RANGE PLANNING	72,348	2,201,195	708,646	326,202	1,034,848	47%	512,077
215/216	CDBG	8	90	53	-	53	58%	51
225	ASSET SEIZURE	70	840	490	-	490	58%	479
229	LIGHTING AND LANDSCAPE	8,500	221,603	95,169	19,780	114,949	52%	128,070
230	COMMUNITY FACILITIES DISTRICT	2,790	24,377	15,119	-	15,119	62%	14,254
232	ENVIRONMENTAL PROGRAMS	27,519	470,920	218,314	3,362	221,676	47%	217,445
234	MOBILE HOME PARK	81	970	566	-	566	58%	555
236	HOUSING MITIGATION	77,307	2,488,831	1,124,154	950,918	2,075,071	83%	672,437
240	EMPLOYEE ASSISTANCE	84	21,010	2,269	-	2,269	11%	4,079
246	COUNTYWIDE SOLID WASTE PROGRAM	185,365	1,927,635	697,588	895,531	1,593,119	83%	863,807
255	HOUSING SUCCESSOR AGENCY	97,570	1,375,331	798,995	202,656	1,001,651	73%	660,162
260	PUBLIC ART	536	6,430	3,751	-	3,751	58%	8,667
TOTAL SPECIAL REVENUE FUNDS		1,608,320	16,601,960	7,802,299	2,835,033	10,637,332	64%	7,091,343
CAPITAL PROJECT FUNDS								
301	PARK DEVELOPMENT	68,588	4,134,937	956,079	533,826	1,489,905	36%	579,831
302	PARK MAINTENANCE	54,167	650,000	380,516	-	380,516	59%	381,233
303	LOCAL DRAINAGE	11,698	2,618,694	1,067,565	248,095	1,315,660	50%	3,528,481
304	LOCAL DRAIN. NON-AB1600	269	556,459	116,331	88,442	204,773	37%	75,326
306	AGRICULTURE & OPEN SPACE PRESERVATI	10,731	128,770	75,116	-	75,116	58%	74,758
308	STREET CIP	9,461	7,569,224	2,203,555	113,264	2,316,819	31%	3,806,829
309	TRAFFIC IMPACT	42,516	4,050,898	348,166	248,929	597,094	15%	3,165,909
315	PUBLIC SAFETY FACILITIES IMPACT	255,207	4,651,282	776,759	1,698,843	2,475,602	53%	5,009,727
346	PUBLIC FAC.NON AB1600	9,210	291,774	223,853	19,542	243,395	83%	31,158
347	PUBLIC FACILITIES IMPACT	72,921	2,838,513	948,869	105,925	1,054,794	37%	359,904
348	LIBRARY IMPACT	17,957	215,486	125,700	-	125,700	58%	1,582,942
350	UNDERGROUNDING	105	1,050,456	735	-	735	0%	127,942
360	COMM/REC CENTER IMPACT	254,319	4,438,720	370,591	159,803	530,394	12%	320,938
375	QUIMBY FEE	13,478	11,203,793	3,811,202	1,019,065	4,830,267	43%	1,080,614
TOTAL CAPITAL PROJECTS FUNDS		820,627	44,399,006	11,405,036	4,235,735	15,640,771	35%	20,125,592
DEBT SERVICE FUNDS								
420	CIVIC CENTER DEBT	1,059	294,598	260,356	-	260,356	88%	243,224
441	POLICE FACILITY BOND DEBT	1,363	389,293	331,470	-	331,470	85%	329,882
TOTAL DEBT SERVICE FUNDS		2,423	683,891	591,826	-	591,826	87%	573,107




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FUND NO.	FUND/ACTIVITY	CURRENT MONTH ACTUAL EXPENSES	AMENDED BUDGET	YTD EXPENSES	OUTSTANDING ENCUMBRANCE	TOTAL ALLOCATED	PERCENT OF TOTAL TO BUDGET	PRIOR YTD
ENTERPRISE FUNDS								
SEWER								
640	WASTEWATER OPERATIONS	1,513,490	18,456,050	10,154,559	328,978	10,483,537	57%	9,587,190
641	WASTEWATER CAPITAL EXPANSION	384,793	49,012,211	1,299,905	660,959	1,960,864	4%	4,320,597
642	WASTEWATER RATE STABILIZATION	168	2,010	1,173	-	1,173	58%	1,147
643	WASTEWATER CAPITAL PROJECTS	373,283	33,236,798	2,521,318	3,797,072	6,318,390	19%	1,754,338
TOTAL SEWER FUND(S)		2,271,734	100,707,069	13,976,954	4,787,009	18,763,963	19%	15,663,271
WATER								
	Water Operations	1,599,174	21,768,518	11,483,768	415,112	11,898,880	55%	10,352,886
	Utility Billing	151,070	1,547,081	836,455	19,216	855,671	55%	733,430
	Water Conservation	22,304	451,335	170,769	73,087	243,856	54%	189,058
650	WATER OPERATIONS	1,772,548	23,766,933	12,490,992	507,415	12,998,407	55%	11,275,374
651	WATER CAPITAL EXPANSION	216,614	11,503,055	1,119,484	1,633,533	2,753,017	24%	528,022
652	WATER RATE STABILIZATION	125	1,500	875	-	875	58%	859
653	WATER-CAPITAL PROJECTS	602,732	28,017,341	3,994,423	5,666,964	9,661,387	34%	1,069,880
TOTAL WATER FUND(S)		2,592,020	63,288,829	17,605,774	7,807,912	25,413,686	40%	12,874,135
TOTAL ENTERPRISE FUNDS		4,863,754	163,995,898	31,582,728	12,594,921	44,177,649	27%	28,537,407
INTERNAL SERVICE FUNDS								
730	INFORMATION SYSTEMS	305,914	3,072,099	1,586,506	358,312	1,944,818	63%	1,355,250
740	BUILDING MAINTENANCE	132,042	1,332,278	705,161	25,393	730,554	55%	718,439
741	BUILDING REPLACEMENT	218,805	3,696,301	1,318,965	339,767	1,658,732	45%	898,897
745	CIP ADMINISTRATION	215,776	2,746,811	1,513,291	-	1,513,291	55%	1,326,119
760	UNEMPLOYMENT	-	15,000	9,321	-	9,321	62%	3,922
770	WORKERS COMPENSATION	12,996	1,007,970	763,799	-	763,799	76%	807,192
790	EQUIPMENT REPLACEMENT	-	1,147,077	351,798	792,171	1,143,968	100%	788,038
791	EMPLOYEE BENEFITS FUND	177,200	1,000,000	546,291	-	546,291	55%	557,429
795	GEN. LIABILITY INSURANCE	95,607	2,623,909	2,574,761	-	2,574,761	98%	2,118,776
TOTAL INTERNAL SERVICE FUNDS		1,158,339	16,641,445	9,369,891	1,515,643	10,885,534	65%	8,574,063
REPORT TOTAL		\$ 13,279,296	\$ 308,345,380	\$ 95,387,783	\$ 23,875,680	\$ 119,263,463	39%	\$ 98,126,658



City of Morgan Hill
Fund Activity Summary - Fiscal Year 2024-25
For the Month Ended January 31, 2026
58% of Year Complete

Fund No.	Fund Description	Beginning Fund Balance 07-01-25	Revenues		Expenses		Year to-Date Deficit or Carryover	Preliminary Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved
010	GENERAL FUND	\$ 27,063,982	\$ 28,001,128	48%	\$ 34,636,003	52%	\$ (6,634,875)	\$ 2,694,348	\$ 17,734,759
TOTAL GENERAL FUND		\$ 27,063,982	\$ 28,001,128	48%	\$ 34,636,003	52%	\$ (6,634,875)	\$ 2,694,348	\$ 17,734,759
202	STREET MAINTENANCE	152,931	\$ 433,865	51%	\$ 586,181	49%	\$ (152,316)	\$ -	\$ 615
205	PUBLIC SAFETY/SUPL. LAW	523,410	161,736	146%	100,805	48%	60,931	-	584,341
206	DEVELOPMENT SERVICES	(987,534)	5,230,484	89%	3,450,199	50%	1,780,284	436,585	356,165
207	LONG RANGE PLANNING	1,367,092	918,939	111%	708,646	32%	210,292	326,202	1,251,183
215 / 216	CDBG	34,690	1,263	127%	53	58%	1,210	-	35,900
225	ASSET SEIZURE	107,136	1,906	117%	490	58%	1,416	-	108,552
229	LIGHTING AND LANDSCAPE	204,684	119,709	58%	95,169	43%	24,540	19,780	209,444
230	COMMUNITY FACILITIES DISTRICT	169,007	17,980	64%	15,119	62%	2,861	-	171,868
232	ENVIRONMENTAL PROGRAMS	576,223	293,271	56%	218,314	46%	74,957	3,362	647,819
234	MOBILE HOME PK RENT STAB.	87,242	5,108	209%	566	58%	4,542	-	91,784
235	SENIOR HOUSING	253,103	-	n/a	-	n/a	-	-	253,103
236	HOUSING MITIGATION	10,243,057	920,704	26%	1,124,154	45%	(203,450)	950,918	9,088,690
240	EMPLOYEE ASSISTANCE	63,420	4,490	933%	2,269	11%	2,221	-	65,641
246	COUNTYWIDE SOLID WASTE	324,737	1,111,488	65%	697,588	36%	413,900	895,531	(156,894)
255	HOUSING SUCCESSOR AGENCY	3,856,660	126,809	30%	798,995	58%	(672,186)	202,656	2,981,818
260	PUBLIC ART	37,920	733	84%	3,751	58%	(3,018)	-	34,902
TOTAL SPECIAL REVENUE FUNDS		\$ 17,013,778	\$ 9,348,485	67%	\$ 7,802,299	47%	\$ 1,546,186	\$ 2,835,033	\$ 15,724,931
301	PARK DEV. IMPACT FUND	\$ 3,333,114	\$ 559,622	24%	\$ 956,079	23%	\$ (396,458)	\$ 533,826	\$ 2,402,830
302	PARK MAINTENANCE	1,896,529	31,709	3%	380,516	59%	(348,807)	-	1,547,722
303	LOCAL DRAINAGE	10,517,077	118,311	3%	1,067,565	41%	(949,254)	248,095	9,319,728
304	LOCAL DRAINAGE/NON-AB1600	1,342,166	23,756	13%	116,331	21%	(92,574)	88,442	1,161,149
306	AG. AND OPEN SPACE PRESERVATION	2,344,054	156,931	1500%	75,116	58%	81,816	-	2,425,870
308	STREET CIP	4,608,966	1,863,104	24%	2,203,555	29%	(340,451)	113,264	4,155,251
309	TRAFFIC IMPACT FUND	2,855,919	732,646	20%	348,166	9%	384,480	248,929	2,991,471
315	PUBLIC SAFETY FACILITIES IMPACT	(6,894,240)	770,753	35%	776,759	17%	(6,006)	1,698,843	(8,599,088)
346	PUBLIC FACILITIES NON-AB1600	1,921,852	32,927	126%	223,853	77%	(190,926)	19,542	1,711,384
347	PUBLIC FACILITIES IMPACT FUND	1,250,914	83,164	8%	948,869	33%	(865,705)	105,925	279,284
348	LIBRARY IMPACT FUND	3,540,033	387,069	18%	125,700	58%	261,369	-	3,801,402
350	UNDERGROUNDING	1,768,756	69,399	147%	735	0%	68,664	-	1,837,420
360	COMM/REC CTR IMPACT FUND	4,522,800	673,019	18%	370,591	8%	302,428	159,803	4,665,425
375	QUIMBY FEE	6,800,701	111,832	3%	3,811,202	34%	(3,699,371)	1,019,065	2,082,265
TOTAL CAPITAL PROJECT FUNDS		\$ 39,808,641	\$ 5,614,242	17%	\$ 11,405,036	26%	\$ (5,790,794)	\$ 4,235,735	\$ 29,782,112
420	CIVIC CENTER DEBT	\$ 192,703	\$ 176,256	58%	\$ 260,356	88%	\$ (84,101)	\$ 83	\$ 108,519
441	POLICE FACILITY BOND DEBT	162,288	227,146	58%	331,470	85%	(104,324)	109	57,856
TOTAL DEBT SERVICE FUNDS		\$ 354,991	\$ 403,402	58%	\$ 591,826	87%	\$ (188,425)	\$ 191	\$ 166,375
640	WASTEWATER OPERATIONS	\$ 3,158,106	\$ 10,682,286	58%	\$ 10,154,559	55%	\$ 527,727	328,978	3,356,855
641	WASTEWATER IMPACT FUND	22,082,658	1,908,127	6%	1,299,905	3%	608,222	660,959	22,029,921
642	WASTEWATER RATE STABILIZATION	3,295,308	59,350	64%	1,173	58%	58,178	-	3,353,486
643	WASTEWATER CAPITAL PROJECTS	23,945,613	3,886,595	26%	2,521,318	8%	1,365,277	3,797,072	21,513,819
650	WATER OPERATIONS	4,429,715	11,737,969	50%	12,490,992	53%	(753,023)	507,415	3,169,277
651	WATER IMPACT FUND	5,747,541	655,898	13%	1,119,484	10%	(463,586)	1,633,533	3,650,422
652	WATER RATE STABILIZATION	3,524,499	63,481	64%	875	58%	62,606	-	3,587,105
653	WATER -CAPITAL PROJECT	22,586,031	5,821,415	75%	3,994,423	14%	1,826,993	5,666,964	18,746,060
TOTAL ENTERPRISE FUNDS		\$ 88,769,471	\$ 34,815,121	35%	\$ 31,582,728	19%	\$ 3,232,393	\$ 12,594,921	\$ 79,406,943
730	INFORMATION SERVICES	\$ 619,218	\$ 1,772,198	58%	\$ 1,586,506	52%	\$ 185,693	\$ 358,312	\$ 446,598
740	BUILDING MAINTENANCE	346,643	747,584	59%	705,161	53%	42,423	25,393	363,673
741	BUILDING REPLACEMENT	5,024,498	620,881	27%	1,318,965	36%	(698,084)	339,767	3,986,647
745	CIP ENGINEERING	7,515	264,091	9%	1,513,291	55%	(1,249,200)	-	(1,241,685)
760	UNEMPLOYMENT	285,588	4,878	59%	9,321	62%	(4,443)	-	281,145
770	WORKERS COMPENSATION	2,338,745	372,901	31%	763,799	76%	(390,898)	30,000	1,917,847
790	EQUIPMENT REPLACEMENT	10,172,190	950,205	59%	351,798	31%	598,407	792,171	9,978,427
791	EMPLOYEE BENEFITS FUNDS	346,566	683,048	55%	546,291	55%	136,758	-	483,324
795	GEN. LIABILITY INSURANCE	1,149,474	1,606,164	58%	2,574,761	98%	(968,597)	-	180,877
TOTAL INTERNAL SERVICE FUNDS		\$ 20,290,437	\$ 7,021,950	43%	\$ 9,369,891	56%	\$ (2,347,941)	\$ 1,545,643	\$ 16,396,853

 CITY OF MORGAN HILL	City of Morgan Hill Fund Activity Summary - Fiscal Year 2024-25 For the Month Ended January 31, 2026 58% of Year Complete
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Fund No.	Fund Description	Beginning Fund Balance 07-01-25	Revenues		Expenses		Year to-Date Deficit or Carryover	Preliminary Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved

SUMMARY BY FUND TYPE

GENERAL FUND GROUP	\$ 27,063,982	\$ 28,001,128	48%	\$ 34,636,003	52%	\$ (6,634,875)	\$ 2,694,348	\$ 17,734,759
SPECIAL REVENUE GROUP	17,013,778	9,348,485	67%	7,802,299	47%	1,546,186	2,835,033	15,724,931
DEBT SERVICE GROUP	354,991	403,402	58%	591,826	87%	(188,425)	191	166,375
CAPITAL PROJECTS GROUP	39,808,641	5,614,242	17%	11,405,036	26%	(5,790,794)	4,235,735	29,782,112
ENTERPRISE GROUP	88,769,471	34,815,121	35%	31,582,728	19%	3,232,393	12,594,921	79,406,943
INTERNAL SERVICE GROUP	20,290,437	7,021,950	43%	9,369,891	56%	(2,347,941)	1,545,643	16,396,853
TOTAL ALL GROUPS	\$ 193,301,300	\$ 85,204,328	38%	\$ 95,387,783	31%	\$ (10,183,456)	\$ 23,905,870	\$ 159,211,974

¹ Amount restricted for encumbrances, fixed asset replacement, long-term receivables, and bond reserves.

CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Joey Dinh, Associate Planner

APPROVED BY: City Manager

APPROVE ROSEWOOD MEDICAL CAMPUS ZONING MAP AND PLANNED DEVELOPMENT (PD) MASTER PLAN AMENDMENT

RECOMMENDATION(S)

1. Open and close the public hearing;
2. Certify the Final Subsequent Environmental Impact Report (SEIR) for the Rosewood (formerly Lillian Commons) Medical Mixed-Use Project, adopt the CEQA Findings of Fact, and adopt the Mitigation Monitoring and Reporting Program (MMRP); and
3. Waive the first and second reading and introduce an ordinance approving the Zoning Map Amendment and Planned Development (PD) Master Plan Amendment for the Rosewood Medical Campus, with the following land use direction: retain land uses proposed for conversion from conditional to permitted as conditional, except that Daycare Facilities, Farmers Markets, Hotel and Motels, and Restaurants may be permitted when clearly ancillary and subordinate to the medical campus, and allow Assisted Living Facilities and Skilled Nursing Facilities only with a Conditional Use Permit.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Supporting our Youth, Seniors, and Entire Community

Advocating for Local, Regional, and State Legislative Initiatives

2024-2025 Strategic Priorities

Economic Development and Tourism

Healthy Community

Guiding Documents

Economic Blueprint

Morgan Hill 2035 General Plan

REPORT NARRATIVE:

Purpose

The purpose of the proposed Zoning Map Amendment and Planned Development (PD)

Master Plan Amendment is to update the adopted Rosewood (formerly Lillian Commons) Medical Mixed-Use Master Plan to support a medical campus and ensure a primarily medical-serving use. The proposed amendments are intended to provide flexibility for evolving healthcare delivery models, market conditions, and phasing needs, while maintaining enforceable standards that ensure medical uses remain the dominant component of the campus.

Project Description

The proposed PD Master Plan Amendment would allow development of up to 275,000 square feet of medical and related commercial uses on the medical campus portion of the Rosewood Master Plan area. The amendment modifies adopted development standards and the PD land use table. Key components include:

Development Standards

- Increase allowable medical/commercial square footage from 125,000 square feet to a total of 275,000 square feet.
- Increase maximum building height from 55 feet to 65 feet, enabling up to six-story medical office buildings.
- Increase maximum building coverage from 50 percent to 60 percent.
- Remove floor area ratio (FAR) standards from the PD Master Plan development standards, consistent with the City's recent City Council action to eliminate FAR requirements for Mixed Use Flex (MU-F) zoning citywide.
- Modify parking requirements for medical office uses from one space per 200 square feet to one space per 250 square feet of net floor area.

Parking and Circulation

Parking for the medical campus is regulated by the PD Master Plan. The amendment would modify the medical office parking requirement from one space per 200 square feet to one space per 250 square feet of net floor area. This adjustment reflects current medical office parking demand and supports more efficient campus planning, including structured parking and reduced reliance on surface parking. The conceptual buildout analyzed in the Final SEIR includes a structured parking facility. Final parking counts, stall dimensions, accessible stalls, circulation, and loading areas will be reviewed through a future Design Permit and building permit review to confirm compliance with the PD Master Plan, Zoning Ordinance, and applicable building and fire codes. The project Transportation Analysis evaluated parking demand based on anticipated medical office uses and concluded the revised standard would adequately serve the site. Applicable impact fees and required improvements would be addressed through the City's adopted programs and future permit review.

Aesthetics and Building Height

The amendment would increase the maximum permitted building height within the medical campus from 55 feet to 65 feet. This supports a more compact campus layout and allows development to occur vertically, which can reduce overall building footprint and facilitate structured parking. The PD framework requires that building massing,

articulation, materials, and site design be compatible with surrounding development. The site plan evaluated in the environmental analysis is conceptual and used for CEQA purposes only. Final building placement, setbacks, stepbacks, façade treatments, and architectural design will be evaluated through the Design Permit process, with attention to transitions and compatibility where the medical campus interfaces with adjacent residential uses. The Final SEIR evaluated potential aesthetic impacts associated with the increased height and concluded impacts would be less than significant.

Land Use Permissions and Medical Campus Framework

Land Use Permissions:

The proposed PD Master Plan Amendment updates the land use tables to expand flexibility for a medical campus.

<p>Land Uses proposed to change from conditional to permitted:</p> <ul style="list-style-type: none"> • Daycare Centers • Farmers Markets • Hotel and Motels • Restaurants, Fast Food and Sit Down 	<p>Land Uses added as conditional:</p> <ul style="list-style-type: none"> • Assisted Living Facilities • Skilled Nursing Facilities
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Medical Campus Framework

The applicant requested Assisted Living Facilities and Skilled Nursing Facilities be added as permitted uses and to change Residential Care Facilities from conditional to permitted uses. In order to protect the intent of the medical campus, staff added a layered framework to preserve the Master Plan's primary medical-serving intent, while maintaining flexibility for future market conditions and healthcare delivery changes. The framework operates through three enforceable checks:

1. Square footage cap for nonmedical uses:

At least 75 percent of the total developed gross building square footage within the Medical Campus must be medical uses. Non-medical uses may not exceed 25 percent of total developed gross building square footage. At full buildout of 275,000 square feet, this equates to approximately 206,250 square feet minimum of medical and 68,750 square feet maximum of non-medical.

2. "Medical" use definition:

Medical uses are defined as hospital facilities, medical office buildings, outpatient facilities, clinics, diagnostic and imaging centers, non-residential facilities providing diagnosis and treatment, and similar clinical uses consistent with Title 18 of the Morgan Hill Municipal Code. Long-term supportive healthcare residential uses such as skilled nursing facilities, nursing homes, assisted living facilities, and residential care facilities are not considered medical uses under this PD Master Plan Amendment.

3. Phasing and permit sequencing:

The City may not approve or issue building permits for nonmedical uses until building permits have been issued for at least 50,000 square feet of medical uses. However, non-medical uses may be approved concurrently only if the same phase being developed includes at least 50,000 square feet of medical uses and the overall phase remains compliant with the required proportionality of medical and nonmedical uses (75 percent medical minimum and 25 percent non-medical maximum ratio). The 75:25 ratio needs to be satisfied at all phases of the project. Non-medical uses must be in conjunction with a hospital or other medical uses, reinforcing that these uses remain subordinate in function to the medical campus.

Planning Commission Deliberation and Recommendation

The Planning Commission had a substantive discussion about whether certain uses should remain conditional, including the smaller campus-serving uses such as farmers markets and daycare centers. Commissioners expressed concern that quasi-medical and quasi-residential uses, particularly assisted living facilities, skilled nursing facilities, and residential care facilities, could become the dominant buildout over time despite the medical campus framework. Planning Commission ultimately recommended keeping all uses proposed to be converted from conditional to permitted as conditional, and treating assisted living facilities and skilled nursing facilities as conditional uses as well.

Staff's Analysis and Recommendation:

Staff agrees with the Planning Commission to add Assisted Living and Skilled Nursing Facilities and also keeping Residential Care Facilities as conditional uses. Given that the proposed PD Master Plan Amendment already provides for a framework that mandates 75% of the square footage to be dedicated to core medical uses, staff recommends keeping the other non-medical uses as permitted as long as they stay within the 25% land use ratio. Additionally, these proposed permitted commercial uses, such as farmers markets, restaurants, daycare centers and hotel/motel uses are complementary to the medical campus.

General Plan Consistency

The proposed PD Master Plan Amendment is consistent with the Morgan Hill 2035 General Plan because it supports a planned, employment-generating medical campus that expands local access to healthcare services, strengthens Morgan Hill's economic base, and makes efficient use of an urbanized site with existing infrastructure and regional access. The amendment advances General Plan policies that promote jobs—housing balance, high-quality office and institutional development, and compatible mixed-use activity nodes, and it supports the City's economic development objectives by attracting healthcare as one of the four Economic Blueprint pillars. It also remains consistent with applicable transportation and parking policies, with future access, circulation, and parking details to be confirmed through subsequent discretionary approvals and City Engineer review.

Findings for Zoning Map and Planned Development Master Plan Amendment

Zoning Map Amendment Findings ([MHMC 18.114.060](#))

Finding 1: The proposed amendment is consistent with the General Plan and any applicable specific plan, as provided by Government Code Section 65860.

The project site is designated for commercial and mixed-use development under the Morgan Hill 2035 General Plan and is governed by the Rosewood (formerly Lillian Commons) Medical Mixed-Use Master Plan. The proposed Zoning Map Amendment and Planned Development Master Plan Amendment would allow expanded medical and healthcare-related uses within an area that was specifically planned and reserved for such uses under the original Master Plan. The amendment supports General Plan policies related to mixed-use development, employment-generating uses, access to healthcare services, and economic development. No specific plan applies to the site. Therefore, the proposed amendment is consistent with the General Plan, in compliance with Government Code Section 65860.

Finding 2: The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

The proposed amendment has been evaluated through preparation of a Final Subsequent Environmental Impact Report in compliance with the California Environmental Quality Act. The environmental analysis evaluated potential impacts related to air quality, greenhouse gas emissions, noise, and transportation. With implementation of identified mitigation measures, all impacts would be reduced to a less-than-significant level. The amendment does not introduce incompatible land uses and retains discretionary review through future Design Permit approvals. As a result, the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

Finding 3: The affected site is physically suitable in terms of design, location, shape, size, and other characteristics to ensure that the permitted land uses and development will comply with the Zoning Code and General Plan and contribute to the health, safety, and welfare of the property, surrounding properties, and the community at large.

The project site is a large, master-planned property that has been previously entitled for medical and mixed-use development. The site is relatively flat, previously disturbed, and served by existing public infrastructure, including roadways, utilities, and access to regional transportation facilities. The size and configuration of the site are sufficient to accommodate expanded medical campus development, including structured parking and appropriate buffering from adjacent residential uses. The proposed amendment builds upon the established Planned Development framework and includes future discretionary review to ensure compatibility with surrounding properties. Therefore, the site is physically suitable for the proposed land uses and development standards.

Planned Development Combining District Findings ([MHMC 18.30.050.H.7](#))

Finding A: The proposed development is consistent with the General Plan, Zoning Code, and any applicable specific plan or area plan adopted by the City Council.

The project site is designated for mixed-use development under the Morgan Hill 2035 General Plan and is governed by the Rosewood (formerly Lillian Commons) Medical

Mixed-Use Planned Development Master Plan. The proposed PD Master Plan Amendment would allow expanded medical and healthcare-related uses within an area specifically planned and reserved for such uses. The amendment supports General Plan policies related to mixed-use development, employment-generating uses, access to healthcare services, and economic development. No specific plan or area plan applies to the site. Therefore, the proposed development is consistent with the General Plan and Zoning Code.

Finding B: The proposed development is superior to the development that could occur under the standards applicable in the existing zoning districts.

Development under the existing base zoning districts would provide less flexibility to accommodate modern medical campus design, structured parking, and evolving healthcare delivery models. The Planned Development framework allows for coordinated site planning, shared infrastructure, and design flexibility. The proposed PD Master Plan Amendment enables a more efficient, cohesive, and thoughtfully planned medical campus than would be achievable under standard zoning regulations, resulting in superior site design and functionality.

Finding C: The proposed project will provide a substantial public benefit as defined in Paragraph 8 (Substantial Public Benefit Defined). The public benefit provided shall be of sufficient value to justify deviation from the standards of the zoning district that currently applies to the property.

The Planning Commission determined that the proposed amendment provides substantial public benefit by expanding local access to healthcare services, supporting Morgan Hill's role as a regional medical and service center, and creating employment opportunities in a key economic sector. The amendment enables development of a comprehensive medical campus that can reduce the need for residents to travel outside the City for specialized care and supports efficient land use, economic diversification, and long-term community health objectives, which collectively justify the requested deviations from standard zoning development standards.

Finding D: The site for the proposed development is adequate in size and shape to accommodate the proposed land uses.

The medical campus portion of the Rosewood Master Plan consists of approximately 9.6 acres within a larger master-planned development. The site is relatively flat, previously disturbed, and of sufficient size and configuration to accommodate expanded medical office development, structured parking, internal circulation, landscaping, and buffering from adjacent residential uses. The site's size and shape are adequate to support the proposed land uses and development standards.

Finding E: Adequate transportation facilities, infrastructure, and public services exist or will be provided to serve the proposed development.

The project site is served by existing roadway infrastructure, utilities, and public services. A Transportation Analysis prepared for the project evaluated CEQA transportation impacts using Vehicle Miles Traveled (VMT) and also evaluated traffic

operations using the City's General Plan Level of Service (LOS) methodology as supplemental information for General Plan consistency and future permitting. The analysis assumed up to 275,000 square feet under a worst-case scenario, with a probable 225,000 square foot scenario also evaluated, and accounted for existing and previously approved conditions. The Transportation Analysis identifies intersections where project traffic could contribute to adverse operations under certain scenarios and identifies potential operational improvements. Any LOS-related operational improvements are not included as mitigation in the MMRP. Instead, they would be evaluated and, if warranted, incorporated through future discretionary approvals and conditions of approval, as determined necessary by the City Engineer. With implementation of applicable transportation requirements through future permits, and with utilities and public services provided consistent with City standards, adequate transportation facilities, infrastructure, and public services will exist or will be provided to serve the proposed development.

Finding F: The proposed development will not have a substantial adverse effect on surrounding property and will be compatible with the existing and planned land use character of the surrounding area.

Medical and healthcare-related uses are compatible with the surrounding residential, commercial, and public facility uses. The PD Master Plan Amendment does not approve final building design or site layout; compatibility will be ensured through future Design Permit review addressing building height, massing, setbacks, landscaping, and buffering. Environmental impacts have been evaluated through the Final Subsequent Environmental Impact Report and mitigated to a less-than-significant level. Accordingly, the proposed development will not have a substantial adverse effect on surrounding properties.

Finding G: Findings required for the concurrent approval of a Zoning Map Amendment can be made.

As demonstrated in the Zoning Map Amendment findings, the proposed amendment is consistent with the General Plan, will not be detrimental to public health, safety, or welfare, is internally consistent with the Zoning Code, and the site is physically suitable for the proposed uses and development standards. Therefore, all required findings for concurrent approval of the Zoning Map Amendment can be made.

Conclusion

The proposed Zoning Map Amendment and Planned Development (PD) Master Plan Amendment is consistent with the Morgan Hill 2035 General Plan and applicable City policies, supporting the City's economic development and healthcare access goals, and it has been reviewed in compliance with CEQA. The proposed development standards and the City's medical campus framework establishes clear limits and phasing requirements that preserve the long-term intent of the site as a primarily medical-serving campus while maintaining flexibility for evolving market conditions and healthcare delivery needs.

Staff recommends that the City Council certify the Final Subsequent Environmental Impact Report (SEIR), adopt the Mitigation Monitoring and Reporting Program (MMRP),

and approve the Zoning Map Amendment and PD Master Plan Amendment for the Rosewood Medical Campus.

Conceptual Site Plan

The site plan evaluated in the Final SEIR is conceptual and is intended solely for CEQA review. Final site layout, architecture, and design details are not approved by this action and would be reviewed through future discretionary approvals, including a Design Permit and, if applicable, a Conditional Use Permit. These discretionary permits involve City review based on adopted standards and findings of approval, include public noticing, an opportunity for public input, and may include conditions of approval and required mitigation measures from the adopted MMRP. This is unlike ministerial permits such as building permits that are issued when objective requirements are met.

COMMUNITY ENGAGEMENT:

Inform/Consult:

Community engagement for this item has focused on informing the public and providing formal opportunities to comment consistent with CEQA and City noticing requirements.

Engagement actions to date:

- A project webpage has been established and is updated routinely with project materials, notices, and environmental documents.
- A project identification sign was posted on the site in accordance with Planning Division requirements.
- Public hearing noticing for the Planning Commission was completed through mailed notices to property owners and occupants in the surrounding area. For thoroughness, noticing was expanded beyond the minimum 600-foot radius to include full neighborhood blocks in the vicinity of the site to improve notice coverage and reduce the likelihood of inconsistent notice within the same block.
- CEQA public outreach was conducted for the Draft SEIR, including formal circulation of the document for public review and comment.
- A community open house was held during the Draft SEIR public review period to receive verbal comments for the public record.
- Written comments were received from public agencies and members of the public during the Draft SEIR review period, and responses are included in the Final SEIR.

Following Council action, future development would require submittal of a more detailed site plan and project program through subsequent discretionary permits, including a Design Permit and, if applicable, Conditional Use Permit(s). These future entitlements

would include public noticing and are anticipated to return to the Planning Commission for approval due to the scale and significance of the proposed medical campus development.

ALTERNATIVE ACTIONS:

Alternative actions City Council may consider:

1. Amend or Remove the Medical Campus Framework

Council may approve the amendments while modifying, reducing, or removing the proposed medical campus framework standards, including the medical versus non-medical square footage limits, phasing, or permit sequencing requirements.

2. Amend the Permitted and Conditional Use Structure

Council may approve the amendments while modifying the PD land use table, including whether specific land uses are permitted or would require a Conditional Use Permit.

3. Deny the Amendment Request

Council may deny the Zoning Map Amendment and PD Master Plan Amendment. Under this alternative, the existing Rosewood Medical Mixed-Use PD Master Plan would remain in effect and the project could proceed only under the currently approved standards and entitlements.

Fiscal and Resource Summary

All alternatives would be processed on a cost-recovery basis through applicant-paid fees. No direct City expenditures are requested or anticipated, and staff time is part of routine current planning and CEQA administration.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The Rosewood site was originally entitled as the Lillian Commons Medical Mixed-Use Master Plan, establishing a comprehensive Planned Development framework for a mixed-use project consisting of a medical campus, supporting commercial uses, and a residential neighborhood. In November 2020, the City Council approved the project entitlements and environmental clearance, including adoption of the Planned Development (PD) Master Plan and Zoning Map Amendment for the site, approval of the Tentative Parcel Map, and adoption of a Mitigated Negative Declaration for the original Master Plan approvals.

Following adoption of the Master Plan, the residential component proceeded through subsequent discretionary approvals and subdivision refinements, resulting in the currently approved and under-construction Rosewood Residential project. The medical campus portion of the site currently includes existing medical office and surgical facility uses with associated surface parking, while the remainder of the medical campus area remains reserved for future medical-serving development consistent with the PD Master

Plan.

In 2022, the applicant submitted requests to amend the PD Master Plan to expand the medical campus development capacity and update development standards and permitted uses to accommodate evolving healthcare delivery models, market conditions, and regional demand for medical services. The proposed amendments include increased allowable medical/commercial square footage, increased building height and coverage, removal of FAR standards from the PD, changes to parking standards, and modifications to the PD land use table.

In 2025, the City Council adopted [Resolution 25-003 \(February 19, 2025\)](#) amending the General Plan to eliminate FAR requirements for the MU-F land use designation citywide. As a result, the applicant's previously requested General Plan Text Amendment related to FAR exemptions is no longer applicable; however, the FAR removal remains part of the PD Master Plan Amendment request as a clean-up item.

FISCAL AND RESOURCE IMPACT:

This item is included in the Development Services Department work program and is processed on a cost-recovery basis. The applicant funds City staff time and any consultant support through planning and environmental review application fees. No direct City expenditures are requested or anticipated. This work is part of routine current planning and CEQA administration, does not require additional staffing, and is not expected to materially affect other departmental priorities or day-to-day service levels.

CEQA (California Environmental Quality Act):

CEQA Determination and Background

The Rosewood (formerly Lillian Commons) Medical Mixed-Use Master Plan was previously evaluated under CEQA through adoption of an Initial Study/Mitigated Negative Declaration (IS/MND) in 2020. That prior environmental review analyzed a mixed-use project consisting of residential development, a medical campus, and supporting commercial uses, and identified mitigation measures to reduce potential impacts to a less-than-significant level. The current request before the City Council is a Zoning Map Amendment and Planned Development (PD) Master Plan Amendment affecting the medical campus portion of the previously approved Master Plan. The amendments include an increase in allowable medical/commercial square footage, increased maximum building height and building coverage, removal of FAR standards, modifications to parking standards, and changes to permitted and conditionally permitted uses. The City determined that these modifications constituted changes to the previously approved project that warranted further environmental review. Pursuant to CEQA Guidelines Section 15162, the City determined that a Subsequent Environmental Impact Report (SEIR) was required because the proposed amendments could result in new or more severe environmental impacts than those previously analyzed.

Subsequent EIR Process and Public Review

A Draft Subsequent Environmental Impact Report (Draft SEIR) was prepared to evaluate the potential environmental impacts associated with the proposed amendments. The Draft SEIR is a focused analysis that builds upon the previously adopted CEQA document and examines those environmental topics where new or more severe impacts could occur due to the proposed changes. The Draft SEIR was circulated for public review and comment from September 5, 2025 through November 3, 2025. Notice of availability was provided in accordance with CEQA, and the Draft SEIR was made available online and at designated public locations. The City also held a community open house during the public review period to receive verbal comments. Written comments were received from public agencies and members of the public.

Scope of Environmental Analysis

Consistent with CEQA Guidelines Sections 15162 and 15163, the SEIR focuses on the environmental topics where changes to the project could result in new significant impacts or a substantial increase in the severity of previously identified impacts. The SEIR evaluated Air Quality, Greenhouse Gas Emissions and Energy, Noise, and Transportation. All other environmental topic areas were analyzed in the 2020 Initial Study and Mitigated Negative Declaration (IS/MND) and determined to remain adequately addressed for purposes of this action.

Summary of Environmental Impacts and Mitigation

Air Quality, Greenhouse Gas Emissions, and Energy

The SEIR evaluated construction and operational emissions associated with the increased development capacity. With implementation of mitigation measures, including compliance with applicable CalGreen requirements and provision of electric-vehicle-capable parking consistent with adopted standards, impacts would be reduced to a less-than-significant level.

Noise

Construction noise associated with expanded development was identified as a potentially significant impact. The SEIR includes mitigation requiring preparation and implementation of a construction noise control plan and noise reduction measures for construction equipment and activities. With mitigation, construction noise impacts would be reduced to a less-than-significant level. Operational noise impacts were determined to be less than significant with compliance measures and final design review of mechanical equipment.

Transportation

Transportation impacts were evaluated using Vehicle Miles Traveled (VMT) metrics consistent with State law and CEQA Guidelines. The SEIR concluded the project would not result in a significant VMT impact. With implementation of applicable measures, transportation impacts would be less than significant.

Final SEIR and Responses to Comments

The Final SEIR includes responses to all comments received during the public review period, along with revisions and clarifications where appropriate. The Final SEIR did not identify any new significant environmental impacts and did not require new mitigation

measures beyond those identified in the Draft SEIR. The Final SEIR was prepared for the City as the lead agency and has been reviewed and evaluated by the City in compliance with CEQA and the CEQA Guidelines.

CEQA Findings, MMRP, and Conclusion

The Final SEIR concludes that, with implementation of identified mitigation measures, all potentially significant impacts associated with the proposed amendments would be reduced to a less-than-significant level. No significant and unavoidable impacts were identified. Accordingly, a Statement of Overriding Considerations is not required. A Mitigation Monitoring and Reporting Program (MMRP) has been prepared to ensure that all mitigation measures are implemented during project development. Staff recommends that the City Council certify the Final SEIR, adopt the CEQA Findings of Fact, adopt the MMRP, and take action on the requested Zoning Map Amendment and PD Master Plan Amendment.

ORDINANCE NO. XX , NEW SERIES

AN ORDINANCE OF THE CITY OF MORGAN HILL APPROVING A ZONING MAP AMENDMENT AND PLANNED DEVELOPMENT (PD) MASTER PLAN AMENDMENT FOR THE ROSEWOOD (FORMERLY LILLIAN COMMONS) MEDICAL MIXED-USE PROJECT (FILE NOS. AAE2022-0008 / EA2022-0011) LOCATED ON THE SOUTHEAST CORNER OF THE INTERSECTION OF JUAN HERNANDEZ DRIVE AND BARRETT AVENUE (APNS 817-09-040 AND 817-09-057)

THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES ORDAIN AS FOLLOWS:

ZONING MAP AMENDMENT FINDINGS (MHMC 18.114.060)

SECTION 1. Finding 1: The proposed amendment is consistent with the General Plan and any applicable specific plan as provided by Government Code Section 65860.

The project site is designated for commercial and mixed-use development under the Morgan Hill 2035 General Plan and is governed by the Rosewood (formerly Lillian Commons) Medical Mixed-Use Master Plan. The proposed Zoning Map Amendment and Planned Development Master Plan Amendment would allow expanded medical and healthcare-related uses within an area that was specifically planned and reserved for such uses under the original Master Plan. The amendment supports General Plan policies related to mixed-use development, employment-generating uses, access to healthcare services, and economic development. No specific plan applies to the site. Therefore, the proposed amendment is consistent with the General Plan, in compliance with Government Code Section 65860.

SECTION 2. Finding 2: The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

The proposed amendment has been evaluated through preparation of a Final Subsequent Environmental Impact Report in compliance with the California Environmental Quality Act. The environmental analysis evaluated potential impacts related to air quality, greenhouse gas emissions, noise, and transportation. With implementation of identified mitigation measures, all impacts would be reduced to a less-than-significant level. The amendment does not introduce incompatible land uses and retains discretionary review through future Design Permit approvals. As a result, the proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

SECTION 3. Finding 3: The affected site is physically suitable in terms of design, location, shape, size, and other characteristics to ensure that the permitted land uses and development will comply with the zoning code and general plan and contribute to the health, safety, and welfare of the property, surrounding properties, and the community at large.

The project site is a large, master-planned property that has been previously entitled for medical and mixed-use development. The site is relatively flat, previously disturbed, and served by existing public infrastructure, including roadways, utilities, and access to regional transportation facilities. The size and configuration of the site are sufficient to accommodate expanded medical campus development, including structured parking and appropriate buffering from adjacent residential uses. The proposed amendment builds upon the established Planned Development framework and includes future discretionary review to ensure compatibility with surrounding properties. Therefore, the site is physically suitable for the proposed land uses and development standards.

PLANNED DEVELOPMENT COMBINING DISTRICT FINDINGS (MHMC 18.30.050.H.7)

SECTION 4. Finding A: The proposed development is consistent with the general plan, zoning code and any applicable specific plan or area plan adopted by the city council.

The project site is designated for mixed-use development under the Morgan Hill 2035 General Plan and is governed by the Rosewood (formerly Lillian Commons) Medical Mixed-Use Planned Development Master Plan. The proposed PD Master Plan Amendment would allow expanded medical and healthcare-related uses within an area specifically planned and reserved for such uses. The amendment supports General Plan policies related to mixed-use development, employment-generating uses, access to healthcare services, and economic development. No specific plan or area plan applies to the site. Therefore, the proposed development is consistent with the General Plan and Zoning Code.

SECTION 5. Finding B: The proposed development is superior to the development that could occur under the standards applicable in the existing zoning districts.

Development under the existing base zoning districts would provide less flexibility to accommodate modern medical campus design, structured parking, and evolving healthcare delivery models. The Planned Development framework allows for coordinated site planning, shared infrastructure, and design flexibility. The proposed PD Master Plan Amendment enables a more efficient, cohesive, and thoughtfully planned medical campus than would be achievable under standard zoning regulations, resulting in superior site design and functionality.

SECTION 6. Finding C: The proposed project will provide a substantial public benefit. The public benefit provided shall be of sufficient value as determined by the Planning Commission to justify deviation from the standards of the zoning district that currently applies to the property.

The Planning Commission determined that the proposed amendment provides substantial public benefit by expanding local access to healthcare services, supporting Morgan Hill's role as a regional medical and service center, and creating employment opportunities in a key economic sector. The amendment enables development of a comprehensive medical campus that can reduce the need for residents to travel outside the City for specialized care and supports efficient land use, economic diversification, and long-term community health objectives, which collectively justify the requested deviations from standard zoning development standards.

SECTION 7. Finding D: The site for the proposed development is adequate in size and shape to accommodate the proposed land uses.

The medical campus portion of the Rosewood Master Plan consists of approximately 9.6 acres within a larger master-planned development. The site is relatively flat, previously disturbed, and of sufficient size and configuration to accommodate expanded medical office development, structured parking, internal circulation, landscaping, and buffering from adjacent residential uses. The site's size and shape are adequate to support the proposed land uses and development standards.

SECTION 8. Finding E: Adequate transportation facilities, infrastructure, and public services exist or will be provided to serve the proposed development.

The project site is served by existing roadway infrastructure, utilities, and public services. A Transportation Analysis prepared for the project evaluated CEQA transportation impacts using Vehicle Miles Traveled (VMT). It also included a traffic operations analysis using the City's General Plan Level of Service (LOS) methodology as supplemental information for General Plan consistency and future permitting. The analysis assumed up to 275,000 square feet under a worst-case scenario, with a probable 225,000 square foot scenario also evaluated, and it accounted for existing and previously approved conditions. The Transportation Analysis identifies intersections where project traffic could contribute to adverse operations under certain scenarios and identifies potential operational improvements. Any LOS-related operational improvements are not included as mitigation in the MMRP. Instead, they would be evaluated and, if warranted, incorporated through future discretionary approvals and conditions of approval, as determined necessary by the City Engineer. With implementation of applicable transportation requirements through future permits, and with utilities and public services provided consistent with City standards, adequate transportation facilities, infrastructure, and public services

will exist or will be provided to serve the proposed development.

SECTION 9. Finding F: The proposed development will not have a substantial adverse effect on surrounding property and will be compatible with the existing and planned land use character of the surrounding area.

Medical and healthcare-related uses are compatible with the surrounding residential, commercial, and public facility uses. The PD Master Plan Amendment does not approve final building design or site layout; compatibility will be ensured through future Design Permit review addressing building height, massing, setbacks, landscaping, and buffering. Environmental impacts have been evaluated through the Final Subsequent Environmental Impact Report and mitigated to a less-than-significant level. Accordingly, the proposed development will not have a substantial adverse effect on surrounding properties.

SECTION 10: Finding G: Findings required for the concurrent approval of a Zoning Map Amendment can be made.

As demonstrated in the Zoning Map Amendment findings, the proposed amendment is consistent with the General Plan, will not be detrimental to public health, safety, or welfare, is internally consistent with the Zoning Code, and the site is physically suitable for the proposed uses and development standards. Therefore, all required findings for concurrent approval of the Zoning Map Amendment can be made.

SECTION 11. The request was considered by the Planning Commission at its regular meeting of February 10, 2026, at which time the Planning Commission recommended approval of the Zoning Map Amendment and Planned Development Master Plan Amendment application AAE2022-0008 for the Rosewood (formerly Lillian Commons) Medical Campus Master Plan as described in the attached Exhibit "A" dated October 30, 2019, revised on March 13, 2020, October 6, 2020 and February 10, 2026, and by this reference incorporated herein. The City Council accepts the recommendation of the Planning Commission that the land uses proposed for conversion from conditional to permitted remain conditional and that Assisted Living Facilities and Skilled Nursing Facilities be allowed only with a Conditional Use Permit. The City Council also further accepts the recommendation of City Staff that daycare facilities, farmers markets, restaurants, and hotel/motel uses shall be permitted within the Medical Campus when ancillary to, and subordinate to, medical uses as determined during future discretionary review.

THE FOREGOING ORDINANCE WAS INTRODUCED AT A REGULAR MEETING OF THE CITY COUNCIL HELD ON THE 4th DAY OF MARCH 2026, AND WAS FINALLY ADOPTED AT A MEETING OF THE CITY COUNCIL HELD ON THE 18th DAY OF MARCH 2026, AND SAID ORDINANCE WAS DULY PASSED AND ADOPTED IN

ACCORDANCE WITH LAW BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

APPROVED:

ATTEST:

MARK TURNER, Mayor

MICHELLE BIGELOW, City Clerk

CERTIFICATE OF THE CITY CLERK

I, MICHELLE BIGELOW, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA,
do hereby certify that the foregoing is a true and correct copy of Ordinance No. 2362, New
Series, adopted by the City Council of the City of Morgan Hill, California at their regular
meeting held on the 4th day of March 2026.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____
MICHELLE BIGELOW, City Clerk

EXHIBIT "A"
Rosewood Medical Master Plan Redlines

PD Master Plan Zoning Amendment / General Plan Amendment/
Application for Development Permit

~~Lillian Commons~~ Rosewood / Morgan Hill
Medical Campus
A Mixed Use Development

~~Lillian Commons~~ BFH CM Commercial, LLC-Applicant

Introduced ~~November 4, 2020~~ TBD

**CITY OF MORGAN HILL
PLAN APPROVED**

**THIS PLAN WAS APPROVED BY
THE PLANNING COMMISSION**

ON October 13, 2020

AND CITY COUNCIL

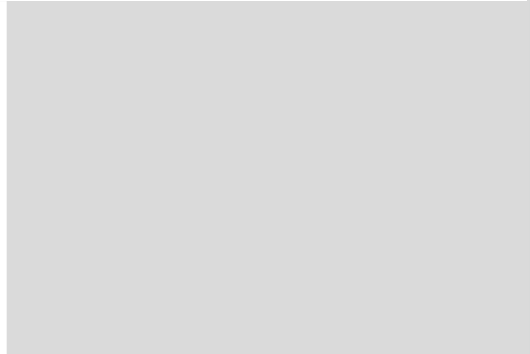
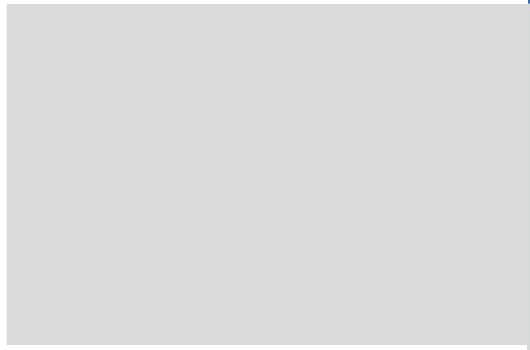
ON November 18, 2020

ZA2019-0016

FILE NUMBER

Adam Pazkowski

PLANNING OFFICIAL



~~Prepared by
EMC Planning Group~~

INTRODUCTION

This Planned Development (PD) Master Plan has been prepared pursuant to the requirements of the City of Morgan Hill Municipal Code, and submittal requirements of the Community Development Department. This PD Master Plan also incorporates the requirements for a General Plan Amendment; the property has been concurrently re-designated from Commercial to Mixed Use Flex.

The PD Master Plan covers an area of approximately 19.7 acres east of Juan Hernandez Drive and north of Tennant Avenue. Refer to PD Master Plan section 4.5 for maps illustrating the plan boundary.

The PD Master Plan presents the following required information:

- Planning objectives;
- Community benefits;
- Land uses and approvals;
- Development standard deviations requested;
- Circulation plan;
- Locations of public facilities and open space;
- Diagrams showing various aspects of planned development;
- Development phasing; and
- Ongoing obligations

The PD Master Plan provides an overlay to the base Commercial Services (CS) zoning district. The purpose of the CS zoning district is to provide an area for commercial services that may be inappropriate in neighborhood or pedestrian-oriented shopping areas, and which generally require automotive access for customer convenience, servicing of vehicles or equipment, loading or unloading, or parking of commercial service vehicles.

The purpose of the Planned Development (PD) combining district is to allow for high quality development that deviates from standards and regulations applicable to base zoning districts in the City of Morgan Hill. Permitted land uses may deviate from the land use regulations of the applicable base zoning district, in this case Service Commercial, provided the PD combining district allows only those land uses permitted in the applicable general plan land use designation.

PLANNING OBJECTIVES

The PD Master Plan is designed to achieve the following planning objectives:

- Build off existing medical offices to provide a complete medical services center within the City.
- ~~Provide~~ Include flex zoning that would allow a small commercial component with retail/restaurant uses to serve the employees and visitors to the medical office/hospital uses as well as the surrounding community.
- Provide housing for the medical office/ hospital uses that would be affordable to the employees of these uses.
- Provide high-density housing in proximity to a school, commercial services, and employment opportunities.

COMMUNITY BENEFITS AND GENERAL PLAN AMENDMENT JUSTIFICATION

3.1 Planned Development Community Benefits

The PD Master Plan will provide the following community benefits to the City of Morgan Hill:

- Provide the City with a well-rounded medical center featuring medical offices, urgent care/ pharmacy, and hospital beds.
- Provide the City with additional high-density housing to help the City achieve its Regional Housing Needs Allocation for lower income housing, and construct affordable housing units.
- Provide the neighborhood and City with open space, courtyards, and plazas that

provide opportunities for people to informally meet and gather.

- Provide the neighborhood and City with pedestrian and bicycle pathways that enhance circulation within the property and connect to the surrounding neighborhood.
 - Locate housing in proximity to parks, a school, retail, and employment opportunities to reduce vehicle miles traveled and greenhouse gas emissions.
 - Provide the City with green buildings and sustainable development features. These will include photovoltaic renewable energy and meeting or exceeding Title 24 standards by three to five percent.
 - Provide accessible parks and open space beyond the minimum required by the City. Park land will be dedicated to the City and the project will provide a walking/ jogging trail around the perimeter of the property to facilitate healthy living.

3.2 General Plan Amendment Justification

The PD Master Plan incorporates an amendment to the 2035 General Plan designation for the property to Mixed Use Flex (MU-F). The general plan amendment is necessary to permit the residential and hospital uses. Under the PD zoning, only those uses allowed in the property's general plan land use designation may be permitted by the PD zoning, and the general plan amendment to Mixed Use Flex accomplishes that purpose.

The 2035 General Plan defines the Mixed Use Flex district as follows:

The Mixed Use Flex designation, which is primarily applied to properties along the Monterey Road corridor north and south of downtown, allows for a mix of residential, commercial, and office uses applied either vertically (i.e., one structure with multiple uses) or horizontally (i.e., structures with different land uses located adjacent to one another). Density should transition from higher to lower at the ends of Monterey corridor. The Mixed Use Flex designation allows 7 to 24 units per acre and a maximum FAR of 0.5. Prior to development of Residential or Mixed-Use projects within the Mixed Use Flex designation a block level master plan is required to identify how commercial uses will be incorporated within the development of the block and how individual development projects will connect with each other. Commercial development may proceed without preparation of a block level master plan consistent with the Commercial designation. [This amendment would change the FAR threshold restriction on the medical parcels \(A, B, and D\) to 0.666.](#)

This definition suits the development planned in the PD Master Plan, as the PD Master Plan conceptual Site Plan incorporates housing near the medical office/hospital uses that is intended to be affordable to the employees of these uses. ~~In addition, the conceptual Site Plan incorporates a small commercial component within a 10,000 square foot building, with retail/restaurant uses to serve the~~

~~employees and visitors to the hospital as well as the surrounding residential community.~~ The conceptual Site Plan shows how the medical office/hospital, ~~commercial,~~ and high-density residential uses will be arranged and connect with one another.

Best Interest of the Community

Why is the proposed amendment in the best interest of the community?

The residential uses are located within the property to provide a transition in intensity between the existing medical uses, Barrett Avenue Elementary School, and the single family residential uses abutting Juan Hernandez Drive to the west. The commercial, medical office/ hospital uses will be located adjacent to the existing medical offices, providing a campus feel on the property. The structured parking will provide adequate parking to accommodate the medical uses ~~and provide overflow parking for the compatible high-density residential uses on the project site.~~

~~The mix of uses will provide convenient retail uses and services adjacent to both the high density residential uses and the medical office/hospital.~~ The medical office/hospital will be located close to a freeway access, and just off two thoroughfares (Tennant Avenue and Butterfield Boulevard) providing convenient access to Morgan Hill residents and those from elsewhere in the region.

Public Need

Is there currently a public need for this amendment?

The Commercial uses outlined in the 2035 General Plan, though appropriate for this property, do not include the “third leg” which provides a sustainable living solution for commercial and institutional employees. Housing, and especially affordable housing, are a critical public need throughout the State, and especially in the Bay Area. Apartments¹ are an affordable housing option for service workers and would provide employees the opportunity to eliminate their commute to work. The one and two bedroom apartments², with 15 percent affordable, would allow younger adults, families, and seniors to live and work in a sustainable manner. Additionally the proposed amendment to the 2035 General Plan for this property would go a long way toward meeting several General Plan policies, as listed below, and addressed in Section 7.0, 2035 General Plan Consistency.

Housing- Policy HE-4u: Mix of Housing Near Services. Encourage a mix of housing types in each neighborhood located convenient to shopping, services, recreation, and transit routes.

Healthy Community- Policy HC-3.8 Private Open Space. Encourage new development to permit public access to private open space and parks where feasible and appropriate.

City & Neighborhood Form- Policy CNF-13.1 Mixed Use Flex Development. Encourage a mix of uses, either vertically or horizontally, to allow residents and employees to meet daily needs without the use of the private automobile.

The proposed hospital would also provide for the public needs, adding a much-needed medical services to the City of Morgan Hill. The hospital will also provide a variety of jobs for the city and surrounding

population.

¹ All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

² All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

PROPERTY AND DEVELOPMENT DESCRIPTIONS

4.1 Property –Description

Location

The property within the PD Master Plan is located in the City of Morgan Hill, California, on Juan Hernandez Drive between Tennant Avenue and Barrett Avenue, adjacent to South Valley Freeway (US Highway 101-Salinas Valley Freeway). [Figure 1, Regional Location Map](#), shows the property location in a regional setting. All figures discussed in this section are presented in Section 4.5. Regional access to the property is provided by US Highway 101, and local access to the property is provided by Tennant Avenue from the south and Barrett Avenue from the north. Ingress and egress to the project site will be primarily from Juan Hernandez Drive, along the western property boundary.

The approximately 19.67-acre property consists of two adjoining undeveloped parcels of land (13.94- acres and 4.04-acres) and one developed parcel (1.69-acres). [Figure 2, Location Map](#), illustrates the location of the property with the parcels delineated. [Figure 3, Assessor’s Parcel Map](#), presents the parcel map for the property and the Assessor’s Parcels Numbers (APNs) 817-09-041 (13.94-acres), 817-09- 039 (4.04-acres) and 817-09-040 (1.69-acres). Legal descriptions are presented in Section 9.0.

Property Characteristics

The undeveloped land is relatively flat, with several trees located on the northern parcel. Most of the property is vacant and has been farmed in the distant past. Two medical office buildings and related site improvements (driveway, parking, landscaping, and utilities) exist on the southern portion of the property as illustrated on [Figure 4, Existing Conditions Map](#).

Existing Land Use Designation and Zoning

The property is designated Commercial in the 2035 General Plan as illustrated in [Figure 5, Existing City General Plan Land Use Diagram](#), and is located in the Service Commercial zoning district with a Planned Development Combining District Overlay (PD) as illustrated in [Figure 6, Existing City Zoning Map](#).

Property Data

Project Location

City of Morgan Hill, CA (East of Juan Hernandez Drive, south of Barrett Avenue and west of US Highway 101 or Salinas Valley Freeway).

Street Address

0 and 16130 Juan Hernandez Drive, Morgan Hill, CA

Existing Assessor's Parcel Numbers

817-09-039, and 817-09-040, and 817-09-041

Acreage

Gross Property Acreage: 4.04, 1.69, and 13.94 (19.67 acres)

Net Property Acreage: 4.04, 1.69, and 13.94 (19.67 acres)~~4.03, 1.66, and 13.49 (19.18 acres)~~

Zoning

Services Commercial District (CS) with Planned Development Combining District (PD) overlay

General Plan Designation

Mixed Use Flex (amended from Commercial)

4.2 PD Master Plan Description

General Plan Amendment

Incorporated into the PD Master Plan is an amendment to the 2035 General Plan land use diagram to change the designation for the property from Commercial to Mixed Use Flex (MU-F). [Figure 7, General Plan Amendment](#) indicated the existing and proposed land use designation.

Zoning Map Amendment

Concurrent with approval of the PD Master Plan, the property will be re-zoned by ordinance to reflect the application of the Planned Development combining district with a base CS district, and incorporation of this PD Master Plan for the property as illustrated in [Figure 8, Zoning Plat](#).

Parcel Map

A parcel map will divide the property's three existing parcels into four parcels to facilitate development or sale. The two vacant parcels would be subdivided into three parcels (A-C). The

existing medical office site (Parcel D), would be reconfigured and included as part of the overall PD Master Plan. [Figure 9, Tentative](#)

[4-2 Planned Development Master Plan](#)

~~Parcel Map 10, Site Plan~~, prepared by the project engineer indicates how the property will be subdivided. The three existing lots will be re-organized into four parcels: Parcel A, ~~4.176.30~~ acres, Parcel B, ~~1.781.62~~ acres, Parcel C, ~~9.4910.06~~ acres, Parcel D, ~~4.131.69~~ acres, ~~and 0.10 acres will be dedicated as right-of-way along Barrett Avenue.~~

Development

Development anticipated within the PD Master Plan would be in the range of ~~350,000—417,696~~ ~~572,033-606,033~~ square feet of residential, commercial, office, and/or institutional uses, including up to 150 multi-family dwelling units. All land uses permitted in the PD Master Plan are presented in Section 5.0.

Figure 10, Site Plan, is presented in Section 4.5. ~~Figure 10 illustrates probable build-out on-site, which is commensurate with the low end of the square footage range indicated above. Figure 10B illustrates an alternative build-out that reflects the high end of the square footage range.~~ The conceptual Site Plan (Figure 10) ~~includes five~~ ~~anticipates the~~ uses ~~described below~~. The square footage of each use is that provided on the conceptual Site Plan, and could slightly increase or decrease. ~~These specific individual uses are for illustrative purposes only and none are individually required for future submissions to be in conformance.~~

- ~~4,500 square foot urgent care/pharmacy facility on the existing medical site~~ ~~approximately 16,000 square feet of existing medical facilities (to be retained);~~
- 10,000 square ~~foot medical office as cancer center~~ ~~feet for flex commercial/medical;~~
- ~~100~~ ~~215,000~~ square foot medical office, ~~urgent care, residential care, assisted living, skilled nursing~~ and/or hospital with a parking deck (multi-story with ~~54,000~~ ~~46,500~~ square-foot footprint);
- ~~10,000 square foot commercial retail/restaurant building;~~ and
- 150-unit multifamily residential development.

All uses will share common driveway access to Juan Hernandez Drive ~~and Barrett Avenue~~. The conceptual Site Plan illustrates the overall development concept, including the proposed land uses, building placement, circulation patterns, parking, and open space. The descriptions in this section are based on the conceptual Site Plan.

Parcels A and B

The proposed medical/hospital ~~facility~~ ~~facilities~~ will occupy ~~one the~~ ~~buildings in on~~ Parcels A ~~and B~~. Two pick-up/drop-off areas are located adjacent to the proposed buildings to assist patients. Development of Parcels A ~~and B~~ includes a ~~500-space~~ parking structure that will be shared ~~by among~~ the ~~adjacent-Medical~~ uses along with access and utility infrastructure. ~~Parcel A and B employees/residents/visitors will have access to the publicly-accessible park located on Parcel C via the sidewalk and trail connections. A small park is also located on Parcel A for~~

visitors and employees.

Parcel B

~~This parcel will be developed with approximately 10,000 square feet of commercial/retail uses, including a 5,000 square-foot sit down restaurant, a 55-space surface parking lot, and access and utility infrastructure. The remaining 5,000 square feet will be available for other personal service or retail uses. The mix of uses within this building will be market driven and could fluctuate over the life of the building.~~

Parcel C

Parcel C will be developed with 150 multifamily residential units. ~~Additional vehicle parking will be available through a shared parking agreement with the developer of Parcel A.~~ Parcel C may also be developed with Single Family attached and detached for-sale dwelling units or other medical office uses.

Parcel D

Parcel D includes two existing medical buildings totaling ~~15,900~~approximately 16,000 square feet and parking. The existing medical buildings will ~~remain unless~~remain unless full build out is pursued at which point the buildings will be removed and replaced by buildings and/or parking~~and a new one-story 4,500-square-foot urgent care/pharmacy medical facility will be constructed on this parcel, located in what is now occupied by a portion of the parking lot, leaving 30 surface parking spaces to remain for the existing medical facility and urgent care/pharmacy. A 10,000-square-foot medical office—cancer center and a 66-space surface parking lot will be developed on this reconfigured parcel. Parking for the existing medical building displaced by the proposed urgent care/ pharmacy facility will be replaced adjacent to the proposed medical office—cancer center and through a shared parking agreement with the remainder of the medical facility that will be developed on the new Parcel A.~~

Parkland/Open Space

The PD Master Plan includes the provision of approximately 2.92.0 acres of parks and open space. Amenities on Parcel C include a pickleball court, swimming pool, hot tub, lounging patio, and a tot lot/play area, open play fields lawns, shade structures, picnic tables, seating areas, and jogging/walking trail connections to adjacent sidewalk systems. ~~Recreational~~If proposed, recreational parkland amenities in Parcel A could include passive recreational opportunities with a landscaped area and park benches. ~~located between the medical/hospital facility and the commercial uses on Parcel B.~~ Trail connections are provided throughout the property including new pedestrian access to the existing medical campus (Parcel D).

Site Access/Circulation

Access to the project site will be provided by four two new driveways: ~~the existing driveway to the medical office would may be retained and extended to provide secondary access to the medical/hospital facility and cancer center. An additional driveways, adjacent to existing driveway and approximately 460 feet north of the existing driveway, Rosewood Lane will provide the primary access to Parcels A-C through the middle of the property. St. James Drive will be extended into the site, forming a four-legged intersection at Juan Hernandez Drive. The existing driveway to the medical offices on Parcel D will be closed; access to the existing facilities will be provided from the St. James extension. Two additional driveways will provide secondary access to the multifamily residential development from Barrett Avenue. The accessways for all project components are interconnected within the property.~~ All new accessways will be designed to meet City of Morgan Hill design and performance standards for streets, driveways, curb, gutter and sidewalks. The conceptual Site Plan provides a layout of the circulation system for the project.

Juan Hernandez Drive is a two lane street with striping at Barrett Avenue to allow for turn lanes. The street is wide enough to provide on street parking but individual spaces are not

marked. Barrett Avenue is a two lane street primarily providing access to Barrett Elementary School. Two left turn lanes from Juan Hernandez Drive into the property are proposed.

Sidewalks will be extended into the property from the existing sidewalks along Juan Hernandez Drive and Barrett Avenue. Connection will be made to the existing sidewalks on Juan Hernandez Drive and Barrett Avenue. Within the project boundary, sidewalks will be provided on all internal driveways to meet Americans with Disabilities (ADA) standards. Bicycle traffic shares the paved area or uses the sidewalk. Pathways and sidewalks designated for bicycle use will meet Caltrans design standards for bikeways. The passive park with a jogging/walking trail for pedestrians, will serve as a passage way from Barrett Avenue to the south side of the property. Additionally, all the uses proposed in the development project will have pedestrian connections to the park.

Parking

Parking will be located on each parcel ~~and a shared parking agreement will be implemented per Municipal Code Section 18.72.050, on-site parking alternative Section F,~~ to meet the parking needs of the development. ~~Parking below standards for some uses will be met by implementing a shared parking agreement between the newly created parcels within the property.~~ Additionally, the mix of land uses will result in walking trips that will reduce parking demands for some uses. [Proposed Medical site parking ratios are described below.](#)

Signage and Lighting

A detailed signage and lighting plans will be submitted during the Design Review phase of the project review. Signage and lighting will comply with the City of Morgan Hill Municipal Code, Sections 18.88 and 18.72.060G. We anticipate signage will be located at the intersection of Juan Hernandez Drive and the main access drive into the property, currently labeled as ~~Street~~ [A Rosewood Lane](#) on the conceptual Site Plan.

Additional internal signage locations have not been determined at this time.

Storm Water Infrastructure

All drainage systems will be designed to comply with City and Regional Water Quality Control Board requirements for storm water management. Bio swales will be dispersed throughout the

development, ~~including a 25-foot wide landscape buffer along the east property line~~ and a storm water basin, ~~will be~~ located in the southeast corner of the property. All drainage improvements will be designed and landscaped to meet City and State design criteria and performance standards. Where necessary, fencing around the ponds will consist of black chain link or decorative fencing and landscaping to shield views from US Highway 101 and onsite patrons.

Other Utilities

Sewer, water, and wastewater infrastructure will be designed and constructed in conformance with City standards. Ownership and maintenance will generally correspond to location within public or private property. Where utilities cross private property, easements will be established as necessary to provide access. Other utility infrastructure (gas, electric, communications, etc.) will be designed and constructed in conformance with State or utility standards. Ownership of these utilities will remain with the utility, with easements established as necessary to provide access.

Phasing

The proposed project would likely be constructed in phases starting with development of Parcel C, followed by development of Parcels B and D, and closing with the development of Parcel A. The hospital use will require approvals by the Office of Statewide Health Planning and Development (OSHPD) and the Division of the State Architect, some approvals could take as long as seven years, which is why it is expected to be the final element of the project to be developed. ~~Full occupancy of all uses is assumed to occur in the year 2025-2027.~~ Market factors could result in a changed phasing sequence.

Conceptual Development Plans

Figure 10, ~~Conceptual Site Plan~~, illustrates the overall development concept, including the proposed land uses, buildings, circulation patterns, parking, and open space and common areas. This plan documents the percentage of site area that will be dedicated for all types of open space. It also illustrates the probable conceptual medical site plan layout. Figure 10B, Site Plan Alternative, illustrates a medical site layout that includes the anticipated maximum building square footage on Parcels A, B, and D.

Figure 11, Pedestrian Circulation/Open Space Plan, illustrates the connectivity of the project, how it relates to the surrounding pedestrian network, and open space proposed on the project site.

Figure 12, Illustrative Site Plan, is a conceptual color rendering of how all the elements come together on the property.

Figure 13, Conceptual Site and Utility Plan, provides locations of sewer, water and fire connection on the site plan and also shows the proposed storm water management areas.

Figure 14, Conceptual Grading Plan, provides conceptual contour grading, drainage and flood control facilities, easement, property lines, rights-of-ways, and existing features beyond the site boundaries. Structures, building footprint and floor elevations are also depicted on the conceptual Grading Plan.

Full Size Plans, Illustrative Building Elevations ~~will be provided at the Design Review stage, provided under separate cover, illustrate the building elevations and provide perspective renderings for each building.~~ The building architecture and design are ~~inspired-expected to be inspired~~ by a distinctly modern and geometric aesthetic, using classical materials for a timeless appearance. The elevations ~~are-may be~~ crafted of ~~warm~~-wood, ~~grey~~-stone and ~~contrasting light~~-stucco. ~~The-t~~Transparent glazing panes ~~will provide~~may also be used to provide ample daylight and animate the buildings, flooding the interior spaces with natural light and the orthogonal volumes and surfaces complement each other. The parking deck form ~~is-will be~~ reduced in mass by using landscape screens facing US Highway 101.

Full Size Plans, ~~The~~ Conceptual Landscape Plans, ~~will be provided under separate cover, will be provided at the Design Review stage and will~~ identify landscaped areas throughout the PD Master Plan and explain the main landscape concepts to be achieved for the project. The conceptual Landscape Plans ~~will~~ identify the major types of plant material to be used including street trees, parking lot trees, shrubbery to be used to screen the parking lots, and buffer plantings.

Conceptual Site Development Data

The PD Master Plan's conceptual Site Plan (see Figure 10) ~~and the site plan alternative (Figure 10B) are is~~ used to provide the numbers that were used to prepare the project description and CEQA documentation. ~~The Conceptual Site Plan shown in Figure 10 represents probable medical campus buildout areas; Figure 10B represents maximum medical campus buildout. Additional dwelling units or floor area may be achieved on the property.~~ The PD Master Plan allows a range of ~~350,000—417,696~~ ~~572,033 – 606,033~~ square feet of commercial, office, and/or institutional floor space and a maximum of 150 multi-family or single family dwelling units. It is expected the conceptual Site Plan will be modified prior to Design Review. Modification will be kept to a limit acceptable to not trigger additional CEQA impacts or mitigation measures. If the conceptual Site Plan changes exceed this limit, additional CEQA documentation may be necessary.

~~Medical Office / Cancer~~

~~Center Building Coverage:~~

~~10,000 square feet Floor Area:~~

~~10,000 square feet~~

~~Building Height: One story (25-foot maximum)~~

~~Parking: 96 shared spaces, including 30 existing spaces, 2 ADA spaces, 2 EV spaces, and 5 bicycle spaces~~

~~Medical / Hospital / Urgent Care / Pharmacy / Retail / Restaurant (Site Plan, Figure 10)~~

~~Building Coverage: 33,333 138,000~~ square feet ~~(including the proposed Decked Parking listed directly below)~~

~~Floor Area: 100,000 241,000~~ square feet

~~Building Height: Three-Four~~ story ~~(5265-foot maximum including rooftop equipment parapet)~~

~~Parking: 500-848~~ shared spaces within deck, including ~~9-30~~ ADA spaces, ~~10~~ EV spaces, and ~~25~~ bicycle spaces ~~(based on 9-foot-wide, 18-foot-deep parking stalls and a 25-foot-wide drive aisle)~~

~~Decked Parking~~

~~Building Coverage: 54,000 46,500~~ square feet

Building Height: ~~Three-Six~~ story (~~6532-foot~~feet)

Medical / Hospital/Urgent Care/Pharmacy/Retail/Restaurant (Site Plan Alternative, Figure 10B)

Building Coverage: 129,000 square feet (including the proposed Decked Parking listed directly below)

Floor Area: 275,000 square feet

Building Height: Four story (65-foot maximum including parapet)

Parking: 965 shared spaces within deck, including 30 ADA spaces (based on 9-foot-wide, 18-foot-deep parking stalls and a 25-foot-wide drive aisle)

Decked Parking

Building Coverage: 54,000 square feet

Building Height: Six story (65-feet)

Retail / Restaurant

~~Building Coverage: 10,000-~~

~~square feet Floor Area: 10,000-~~

~~square feet Building Height:-~~

~~One story (25-foot)~~

~~Parking: 55 spaces, including 3 ADA spaces, 2 EV spaces, and 5 uncovered bicycle spaces~~

Multi-Family Housing

Building Coverage: 51,750 square feet (apartments and clubhouse/leasing

office)³ Floor Area: 175,500 square feet – apartments; 3,000 square feet –

club house⁴ Building Height: Varies by building: Three story (35-foot

maximum)

³ All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

⁴ All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

Dwelling Units: 150 Units

Parking: 359 spaces, including 8 ADA spaces, 200 covered spaces, and 7 EV spaces

Bicycle Parking: 36 covered bicycle spaces, 40 uncovered bicycle spaces

Urgent Care and Pharmacy

~~**Building Coverage:** 4,500-~~

~~square feet **Floor Area:** 4,500-~~

~~square feet **Building Height:**-~~

~~One story (25-foot)~~

~~**Parking:** 96 shared spaces, including 30 existing spaces, 2 ADA spaces, 3 uncovered bicycle spaces~~

Existing Medical Buildings

Building Coverage: 15,900 square feet (12,300 square feet and 3,600 square feet)

Floor Area: 15,900 square feet

Building Height: One story

~~**Parking:** 96 shared spaces, including 30-50 existing automobile spaces, including 4-2 ADA spaces, 2-
EV spaces and 4 uncovered bicycle spaces.~~

Park

Open Space / Passive Park Acreage: +/- 2.2-0 acres

~~**Recreation exclusive for Multi-Family:** +/- 0.70 acres~~

Additional open space is provided on site in landscaped buffers including walking/jogging trails.

Total Building Coverage (Medical parcel)

(Net Property Land Area: ~~835,391~~418,601 square feet /

~~19.189.61~~ acres) Allowed: ~~417,696~~209,300 square feet (based

on 50% of net land area)

Proposed: Not to exceed ~~50~~60% (Figure 10 conceptual Site Plan indicates ~~212,319~~138,000 square feet (~~25~~33% of net land area); Figure 10B Site Plan Alternative indicates 129,000 square feet (31% of net land area))

Floor Area Ratio (FAR) (Medical parcel)

(Net Property Land Area: ~~835,391~~418,601 square feet /

19.189.61 acres) Maximum FAR (per MU-F 0.5):

417,696,209,300 square feet

Proposed FAR: (0.4258-0.566) ~~350,241,000~~ to ~~417,696,275,000~~ square feet (Figure 10
conceptual Site Plan indicates 351,786,241,000 square feet; Figure 10B indicates
275,000 square feet)

Total Square Feet (Medical)

(Within buildings/carports on conceptual Site Plan)

Retail/Restaurant: 10,000 square feet

Medical Offices (4): 30,400 square feet

Medical/Hospital/Urgent Care/Pharmacy/Retail/Restaurant/Skilled Nursing/Residential
Care/Assisted Living: ~~400,000~~ 241,000 – 275,000 square feet

Residential: 178,500 square feet (includes club house/leasing office at 3,000 square feet)

Covered Residential Parking: 32,886 square feet—expected to be carports

Total: ~~351,786,241,000 – 275,000~~ square feet – (does not include the ~~commercial-medical~~ parking structure)

Total Parking (Medical)

Proposed Vehicle Parking: ~~4,040~~ 1,031 spaces total (Site Plan); 1,333
spaces total (Site Plan Alternative) (96 compact spaces at bio swales)

Covered Vehicle Parking: ~~700~~ 848 spaces (Site Plan); 965 spaces
(Site Plan Alternative) (500 spaces within parking structure)

Surface Vehicular Parking: 183 spaces (Site Plan); 368 spaces Site
Plan Alternative

Proposed Parking Ratio: 1 stall per 233 square feet (Site Plan); 1 stall
per 206 square feet (Site Plan Alternative)

Bicycle Parking Required: ~~145~~ 118 (4836 covered spaces, 8297)

uncovered spaces)([Site Plan](#)); [165 \(55 covered spaces, 110 uncovered spaces\)\(Site Plan Alternative\)](#)

ADA Parking Required: [218 spaces \(Site Plan\)](#); [27 \(Site Plan Alternative\)](#)

Electric Vehicle (EV) Required: [21 spaces \(Site Plan\)](#); [27 \(Site Plan Alternative\)](#)~~23 spaces~~

4.3 Implementing Approvals

After the actions noted above are complete (General Plan Amendment, Zoning Map Amendment, and Parcel Map), the following implementing actions will remain to be taken by the City prior to construction. These approvals will most likely be separate actions for each parcel within the PD Master Plan.

Final Maps. After the tentative parcel map is approved, final maps will be filed. It is anticipated that a separate final map may be filed for each parcel, along with a corresponding improvement plan.

Design Review Permits. Prior to construction, each structure will be required to obtain a design review permit. Each design review permit will be approved by resolution by the Planning Commission.

Conditional Use Permits. Some uses that are allowed within the PD Master Plan will require a conditional use permit. Each conditional use permit will be approved by resolution by the Planning Commission.

4.4 Conditions Prior to Residential Construction

Prior to the issuance of building permits for residential construction on Parcel C, the Development Services Director shall confirm that Developer Lillian Commons L.L.C. has satisfied [all?](#)

of the following criteria:

- (1) Obtained building permits for and commenced construction of:
 - a. ~~expansion of the parking lot on Parcel D from 45 spots to at least 60 spots, in order to support medical campus needs; and~~

~~b.a.~~ Street A or B (as designated on the Conceptual Site Plan), with utility infrastructure suitable for a medical campus or hospital.

-or-

(2) Developer and healthcare provider have filed application with OSHPD, paid application fee and submitted construction documents and specifications to a warm shell standard.

4.5 Ownership and Ongoing Obligations

The PD Master Plan, General Plan Amendment, and subdivision proponent seeks to obtain City approval of the General Plan Amendment, PD Master Plan and subdivision entitlements. The applicant/ proponent intends to develop Parcel D with the Medical Center (e.g. urgent care/pharmacy, cancer center, medical offices, etc.). ~~The medical/hospital parcel, retail/restaurant parcel, and residential parcel will most likely be sold to end users or to specialized developers.~~

Park land will be set aside within an easement upon filing of the final parcel map(s). Infrastructure will be constructed by future developers. Dedication and long-term maintenance financing of circulation, water, wastewater, and storm water infrastructure will be determined when development applications are processed.

A memorandum of agreement (MOA) or development agreement (DA) will be drafted by the applicant and distributed to the developers of each lot to allow for an orderly manner in which to provide capital improvements and maintenance of the infrastructure and common areas located throughout the property. It is expected that a shared parking agreement will be prepared as part of the MOA/DA to allow shared parking among the end users of the PD Master Plan development.

4.6 Maps and Diagrams

Maps and Diagrams are presented on the following pages.



Figure 15

Table 1, PD Master Plan Allowed and Conditional Uses, presents uses allowed by the PD Master Plan. The table identifies the use as a permitted (P) or conditionally permitted (C) land use. Uses in bold are new uses added to the permitted uses in the CS zoning district as part of this PD Master Plan. Some uses permitted in the CS district were eliminated from the list. The MU-F General Plan designation permits the property to be developed in a mixed use fashion allowing residential and hospital uses not currently allowed within the 2035 General Plan Commercial land use designation or the CS zoning district.

The conceptual Site Plan portrays five types of uses on the property; however, a revised site plan, or the future reuse or re-purposing of buildings after they are constructed and initially occupied, could change or add to those uses. Table 1, PD Master Plan Allowed and Conditional Uses, provides a comprehensive list of allowed and conditional land uses that could be approved within the PD Master Plan.

Table 1-1 Parcel C PD Master Plan Allowed and Conditional Uses

Use	Planned Development (PD)
Hospitals	P
Medical Offices and Clinics	P
Mixed Use Residential	P

Table 1-2 Parcels A, B, and D PD Master Plan Allowed and Conditional Uses*

Use	Planned Development (PD)
Banks and Financial Institutions Assisted Living Facilities	<u>CP</u>
<u>Banks and Financial Institutions</u>	<u>P</u>
Business Support Services	P
College and Trade Schools	C
Convenience Market	C
Commercial Recreation, Indoor <15,000 square feet	P
Community Assembly	C
Cultural Institutions	P

Day Care Center	<u>CP</u> ¹
Drive-Through and Drive-in Facilities	C

Use	Planned Development (PD)
Emergency Shelters	C
Farmers Markets	CP ¹
General Retail	P
Hospitals	P
Hotel and Motels	CP ^P
Instructional Services	P
Medical Offices and Clinics	P
Parking Lots and Structures	P
Parks and Recreational Facilities	P
Personal Services	P
Professional Offices	P
Residential Care Facilities	CP
Residential Care Facilities, Small	CP
Restaurant- Fast Food, Sit Down	CP ^P
School, Public and Private	C
<u>Skilled Nursing Facility</u>	CP
Social Services	C
Accessory Uses	(per Section 18.44)
Temporary Uses	(per Section 18.92.150)

¹ – Day care centers, farmers markets, hotel and motels, and restaurants are allowed as permitted uses only when clearly incidental to, and supportive of, the primary medical-serving campus and shall not function as stand-alone primary site uses

~~A. At buildout, at least 75% of the total developed gross building square footage on the Medical Campus shall be medical uses. Non-medical uses shall not exceed 25%. A minimum of 75% of the total developed gross building square footage within the Medical Campus shall consist of medical uses. Non-medical uses shall not exceed 25% of the total developed gross building square footage.~~

~~A.~~

~~Medical uses include facilities providing non-residential diagnosis, treatment, surgery, imaging, or outpatient clinical services. This includes hospitals, medical office buildings, outpatient facilities, clinics, diagnostic and imaging centers, and similar uses consistent with Morgan Hill Municipal Code Title 18 and this Master Plan. Medical uses for purposes of this Planned Development Master Plan are limited to facilities providing diagnosis, treatment, surgery, imaging, or outpatient clinical services on a non-residential basis, including hospital facilities, medical office buildings, outpatient facilities, clinics, diagnostic and imaging centers, and similar uses consistent with Morgan Hill Municipal Code Title 18.~~

~~Skilled nursing facilities and also long-term supportive healthcare residential uses such as nursing homes, assisted living facilities, and residential care facilities shall not be counted toward the minimum required medical uses square footage.~~

~~B.~~

~~C. The following are non-medical uses for purposes of this Master Plan and count toward the 25% cap: assisted living facilities, skilled nursing facilities, residential care facilities, nursing homes, and other long-term residential care or supportive healthcare residential uses, plus any other uses allowed by this PD that are not medical uses as defined above.~~

~~D. Non-medical uses shall not be counted toward the 75% minimum medical square footage requirement.~~

The City shall not approve or issue building permits for any non-medical uses until building permits have been issued for at least 50,000 square feet of medical uses. The City shall not approve or issue building permits for any non-medical uses until building permits have been issued for a minimum of 50,000 square feet of medical uses or the non-medical uses are being processed concurrently with the medical uses and conform with the square footage requirements for medical.

E.

A.—Non-medical uses may be approved concurrently only if the same phase includes at least 50,000 square feet of medical uses and the overall project will remain compliant with the 75% minimum medical and 25% maximum non-medical requirements at buildout and during all phases of the project. Non-medical uses may be approved concurrently with medical uses provided the development phase includes at least 50,000 square feet of medical uses and the project will remain in compliance with the 75% minimum medical uses and 25% maximum non-medical uses buildout.

F.

•G. Any non-medical use must be clearly subordinate and incidental to the medical-serving campus and shall not function as the primary site use. **Non-medical uses must be in conjunction with a Hospital or other medical uses.**

DEVELOPMENT STANDARDS

Development standards such as heights, setbacks, and building coverage within the planned development combining district are established in the PD Master Plan. Those standards may deviate from development standards in the Service Commercial base zoning district except that the maximum permitted floor area ratio and residential density may not exceed maximums established in the 2035 General Plan for the commercial land use designation. The floor area ratio for the Commercial land use designation in the 2035 General Plan is 0.6. The general plan amendment to Mixed Use Flex changes the floor area ratio to 0.5, which is reflected in the PD Master Plan. Standards in bold have been revised from those of the CS zoning district as part of this PD Master Plan. [Table 2, PD Master Plan Development Standards](#), presents the development standards.

Table 2 PD Master Plan Development Standards

Development Aspect	Parameter
Minimum Lot Size	10,000 square feet
Minimum Lot Dimensions	100-foot width; 100-foot depth
Maximum building coverage	50% 60%
Minimum setbacks (front, rear, side, street) [1]	25, 0, 0, 15 feet (respectively)
Maximum height (exceptions 18.56.020)	Residential/Office – 3 stories or 35 feet Hospital-Medical – 4 stories or 55-565 feet <u>Medical Parking Structure – 6 stories or 65 feet</u>
Floor Area Ratio	0.50-6 0.66 <u>Medical w/ Mixed-Use Flex (MU-F)</u>
Signs	Per Section 18.88
Lighting	Per Section 18.72.060.G
Landscaping	Per Section 18.64
On-Site Parking	Per Section 18.72 [2]
Retail	1 space per 250 square feet of net floor area
Restaurant (sit down)	1 space per 100 square feet of net floor area
Medical Office	1 space per 200-250 square feet of net floor area
Residential (multi-family)	1 bedroom unit – 1 covered 2 bedroom unit – 1 covered and 1 uncovered per unit
Guest Parking	1 per 3 units (shared with Medical Office use)
Electrical Vehicle Parking	1 per 25 to 49 automobile spaces, 2 per 50 to 100 automobile spaces, plus 1 per 50 ratio over 100 automobile spaces
Non-Residential Bicycle Parking	<u>Short term:</u> 10% of <u>required</u> automobile spaces; long term (enclosed): 5% of <u>required</u> automobile spaces
Residential Bicycle Parking	10% of automobile spaces; long-term (enclosed), 1 per 5 units

NOTE:

[1] Outdoor seating, courtyards, and other publicly-accessible spaces **may occupy** the front setback. Residential porches and similar entry features may project **ten** feet into the front setback.

[2] Unless otherwise ~~modified~~**modified** in this table.

[2][3] Minimum parking stall dimensions within a parking deck/parking structure: 9-foot width; 18-foot depth when the drive aisle is at least 25-foot wide

PD Master Plan Development Standards for Single Family Residential

Development Aspect	Parameter
Minimum Lot Size (Single Family Residential)	1,000 square feet
Minimum Lot Dimensions	22-foot width; 45-foot depth
Floor Area Ratio	0.5 w/ Mixed Use Flex (MU-F)
Minimum Setbacks (front, rear, interior side, street side)	5 or N/A, 5 or N/A, 0 [1] or 3, 5 feet (respectively)
Maximum Height	3 stories or 35 feet [2]
Signs	Per Section 18.88
Lighting	Per Section 18.72.060.G
Landscaping	Per Section 18.64
Open Space	Per Section 18.40-4 based on lot size
Parking Residential (Single Family) Guest Parking	Per Section 18.72 [3] 2 spaces - 1 covered space for each housing unit 1 per housing unit [4] (shared with Medical Office use)

NOTE:

[1] A setback of zero feet is acceptable on one side yard; provided, that the sum of both side yard setbacks is at least eight feet

[2] Roof elements with minimum 5:12 roof pitch may exceed the building plate height by up to eight feet.

[3] Unless otherwise modified in this table.

[4] These guest spaces may include a combination of driveway parking, alley parking, on-street parking in front of the residence, and designated guest parking spaces.

CONSISTENCY WITH 2035 GENERAL PLAN

7.1 General Plan Land Use Designations

2035 General Plan- Commercial. The Commercial designation is primarily located along arterial roadways west of US Highway 101 and along the eastern freeway frontage. This designation is intended to allow a wide range of retail businesses, administrative and executive office uses, and professional services, either in stand-alone buildings or as part of shopping centers. The largest concentrations of this designation are found along Monterey Road and at the freeway interchanges, where retail stores are emphasized. The Service Commercial overlay along Monterey Road, north of Wright Avenue, allows auto-related uses, except for sales. The Commercial designation allows a maximum FAR of 0.6 and Mixed Use Flex designation allows a maximum FAR of 0.5.

The General Plan goals and policies for Commercial with a Planned Development Combining District overlay are described below. In general, the 2035 General Plan encourages neighborhood-scale shopping near residential neighborhoods to foster walking and biking and to avoid car trips.

2035 General Plan - Mixed Use Flex. The Mixed Use Flex designation, which is primarily applied to properties along the Monterey Road corridor north and south of downtown, allows for a mix of residential, commercial, and office uses applied either vertically (i.e., one structure with multiple uses) or horizontally (i.e., structures with different land uses located adjacent to one another). Density should transition from higher to lower at the ends of Monterey corridor. The Mixed Use Flex designation allows 7 to 24 units per acre and a maximum FAR of 0.5. Prior to development of a Residential or Mixed-Use project within the Mixed Use Flex designation, a block level master plan is required to identify how commercial uses will be incorporated within the development of the block and how individual development projects will connect with each other. Commercial development may proceed without preparation of a block level master plan consistent with the Commercial designation.

Because the PD Master Plan includes a mix of uses on the property including retail, medical office, medical hospital, multi-family apartments⁵, and a park element as part of the Planned Development Combining District, Mixed Use in addition to Commercial 2035 General Plan goals and policies have been analyzed.

⁵ All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

7.2 General Plan Goals and Policies

Applicable 2035 General Plan Goals, Policies, and Implementation Measures are presented in Table 3 through Table 9 below, along with an assessment of PD Master Plan consistency.

City and Neighborhood Form

Table 3 General Plan 2035 - City and Neighborhood Form Goals and Policies

General Plan City and Neighborhood Form Goals and Policies	Consistency Analysis
Residential Neighborhoods-GOAL CNF-10 A variety of housing types and densities available to all residents.	Consistent: The PD Master Plan allows for a variety of housing types. The conceptual Site Plan shows multifamily residential which will provide the community with new housing types including one and two bedroom apartments. ⁶
Policy CNF-10.3 Adequate Supply of Multi-Family Housing. Provide for an adequate supply of multi-family housing, located convenient to shopping, services, and transportation routes.	The PD Master Plan will assist the City in achieving an adequate housing supply as the PD Master Plan allows for 150 residential units. The conceptual Site Plan provides for a mix of residential, commercial, and medical uses that will allow for the placement of housing convenient to the shops, services, and offices, and adjacent to major transportation routes.
Policy CNF-10.6 Density Near Infrastructure. Encourage higher residential densities at locations where convenient access and adequate infrastructure is readily available.	Consistent: The property is adjacent to Juan Hernandez Road and Barrett Avenue in an area with existing utilities. A survey was completed by Whitson Engineers that determined there was adequate infrastructure available around the project site to support the uses identified in the PD Master Plan.
New Subdivisions-GOAL CNF-11 High quality, aesthetically pleasing, livable, sustainable, well-planned residential neighborhoods, well-connected to neighborhood services.	Consistent: The PD Master Plan's conceptual Site Plan provides a well-planned, aesthetically pleasing, livable, sustainable and well-connected residential neighborhood with integrated commercial/retail and medical offices.

⁶ All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

<p>Policy CNF-11.5 Outside Connections. Require new subdivisions to provide multiple connections to the surrounding community. Methods to achieve this may include:</p> <ul style="list-style-type: none"> ▪ Providing multiple points of entry into the project for motorists, bicyclists and pedestrians. ▪ Extending the existing street pattern at the edges of the subdivision into the site. Extended streets should match the type and scale of streets to which they connect. ▪ Installing landscaping and street improvements at the edge of subdivisions that appear as common amenities shared with adjacent neighborhoods. 	<p>Consistent: As shown in the PD Master Plan conceptual Site Plan, development within the property will be designed to be compatible with the surrounding neighborhood. Multiple points of pedestrian ingress/egress are provided along Barrett Avenue and Juan Hernandez Drive, with connections to existing sidewalks. Two points of ingress/egress for vehicles and bicycles are provided along Barrett Avenue, and two along Juan Hernandez Drive. A private drive is provided along the southern portion of the property that could provide connectivity to the adjacent vacant parcel to the south when it is developed in the future. The conceptual Site Plan provides for connectivity to this adjacent vacant parcel to facilitate connectivity in anticipation of its eventual development. Residential and open space/park uses will be adjacent to existing residential uses and</p>
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General Plan City and Neighborhood Form Goals and Policies	Consistency Analysis
<ul style="list-style-type: none"> ▪ Minimizing the use of gates, fences, and walls that separate the subdivision from the surrounding community. ▪ Planning for future connections to adjacent undeveloped property. 	<p>Barrett Elementary School, and connectivity within the property will be provided via several pedestrian paths. The open space area abuts Barrett Avenue, which is adjacent to Barrett Elementary School, and will be made accessible to the school. The northern most open space/park area will be dedicated by easement for public use, including use by the Barrett Elementary School, to be used as a common amenity.</p>
<p>Policy CNF-11.10 Open Space. Require new subdivisions to feature integrated common open spaces, parks, and community facilities that serve as social and design focal points. Open spaces should be a close walking distance from all residents and should be large enough to be useful for residents.</p>	<p>The conceptual Site Plan includes approximately three acres of passive park/open space. Approximately 1.7 acres of the open space will be available to the elementary school for its use and benefit. The remainder of open space, including walking trails, serves the residential, commercial and office components of the plan, as well as neighboring residents. The open space and park areas are within walking distance of all of these uses and connected by pedestrian paths.</p>
<p>Policy CNF-12.1 Neighborhood Center Design. Allow neighborhood centers within future residential neighborhoods. Neighborhood centers are envisioned as nodes or focal points that offer neighborhood-serving services and amenities within a reasonable walking distance from adjoining residential areas. These centers should be designed to increase the accessibility of goods and services within existing residential neighborhoods, particularly for the benefit of senior citizens and those with limited mobility, and to offer opportunities for socialization.</p>	<p>Consistent: The PD Master Plan includes neighborhood serving uses and amenities including retail, restaurant, and medical office/hospital uses to serve the proposed and existing neighborhood. These uses include public gathering areas and pedestrian access. These services will be within walking distance to the existing and proposed neighborhoods and will increase the accessibility of services for the existing neighborhood, particularly for the benefit of senior citizens by providing close walkable medical offices.</p>
<p>Policy CNF-12.4 Neighborhood Center Requirements. Require future neighborhood centers to meet the following requirements:</p> <ul style="list-style-type: none"> ▪ The design of neighborhood center should provide a sense of place, promote casual interaction, and enhance overall well-being. ▪ The design of neighborhood center should complement the residential character of its immediate surroundings, including site design, access, building style, building materials, signage, lighting, and landscaping. 	<p>Consistent: The PD Master Plan conceptual Site Plan includes pedestrian pathways that connect the open space, residential, retail, and medical components of the plan. The PD Master Plan includes a small retail center and open space/park areas that, along with the pedestrian access ways, will provide gathering areas and a sense of place, thereby promoting casual interaction and overall wellbeing. The project will be required to undergo design review with the City of Morgan Hill to ensure that the design complements the residential character of the adjacent neighborhood.</p>

General Plan City and Neighborhood Form Goals and Policies	Consistency Analysis
<p>Mixed Use Flex-GOAL CNF-13 Mixed use flex developments that include a variety of uses and forms to foster a dynamic urban environment.</p> <p>Policy CNF-13.1 Mixed Use Flex Development. Encourage a mix of uses, either vertically or horizontally, to allow residents and employees to meet daily needs without the use of the private automobile.</p>	<p>Consistent: The PD Master Plan allows for a variety of uses including retail, residential, and medical uses. The combination of uses within the property provides for walkability to services for residents and employees.</p>
<p>Commercial and Office- GOAL CNF-15 Sufficient, sustainable, and concentrated commercial and office uses.</p> <p>Policy CNF-15.3 Retail Uses at Major Intersections. Encourage retail sales use at major intersections as the focus of clustered commercial development.</p>	<p>Consistent: The PD Master Plan provides for clustered commercial, medical, and retail uses near a major intersection at the south side of Morgan Hill.</p>
<p>Policy CNF-15.5 Office Development. Encourage new regional and local-serving office development at appropriate locations.</p>	<p>Consistent: The PD Master Plan allows for medical offices / hospital uses to create a campus of medical offices to serve the community and region.</p>
<p>Commercial / Industrial-GOAL CNF-18 Integrated job-generating centers that offer workers and businesses a range of services to meet their daily needs.</p> <p>Policy CNF-18.1 Vibrant Job Centers. Encourage land with a Commercial/Industrial designation to develop with job-generating uses with amenities that support workers and businesses, such as restaurants, lodging, fitness centers, and hair salons.</p>	<p>Consistent: The PD Master Plan allows for concentrated and integrated retail, medical offices and hospital uses that will provide jobs for the City and the surrounding neighborhood. The medical office/ hospital is expected to produce approximately 472 jobs. The PD Master Plan also allows for amenities such as restaurants, and personal services to serve the neighborhood and the surrounding community.</p>

Housing

Table 4 General Plan 2035 - Housing Goals and Policies

General Plan Housing Goals and Policies	Consistency Analysis
<p>Goal HE-4 A range of housing types for all age groups, served by transit, recreational amenities, shopping, and health and personal services, that allows residents to age in place.</p>	<p>Consistent: The PD Master Plan allows for a range of housing types including one and two bedroom units and affordable units. The PD Master Plan allows for housing conveniently co-located with services including medical office / hospital and retail uses. Residents of the neighborhood would live within walking distance of health and personal services that would allow for them to age in place.</p>
<p>Policy HE-4u: Mix of Housing Near Services. Encourage a mix of housing types in each neighborhood located convenient to shopping, services, recreation, and transit routes.</p>	<p>The PD Master Plan allows for a range of housing types including one and two bedroom units and affordable units. The PD Master Plan allows for housing conveniently co-located with services including medical office / hospital, retail uses, open space/park uses, and Barrett Elementary School. The nearest Valley Transportation Authority bus route is located more than one mile from the property, but the applicant is open to the establishment of service at the property.</p>

Economic Development

Table 5 General Plan 2035 - Economic Development Goals and Policies

General Plan Economic Development Goals and Policies	Consistency Analysis
<p>Policy ED-7.4 Compatible Uses in Retail Centers. Encourage the evolution of retail centers into mixed-use activity nodes by supporting integration of uses that provide necessary or useful services or amenities that will benefit nearby residential areas and commercial establishments. Such uses may include but shall not be limited to:</p> <ul style="list-style-type: none"> a. Health services and fitness facilities. b. Childcare. c. Housing, including affordable and senior housing. d. Religious facilities. e. Education/training facilities. f. Parks/community facilities/public gathering places. 	<p>Consistent: The PD Master Plan provides a mix of retail and medical uses convenient to the proposed and existing adjacent neighborhood. The medical and retail uses will provide health and retail services and amenities to the existing and proposed neighborhood. The PD Master Plan also includes public plaza and gathering locations.</p>
<p>GOAL ED-8 Office and industrial areas that provide high-quality work locations for existing and new businesses.</p> <p>Policy ED-8.1 Office and Industrial Development. Support the development of office and industrial facilities to meet local demand, compete for regional growth opportunities, and create high-quality jobs that match with local housing opportunities.</p>	<p>Consistent: The PD Master Plan allows for medical and retail uses to meet local demand and create high quality jobs. The PD Master Plan also allows for residential uses thereby providing local housing opportunities adjacent to places of employment.</p>

Healthy Community

Table 6 General Plan 2035 - Healthy Community Goals and Policies

General Plan Healthy Community Goals and Policies	Consistency Analysis
<p>Parks, Recreation, and Trails- GOAL HC-3 Usable, complete, well-maintained, safe, and high-quality activities and amenities, including active and passive parks and recreational facilities, community gardens, and trails that are accessible to all ages, functional abilities, and socio-economic groups.</p>	<p>Consistent: As shown in the conceptual Site Plan, the PD Master Plan includes over three acres of passive park areas, open space buffer areas, and a tot lot connected by meandering pedestrian pathways. The passive park and open space on the property will allow for multiple activities for all socio-economic groups, functional ability, and ages.</p>
<p>Policy HC-3.8 Private Open Space. Encourage new development to permit public access to private open space and parks where feasible and appropriate.</p>	<p>Consistent: The PD Master Plan identifies open space areas that will be available to residents and patrons of the medical and retail facilities.</p>

General Plan Healthy Community Goals and Policies	Consistency Analysis
<p>Access to Health Care- GOAL HC-7 Access for all residents to health care facilities and other important community health amenities.</p> <p>Policy HC-7.2 Professional Education. Encourage increased education and professional development resources to support students and employees in the health care field.</p>	<p>Consistent: The PD Master Plan provides for 130,400 square feet of medical facilities and important health amenities for residents. It is expected that a wide variety of medical practices will be provided within a campus setting that could encourage increased professional development resources to support students/interns in the health care field.</p>

Transportation

Table 7 General Plan 2035- Transportation Goals and Policies

General Plan Transportation Goals and Policies	Consistency Analysis
<p>GOAL TR-3 A coordinated, continuous network of streets and roads.</p> <p>Policy TR-3.16 Private Development Access along Arterials. Require development that occurs along arterial streets to obtain access through a local street or major entrance and not through curb cuts directly onto the arterial street wherever possible.</p>	<p>Consistent: The property is not accessed directly from an arterial. Tennant Avenue and Butterfield Boulevard are the nearest arterials too the property. The property is accessed from Juan Hernandez Drive and Barrett Avenue, which connect to these arterials.</p>
<p>Policy TR-3.17 Planned Development Access near Highway 101. Require Planned Developments (PDs) for commercial, office, or industrial uses at the intersections of Highway 101 and arterial streets to take access from a public street intersecting with the arterial street at a minimum distance of 600 feet from the freeway on and off ramps, unless the City Engineer finds that direct access to the arterial street or closer access will meet safety standards, or that mitigating actions will be taken to ensure safe access and minimum interference with traffic flows.</p>	<p>Consistent: Access to the property will be from Juan Hernandez Drive and Barrett Avenue. Juan Hernandez Drive is an existing City street that intersects Tennant Avenue at a safe distance from the offramp of US Highway 101. The nearest property driveway is more than 700 feet north of Tennant Avenue.</p>

<p>Parking-GOAL TR-5 Adequate off-street parking.</p> <p>Policy TE-5.1 Adequate Parking Supply. Ensure that all developments provide adequate and convenient parking...</p>	<p>Consistent: The conceptual Site Plan provides for a 500-space parking structure and 96 additional spaces for the existing and proposed medical uses, 55 spaces for the retail use, and 359 spaces for residential use, which totals 1,010 on-site parking spaces. Based on the parking demand study, the parking supply for the entire project is proposed to total 1,010 spaces, as indicated in the study. The total gross parking requirement for the entire project is 965 spaces using the more conservative approach. There will be an overall surplus of about 45 spaces using City gross parking requirements with selected ITE peak parking rates. The project therefore will provide an adequate total parking supply to meet the overall project demand.</p> <p>Parking is conveniently located within walking distance to the various uses, and can be easily facilitated through a shared parking arrangement.</p>
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<p>Policy TR-5.3 Parking Lot Connection. Require cross-connection of parking lots, where feasible and practical, at the time of design review for all commercial and industrial developments.</p>	<p>Consistent: As shown in the PD Master Plan conceptual Site Plan, parking lots are cross-connected where practical.</p>
<p>Bikeways-GOAL TR-8 A useable and comprehensive bikeway system that safely connects neighborhoods with workplaces and community destinations.</p> <p>Policy TR-8.12 Bicycle Parking. Bicycle parking and other supportive facilities shall be provided at all schools, parks, recreation facilities, commercial centers, civic buildings (including the library), transit centers, and workplaces based on the recommendations and standards in the Bikeways Master Plan.</p>	<p>Consistent: Existing bike lanes on Juan Hernandez Drive will serve the development providing a safe bikeway system to get to and from the property. Bicycle parking will be provided at each use on the property to encourage residents, employees, and patrons to use alternative means of transportation. On-site bicycle parking will adhere to the Bikeways Master Plan guidelines, and zoning code requirements.</p>
<p>Pedestrian Network- GOAL TR-9 Expanded pedestrian opportunities.</p> <p>Policy TR9.7 Concurrent Implementation. Where feasible, implement the trails and pedestrian system concurrent with adjacent developments.</p>	<p>Consistent: As shown in the conceptual Site Plan, sidewalks and pathways will be provided throughout the property to encourage walking on the campus. Sidewalks connect to those located on adjacent streets to provide connectivity.</p>
<p>Policy TR 10.3 and TR-10.4 Flexible Work Hours. Encourage employers to provide a flexible set of working hours to ease traffic congestion. Carpooling. Support a Countywide car/ vanpool matching program.</p>	<p>Consistent: The applicant will provide educational materials to end uses or future developers to encourage employers to provide flexible work hours, carpooling options, and other alternative transportation methods as may be available. Bay Area employers with 50 or more full-time employees within the Bay Area Air Quality Management District geographic boundaries are required to register and offer commuter benefits to their employees in order to comply with Air District Regulation 14, Rule1.</p>

Natural Resources and Environment

Table 8 General Plan 2035 - Natural Resources and Environment Goals and Policies

General Plan Natural Resources and Environment Goals and Policies	Consistency Analysis
<p>Water Quality and Conservation - GOALNRE-7 Conservation of water resources.</p> <p>Policy NRE-7.1 Water Standards for Private Development. Promote water conservation and efficient water use in all private development projects. Require development to exceed State standards for the use of water.</p>	<p>Consistent: Water saving measures will be implemented on the development project in the way of “green” design features. Very low flow toilets, efficient landscaping, and water capture and reuse will be used to conserve water.</p>

Policy NRE-7.3 Water Efficiency and Landscaping. Promote water conservation and efficient water use in all public and private landscaping plans.	Consistent: Drought tolerant and area-suitable landscape materials will be utilized on the development project to promote water conservation.
Energy Efficiency-GOAL NRE-16 Conservation of energy resources. Policy NRE-16.1 Energy Standards for New Development. New development, including public buildings, should be designed to exceed State standards for the use of energy.	Consistent: New development will be designed consistent with energy standards that meet and exceed the City and State standards for use of energy.
Policy NRE-16.7 Renewable Energy. Encourage new and existing development to incorporate renewable energy generating features, like solar panels and solar hot water heaters.	Consistent: Future development of the property will adhere to new State climate change regulations, which include requirements to provide solar energy and otherwise reduce electrical use. Design approval of development is required, during which the merits of the project site plan and design will be considered, including renewable energy.

Safety, Services, and Infrastructure

Table 9 General Plan 2035- Safety, Services, and Infrastructure Goals and Policies

General Plan Safety, Services and Infrastructure Goals and Policies	Consistency Analysis
<p>Noise GOAL SSI-8 Prevention of noise from interfering with human activities or causing health problems.</p> <p>Policy SSI-8.1 Exterior Noise Level Standards. Require new development projects to be designed and constructed to meet acceptable exterior noise level standards (see Table SSI-1), as follows:</p> <ul style="list-style-type: none"> ▪ Apply a maximum exterior noise level of 60 dBA Ldn in residential areas where outdoor use is a major consideration (e.g., backyards in single-family housing developments and recreation areas in multi-family housing projects). Where the City determines that providing an Ldn of 60 dBA or lower cannot be achieved after the application of reasonable and feasible mitigation, an Ldn of 65 dBA may be permitted. ▪ Indoor noise levels should not exceed an Ldn of 45 dBA in new residential housing units. 	<p>Consistent: The conceptual Site Plan includes a 25 foot buffer from the US Highway 101 off-ramp and places the parking and parking garage closest to the freeway to further buffer the medical and residential uses. Residentially occupied buildings are located a minimum of 250 feet from the US Highway 101 through lanes. A noise analysis was completed for the project that determined all exterior and interior noise levels would be met with implementation of the recommendations contained therein. Mitigation measures will be implemented when the buildings are constructed to ensure the acceptable noise levels are met.</p>

<ul style="list-style-type: none"> ▪ Noise levels in new residential development exposed to an exterior Ldn 60dBA or greater should be limited to a maximum instantaneous noise level (e.g., trucks on busy streets, train warning whistles) in bedrooms of 50dBA. Maximum instantaneous noise levels in all other habitable rooms should not exceed 55 dBA. The maximum outdoor noise level for new residences near the railroad shall be 70 dBA Ldn, recognizing that train noise is characterized by relatively few loud events. 	
<p>Policy SSI-8.4 Office Noise Level Standards. Interior noise levels in office buildings should be maintained at 45 dBA Leq (hourly average) or less, rather than 45 dBA Ldn (daily average).</p>	<p>Consistent: Mitigation measures including noise reduction measures and emergency generator noise suppressors will be implemented when the buildings are constructed to ensure the acceptable noise levels are met. A noise analysis is provided as part of the CEQA documentation.</p>
<p>Policy SSI-8.9 Site Planning and Design. Require attention to site planning and design techniques other than sound walls to reduce noise impacts, including: a) installing earth berms, b) increasing the distance between the noise source and the receiver; c) using non-sensitive structures such as parking lots, utility areas, and garages to shield noise sensitive areas; d) orienting buildings to shield outdoor spaces from the noise source; and e) minimizing the noise at its source.</p>	<p>Consistent: Building location was taken into account in the conceptual Site Plan to locate sensitive uses a minimum of 250 feet from the throughlanes of US Highway 101. Building placement and strategically placed landscaping will help to minimize noise at its source. Additionally, the noise analysis recommends an 8 foot sound wall along Highway 101 to reduce noise impacts to the residential component of the project.</p>

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PD MASTER PLAN AND ZONING FINDINGS

8.1 PD Master Plan Findings

The following statements describe how the PD Master Plan complies with the findings required for the approval of a planned development project per Municipal Code Section 18.30.050.H.7 (Findings).

General Plan and Zoning Consistency

- a. *The proposed development is consistent with the general plan, zoning code and any applicable specific plan or area plan adopted by city council.*

Finding

The PD Master Plan incorporates an amendment of the 2035 General Plan. The 2035 General Plan designation of Mixed Use Flex with a seven dwelling unit per acre minimum and 24 dwelling unit per acre maximum will allow the residential uses proposed within the PD Master Plan and the hospital use, not currently an allowed use on the property. Section 7 outlines in greater detail how the PD Master Plan is consistent with the goals and policies of the 2035 General Plan. As allowed by Municipal Code Section 18.30.050, the PD Master Plan identifies several changes to the development standards that apply in the CS district; these changes include increased building heights and modifications to parking standards for shared parking arrangements. The floor area ratio is reduced from 0.6 to 0.5. The Planning Commission will have say on two aspects of future development, to ensure consistency with zoning regulations. Design approval is required for all development, during which the merits of the site plan and architectural design will be considered. Some uses may require a conditional use permit, and those will require a hearing to determine suitability. During these reviews, consistency with zoning code requirements will be analyzed as they specifically relate to the development project. The PD Master Plan is not located within a specific plan or area plan.

Superior to Development Under Existing Zoning

- b. *The proposed development is superior to the development that could occur under the standards applicable in the existing zoning districts.*

Finding

The PD Master Plan allows a mix of compatible uses, including a much-needed residential component to provide sustainability to the remainder of the uses, and a retail and medical office / hospital component to provide work opportunities to the neighborhood and community. The urgent care/ pharmacy would provide a convenient location for the surrounding neighborhood and patrons to the school to utilize the services it will provide. The affordable multi-family residential uses will allow tenants to age in place, and will provide a near-by down-sizing option for empty nesters in the adjacent single family houses. The passive park with a walking/jogging trail system, located along Barrett Avenue and US Highway 101, will allow for enjoyment by the retail and medical office employees and visitors, as well as by the apartment residents⁷ and residents of the surrounding neighborhood. The high-density residential use will allow elementary school-aged children to walk to Barrett Elementary School. The retail area will provide convenience services to both the medical/office uses and residents.

Substantial Public Benefit

- c. *The proposed project will provide a substantial public benefit as defined in Paragraph 8 (Substantial Public Benefit Defined) below. The public benefit provided shall be of sufficient value as determined by the planning commission to justify deviation from the standards of the zoning district that currently applies to the property.*

Substantial Public Benefit Defined. When used in this section, "substantial public benefit" means a project feature not otherwise required by the zoning code or any other provision of local, state, or federal law that substantially exceeds the city's minimum development standards and significantly advances goals of the general plan. A project must include one or more substantial public benefits to be rezoned as a planned development. The public benefit provided shall be of sufficient value as determined by city council to justify deviation from the standards of the zoning district that currently apply to the property. Examples of substantial public benefits include but are not limited to:

- a. ***Housing that is affordable to lower-income households.***
- b. ***Public plazas, courtyards, open space, and other public gathering places that provide opportunities for people to informally meet and gather.***
- c. ***New or improved pedestrian and bicycle pathways that enhance circulation within the property and connectivity to the surrounding neighborhood.***
- d. ***Green building and sustainable development features that substantially exceed the city's minimum requirements.***
- e. *Preservation, restoration, or rehabilitation of a historic resource.*
- f. *Increased transportation options for residents and visitors to walk, bike, and take public transit to destinations and reduce greenhouse gas emissions.*
- g. ***Publicly accessible parks and open space beyond the minimum required by the city or other public agency.***

h. Habitat restoration and or protection of natural resources beyond the minimum required by the city or other public agency.

⁷ All references to apartments instead refer to townhomes and single-family detached dwellings as revised by the new site plan revised on October 6, 2020.

Finding

The items shown in bold above are items for which the PD Master Plan exceeds the City's minimum development standards.

Affordable Housing. The PD Master Plan adds residential uses on the property in conjunction with an amendment to the 2035 General Plan. The residential units are planned at a density of about 20 units per acre, thus increasing the inherent affordability, and 15 percent of the units will be deed restricted affordable units. The PD Master Plan proponent agrees to enter into a contract with the City to ensure the continued affordability of all affordable rental units for 55 years or a longer period of time if required by an applicable construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program. Rents for the lower income density bonus units will be set at an affordable rent as defined in Section 50053 of the Health and Safety Code.

Single Family for-sale units will comply with the City of Morgan Hill Municipal Code Section 18.48.070, and the city shall ensure that the initial occupant of all affordable for-sale units are households of low-, very low-, or moderate-income, as applicable, that the units are offered at an affordable housing cost as defined in Health and Safety Code Section 50052.5, and that affordability covenants and restrictions continue for 55 years.

Under Municipal Code Section 18.156, residential units are subject to Residential Development Control System (RDCS), and require an application for Residential Building Allotment for any units proposed. SB-330 (2019 – Nancy Skinner) was recently signed by the Governor and eliminates this program that is designed to meter new housing development over time.

Parks and Public Gathering Places. A passive park along Barrett Avenue, a passive park between the retail and medical uses, and installation of a walking/jogging trail around the perimeter of the property are proposed to provide a public benefit. The two park areas encompass approximately 2.20 acres of land. This acreage does not include the walking trail within other open areas of the property. This area can be used by residents, employees, and the general public as they visit the uses on the project site. The tenants on the property may also use the passive park as an amenity for people to informally meet and gather.

Pedestrian and Bicycle Pathways. Pathways are proposed within the park to allow walking opportunities and exercise for seniors and youth. Walkways will connect from the park to all other uses on the property and to the surrounding local streets to provide full connectivity. This will encourage visitors to walk, bike, and use other forms of transportation to reduce greenhouse gas emissions and promote a healthy community. The pathways will provide a connection between the high-density residential uses and Barrett Elementary School, and will connect all uses to the retail commercial area.

Because the development is a Commercial subdivision, the applicant is technically not required to dedicate open space per Title 17, Section 17.28.150. However the proponents, because they are submitting for a PD Master Plan, would like to dedicate a portion of the property as park area, available to the public and to the adjacent Barrett Elementary School. The minimum required open space for this project, if it were a multi-family subdivision, would be to provide recreation amenities in the amount

of .0088 acres per dwelling unit, at 200 dwelling units this would equal 1.76 acres of land. The park area and open space adjacent to Barrett Avenue is approximately 1.73 acres and would be dedicated with an easement, and be available to the general public. Additional public open space is provided where the pathway continues along US Highway 101. Additional open space and amenities are provided for private use of the multi-family residences (approximately 0.70 acres) and as a break area for the employees (approximately 0.44 acres); these would remain in private ownership.

Green and Sustainable Design. The buildings and site furnishings will include green building and sustainable development features such as LED smart lighting, solar power, very low flow toilets, and building materials to encourage healthy indoor air quality.

Residential market-rate and affordable housing rental units are proposed to provide a sustainable land use pattern that reduces the number and length of vehicle trips. This higher density residential and mixed use development is within walking distance to Barrett Elementary School, and will also provide for convenient services within walking distance for the on-site employees and residents.

Bicycle parking and pathways are provided to promote alternative modes of transportation. Landscaping will be designed to meet and exceed the state standards for water conservation, including low water use trees and shrubs, and plantings to provide shade to reduce the need for excessive building cooling.

Community Benefits from the Project

Healthcare Facilities. The PD Master Plan would provide much needed medical facilities to serve the community. The Urgent Care/Pharmacy would reduce trips traveled to receive routine medical care. The Cancer Center would provide services to meet the growing need for this service in the area.

Retail Component. Providing an appropriately sized retail/restaurant building would provide onsite workers the opportunity to have breakfast or lunch within walking distance from their place of employment, avoiding automobile travel.

Creates Jobs for Morgan Hill. The hospital, urgent care/pharmacy, medical office and retail uses proposed will provide varied work opportunities for the people living in Morgan Hill and the surrounding area.

Parks and Public Gathering Places. A passive park along Barrett Avenue, a passive park between the retail and medical uses, and installation of a walking/jogging trail around the perimeter of the property are proposed to provide a public health benefit. The two park areas encompass approximately 2.20 acres of land. It is expected the Restaurants will also have outdoor dining areas, providing places to gather.

Pedestrian and Bicycle Pathways. Pathways are proposed within the parks to allow walking opportunities and exercise for all ages. Walkways will connect from the park and to all other uses on the property and to the sidewalks on the surrounding streets, providing full connectivity.

Affordable Housing. The PD Master Plan adds residential uses on the property in conjunction with an amendment to the 2035 General Plan. As proposed in the Conceptual Site Plan, the residential units

are planned at a density of about 20 units per acre, thus increasing the inherent affordability, and 15 percent of the units will be deed restricted affordable units. If the project is designed with Single Family for-sale units, affordable housing will be provided per the City code.

School Drop-off. The project will help to alleviate the parking and drop-off issues associated with Barrett Avenue Elementary School. Cross walks will be installed on both adjoining streets to enhance walkability to and from the project. Parking to serve the school and public is expected to be provided in the park adjacent to Barrett Avenue.

Green and Sustainable Design. The buildings and site furnishings will include green building and sustainable development features.

Landscape the Site. The development will provide abundant landscaping throughout to create a green and aesthetic feel, as well as screen development from the traffic on US Highway 101, Juan Hernandez Drive and Barrett Avenue.

Restore Habitat. The project tree and landscape planting will enhance wildlife on the project site as well as provide a visually pleasing atmosphere for the surrounding area. Flowering plants and trees are proposed to accomplish this restoration. Adequate Property Size

Adequate Property Size

d. The site for the proposed development is adequate in size and shape to accommodate proposed land uses.

Finding

With approximately 19.67 acres of land, there is adequate land area to provide the uses proposed in the PD Master Plan. The medical office / hospital uses proposed are intentionally located adjacent to the existing medical office to promote a walkable medical campus. The retail uses, including public services, are proposed along the active local street to ensure visibility and ease of access by the surrounding residential uses and provide easy access by the residents and employees on the property. Residential uses, providing affordable housing, are located on the property to provide adequate separation from the highway and close proximity to the passive park and Barrett Elementary School.

The PD Master Plan under a Mixed Use Flex general plan designation, which includes multi-family residential uses, retail commercial and restaurant, medical office/hospital uses, and open space parks, will provide a dynamic environment of compact living. This will allow residents and employees to meet daily needs and lessen the need for a private automobile.

Adequate Infrastructure

e. Adequate transportation facilities, infrastructure, and public services exist or will be provided to serve the proposed development.

Finding

The PD Master Plan, which abuts the US Highway 101 off-ramp, is surrounded on two sides by local streets and has a driveway connection just south of the existing medical offices, used for access to the medical campus and additional driveways are proposed for site access. Juan Hernandez Drive and Barrett Avenue are existing local streets with the capacity to handle the development of this property. Circulation to the property from within Morgan Hill is provided by Tennant Avenue and Butterfield Boulevard. Public utilities exist in the surrounding streets and can serve the proposed development.

Compatible with Surroundings

- f. The proposed development will not have a substantial adverse effect on surrounding property and will be compatible with the existing and planned land use character of the surrounding area.*

Finding

The PD Master Plan deviates from the approved commercial zoning existing on the property by the addition of hospital and multi-family residential uses. With the incorporated general plan amendment to Mixed Use Flex, and the mixed use development envisioned in the conceptual Site Plan, suitable transitions between the existing uses will be provided. There are no uses included in the conceptual Site Plan that would have an adverse effect on the surrounding residential and school uses. The existing residential uses adjacent to Juan Hernandez Drive and Barrett Avenue, and Barrett Elementary School will benefit from the retail and restaurant uses that the PD Master Plan provides. The park and open space provided on the property will benefit the adjacent Barrett Elementary School and the adjacent residences. The high density residential use will provide a suitable buffer between the adjacent single-family residences and school, and the walkable medical campus. The uses proposed will not cause odors, health risks, or safety issues to the surrounding sensitive uses. Adequate measures will be taken during the construction phase to protect the surrounding property from noise, vibration, dust, and construction traffic.

Zoning Map Findings

- g. Findings required for the concurrent approval of a zoning map amendment can be made.*

Finding

The project site is in a Services Commercial zoning district with a PD combining overlay so the finding can be made that it is consistent with the zoning map. Amending the 2035 General Plan use to allow the residential and hospital use will not alter the zoning map.

8.2 Zoning Amendment Findings

The following statements describe how the PD Master Plan complies with the findings required for the approval of a planned development project per Municipal Code Section 18.114.060 - Findings for Approval.

A. *Findings for all Zoning Code and Zoning Map Amendments.*

General Plan Consistency

1. *The proposed amendment is consistent with the general plan and any applicable specific plan as provided by Government Code Section 65860.*

Finding

With the general plan amendment that is incorporated into the PD Master Plan, the zoning map amendment is consistent with the 2035 General Plan. The general plan land use diagram amendment from Commercial to Mixed Use Flex allows specific residential uses to be included in the CS district with the PD overlay.

Public Interest, Health, Safety, Convenience, Welfare

2. *The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the city.*

Finding

The multi-family residential uses would be beneficial to the public interest, health, safety, convenience, and welfare of the city. The multi-family residential uses would provide more opportunities for residents to work near the medical offices, retail uses, and medical/hospital facility on the property, all of which provide job opportunities for the onsite and surrounding residential uses. The residential uses, including 15 percent affordable units, would also allow seniors the opportunity to age in place, consistent with 2025 General Plan policy. Providing residential uses in close proximity to the commercial and office uses would also reduce the greenhouse gas emissions if the residents were employees or were patrons of the proposed uses, and would enable school-aged children to walk to school. The multi-family residential housing added on this property, when capped at 150 units, would not create an overload on the local street system. Additionally, where the housing is positioned on the property allows for a step down from the existing residential and public facility use to the denser office and commercial uses. The hospital use would also be beneficial to the public interest, health, safety, convenience, and welfare of the city. The hospital would provide much needed medical service to the community and a variety of job opportunities.

Internal Consistency

- B. *Additional Finding for Zoning Code Text Amendments. The proposed amendment is internally consistent with other applicable provisions of the zoning code.*

Finding

No changes to the existing zoning code text will be made. The PD Master Plan continues to rely on Zoning Code development standards for the most part. Several deviations from established standards are specifically outlined in the PD Master Plan, consistent with the regulations for establishing PD districts and PD Master Plans. There would be no internal inconsistencies as a result of the PD Master Plan.

Physically Suitable Site

- C. *Additional Finding for Zoning Map Amendments. The affected site is physically suitable in terms of design, location, shape, size, and other characteristics to ensure that the permitted land uses and development will comply with the zoning code and general plan and contribute to the health, safety, and welfare of the property, surrounding properties, and the community at large.*

Finding

The 19.67 acre parcel is suitable in design, location, shape and size to accommodate the uses allowed by the PD Master Plan. The multi-family residential use would be appropriate next to the passive park located on the property along Barrett Avenue and would serve as a buffer from the more intense uses of office/commercial on the southern end of the property. With the amendment to the 2035 General Plan changing the land use designation from Commercial to Mixed Use Flex, the PD Master Plan is consistent with the general plan and zoning code. All of the uses in the PD Master Plan will contribute to the health, safety, and welfare of persons living or working on the property and surrounding properties, and to the community at large. The PD Master Plan promote community health and social interaction within the neighborhood by providing retail stores, a restaurant, plazas, and open spaces as gathering places. The pathways provide places for healthful exercise.

LEGAL DESCRIPTIONS

Legal Description – APN 817-09-039 and 817-09-041

Real property in the City of Morgan Hill, County of Santa Clara, State of California, described as follows:

All of parcels “D” and “E”, as shown on that certain Parcel Map filed for record in the Office of the Recorder, County of Santa Clara, State of California on May 24, 1983 in Book 513 of Maps, on Pages 14, 15, and 16, more particularly described as follows:

Beginning at the most southerly corner of said parcel “D”, as shown on said Parcel Map; thence

- 1) South 89°03' 48" West, 637.61', thence
- 2) Along a non-tangent circular curve, concave west, the center of which bears South 89°03' 47" West, with a radius 536.00', through a central angle 3° 44' 38", an arc length of 35.02 feet; thence
- 3) North 89° 03' 48" East, 276.87 feet; thence
- 4) North 19° 31' 04" East, 203.35 feet; thence
- 5) North 70° 28' 56" West, 58.00 feet; thence
- 6) North 25° 28' 56" West, 83.00 feet; thence
- 7) South 64° 31' 04" West, 321.00 feet; thence
- 8) Along a non-tangent circular curve, concave southwest, the center of which bears South 68° 32' 11" West, with a radius 536.00', through a central angle 4° 00' 40", and arc length of 37.52 feet; thence
- 9) North 25° 28' 29" West, 711.68 feet; thence
- 10) Along a tangent circular curve, concave east, with a radius 20.00 feet, through a central angle 89° 59' 29", and arc length of 31.41 feet; thence
- 11) North 64° 31' 00" East, 717.84 feet; thence
- 12) Along a non-tangent circular curve, concave south, the center of which bears South 15° 32' 49" East, with a radius 20.00 feet, through a central angle 42° 46' 35", an arc length 14.93 feet; thence

- 13) Along a tangent reverse circular curve, concave northwest, with a radius 42.06 feet, through a central angle 137° 35' 51", an arc length 101.01 feet; thence
- 14) South 20° 31' 38" East, 842.39 feet; thence
- 15) Along a non-tangent circular curve, concave west, the center of which bears South 69° 29' 06" West, with a radius 547.00 feet, through a central angle 46° 59' 24", an arc length 448.61 feet; thence
- 16) South 26° 26' 41" West, 17.26 feet, more or less to the Point of Beginning End of

Description

All of parcels "C", as shown on that certain Parcel Map filed for record in the Office of the Recorder, County of Santa Clara, State of California

Legal Description - APN 817-09-040

The land referred to herein below is situated in the City of Morgan Hill, County of Santa Clara, State of California and is described as follows:

Parcel One:

Parcel C, as shown on Parcel Map recorded in Book 513 of Maps, at Pages 14, 15, 16, Santa Clara County Records, and being a portion of Lot 25 and lot 52 of "Catherine Dune Ranch Map No. 7", as shown on Map thereof, recorded in Book "L" of Maps, at page 26, Santa Clara County Records.

Parcel two:

An easement for ingress and egress over, under, on and across a strip of land 35.00 feet wide, described as follows:

Beginning at an iron pipe distant thereon South 25 degrees 57' 55" East 126.93 feet from the Southerly corner common to Lots 24 and 25, as shown on said Map and running thence North 89 degrees 03' 48" East 276.87 feet, South 00 degrees 56 deg. 12" East 35.00 feet, and South 89 degrees 03' 48" West 272.72 feet; thence along a curve to the left from a tangent bearing of North 00 degrees 56' 12" West, having a radius of 536.00 feet and a Central Angle of 3 degrees 44' 48", a distance of 35.03 feet to the Point of Beginning.



SITE INFORMATION

ADDRESS

- 16130 JUAN HERNANDEZ DRIVE
(EXISTING MEDICAL BUILDINGS)
817-09-040
- LAND ONLY
817-09-039, 041

PROJECT INFORMATION

- PARCEL A** MEDICAL OFFICE (9.61 AC)
75,000 SQFT 3-STORY BUILDING
100,000 SQFT 4-STORY BUILDING
100,000 SQFT 4-STORY BUILDING
6-STORY PARKING STRUCTURE
- PARCEL C** SINGLE AND MULTI-FAMILY RES.
34 DUET HOMES
86 TOWN HOMES
ACTIVE AND PASSIVE OPEN SPACE

GENERAL PLAN LAND USE DESIGNATION:
MIXED-USE FLEX

ZONING:
MUF (PD)

DEVELOPMENT STANDARDS (AREA A)

SETBACKS	
FRONT	25- FEET
REAR	0- FEET
SIDE	0- FEET

HEIGHT-MEDICAL* 4-STORIES/65- FEET

HEIGHT-GARAGE* 6-STORIES/65- FEET

BUILDING COVERAGE 0.60

FAR 0.66

*EXCEPTIONS PER MHMC 18.56

PARKING-REQUIRED (BASED ON PROPOSED PARKING RATIO)

MEDICAL OFFICE 4 SPACES/1,000 SQFT

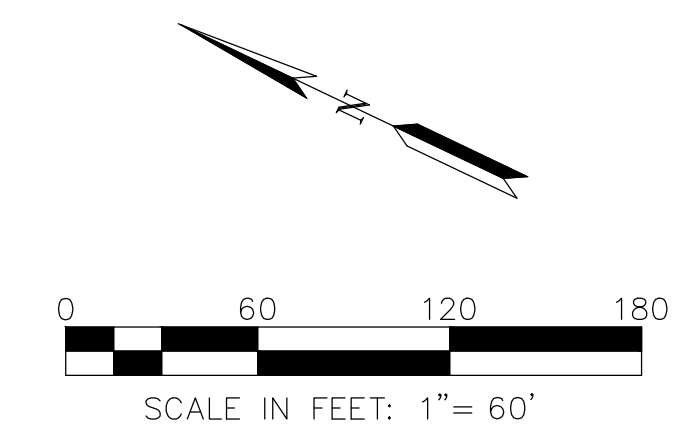
PROPOSED MEDICAL 275,000 SQFT (GROSS)
275,000/250 = 1,100 SPACES

PARKING PROVIDED

SURFACE 269
PARKING GARAGE 965
1,234

1 SPACE/223 SQFT OR 4.5 SPACES/1,000 SQFT

RESIDENTIAL N/A



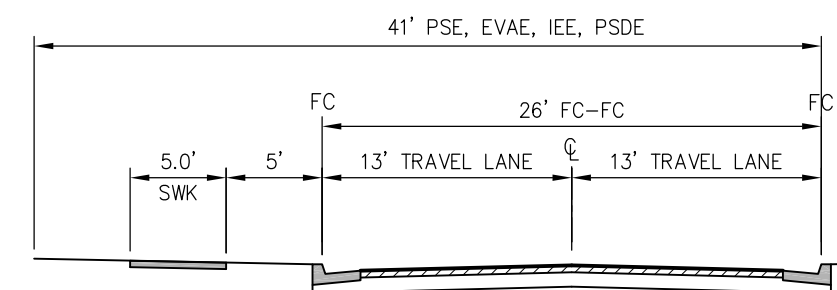
DATE	SCALE	BY	DATE
7-10-23	AS SHOWN	JAM	JULY 2023

DATE	MK	REVISIONS
7-10-23		NOTES UPDATED PER REVISED SITE PLAN

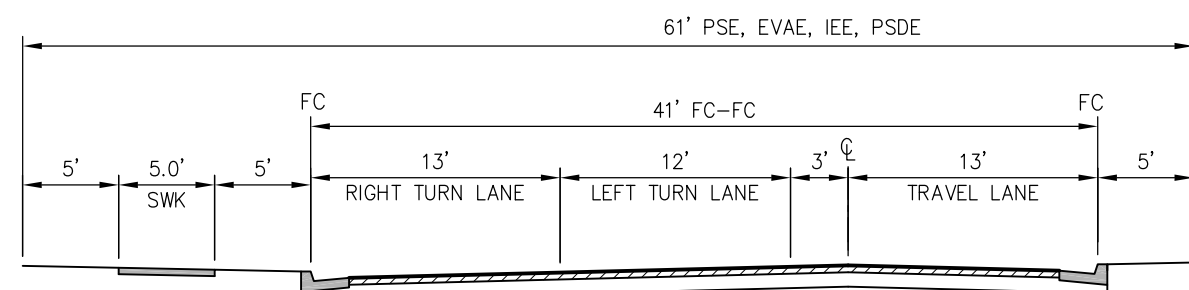
FIGURE

10B

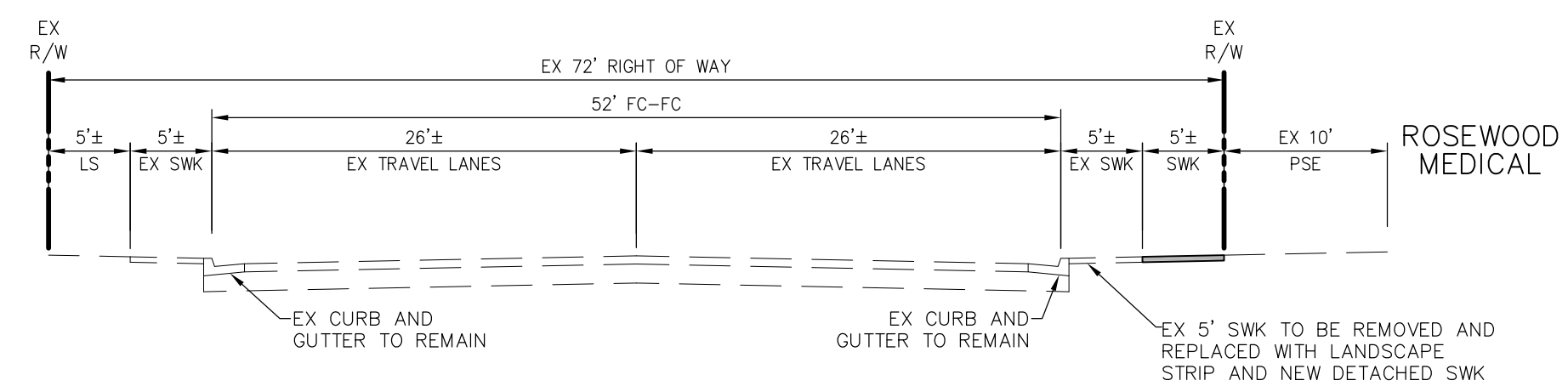
JOB NO.
212006



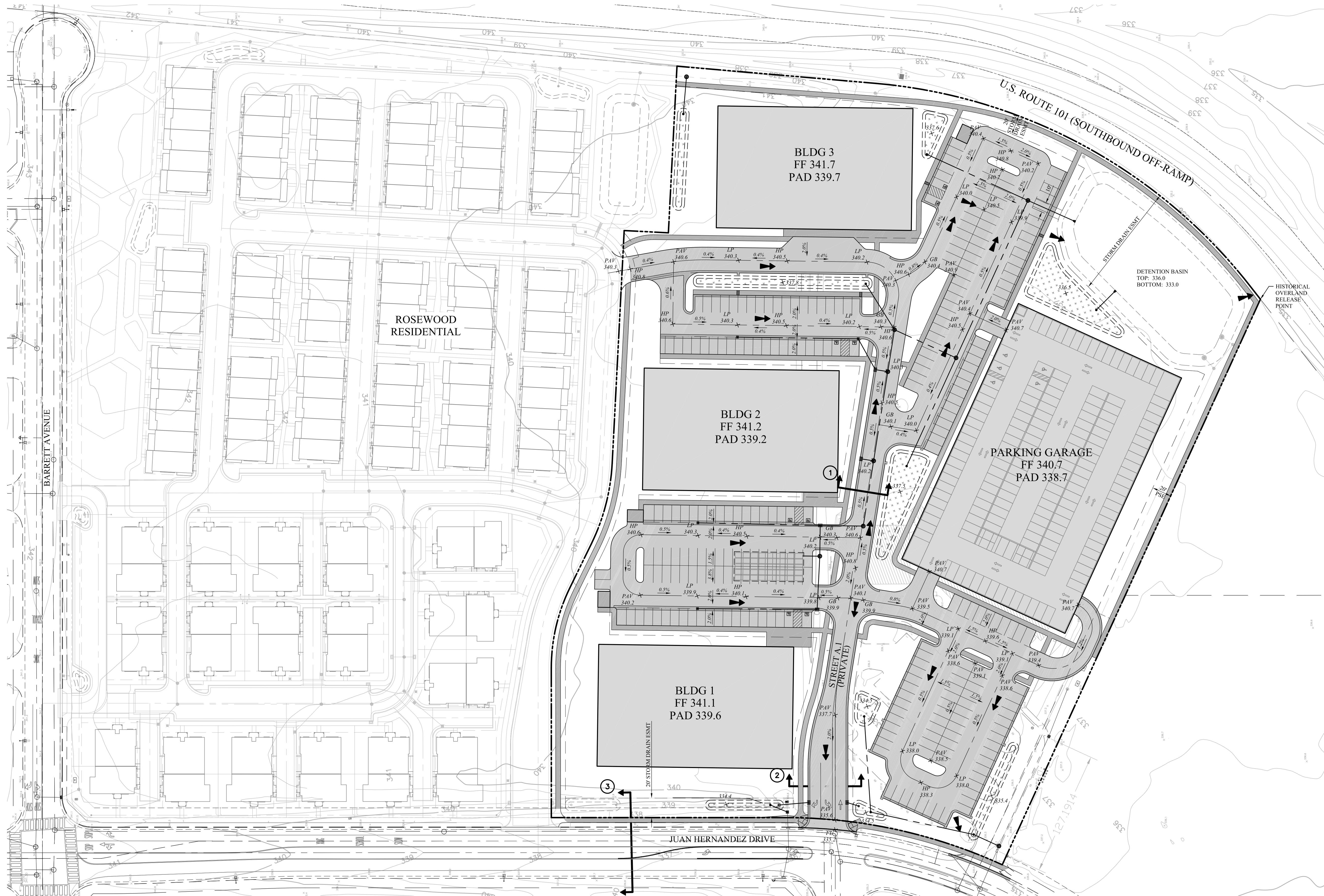
① STREET A.1 (PRIVATE)



② STREET A.1 (PRIVATE)



③ JUAN HERNANDEZ DRIVE (PUBLIC)



PROJECT DATA

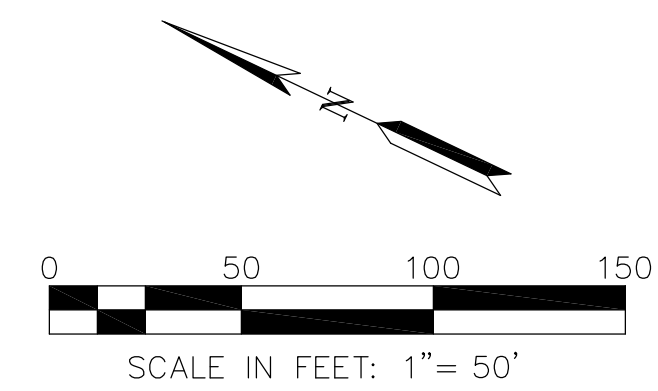
ESTIMATED PRELIMINARY EARTHWORK	
CUT:	5,000 CY
FILL:	11,000 CY
NET:	6,000 CY (IMPORT)

EARTHWORK NOTE:
EARTHWORK IS CONCEPTUAL AND WILL BE REFINED ONCE THE SLAB STRUCTURAL SECTION FOR EACH BUILDING HAS BEEN DETERMINED BY THE STRUCTURAL ENGINEER. EARTHWORK BALANCE WILL BE ACHIEVED BY LOWERING THE FINISHED FLOOR ELEVATION OF THE PARKING GARAGE UNTIL THE SITE'S CUT/FILL HAS REACHED A BALANCED CONDITION.

LEGEND

	ASPHALT PAVING
	PROPOSED BUILDING
	CONCRETE
	STORMWATER BIORETENTION BASIN
	PROPERTY LINE
	STORM DRAIN INLET
	DIRECTION OF OVERLAND RELEASE

NOTE: PAD ELEVATIONS ARE CONCEPTUAL AND SUBJECT TO CHANGE BASED ON STRUCTURAL DESIGN AND SITE SPECIFIC GEOTECHNICAL INVESTIGATIONS.



SCALE	AS SHOWN	DATE	JULY 2023
BY/CHK			
DATE	MKS	SHEET REVISIONS	

RESOLUTION NO. 26-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL CERTIFYING THE FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE ROSEWOOD/MORGAN HILL MEDICAL CAMPUS PROJECT AS CONSISTENT WITH THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND ADOPTING CEQA FINDINGS OF FACT REGARDING ENVIRONMENTAL IMPACTS AND A RELATED MITIGATION MONITORING AND REPORTING PROGRAM

WHEREAS, a Subsequent Environmental Impact Report (SEIR) (SCH Number 2023080645) was prepared for the Rosewood/Morgan Hill Medical Campus Project in accordance with the California Environmental Quality Act (CEQA). The SEIR identifies new significant impacts or substantially more severe significant impacts that the proposed project would result in beyond those identified for the 2020 Lillian Commons Medical Campus Project (Lillian Commons Project) Initial Study/Mitigated Negative Declaration (2020 IS/MND) (State Clearinghouse [SCH] No. 2020060601). As part of the analysis, the Draft SEIR identifies applicable mitigation measures from the 2020 IS/MND, modified mitigation measures, and new mitigation measures that would be required to be implemented as part of the proposed project. A Notice of Preparation (NOP) was circulated between August 25, 2023, and September 25, 2023, to receive comments regarding the scope and content of the SEIR. The Draft SEIR was circulated between September 5, 2025, and November 3, 2025; and

WHEREAS, the City of Morgan Hill received comments on the Draft SEIR by seven individuals, groups, and public agencies. Responses to those comments were included in a Final SEIR document in accordance with the requirements of CEQA; and

WHEREAS, the information contained in the Final SEIR, consisting of the Draft SEIR document in combination with the Final SEIR document, was reviewed and considered by the Planning Commission at a duly-noticed Planning Commission public hearing held on February 10, 2026; and the Planning Commission took action to recommend to the City Council that the Final SEIR be certified as being found complete, correct, and in substantial compliance with the requirements of CEQA; and

WHEREAS, the SEIR concluded that implementation of the proposed project could result in significant effects on the environment and identified mitigation measures that would reduce all of the identified significant effects to a less-than-significant level; and

WHEREAS, in connection with the approval of a project involving the preparation of a SEIR that identifies one or more significant environmental effects, CEQA requires the decision-making body of the lead agency to incorporate feasible mitigation measures that would reduce those significant environmental effects to a less-than-significant level and adopt a Findings of Fact; and

WHEREAS, whenever a lead agency approves a project requiring the implementation of measures to mitigate or avoid significant effects on the environment, CEQA also requires a lead agency to adopt a mitigation monitoring and reporting program to ensure compliance with the mitigation measures during project implementation, and such a mitigation monitoring and reporting program has been prepared for the proposed project for consideration by the decision-maker of the City of Morgan Hill as lead agency for the proposed project (the "Mitigation Monitoring and Reporting Program"); and

WHEREAS, the City of Morgan Hill is the lead agency for the proposed project, and the City Council is the decision-making body for the proposed approval to construct and otherwise undertake the proposed project; and

WHEREAS, the SEIR and the related Findings of Fact and Mitigation Monitoring and Reporting Program for the project are, by this reference, incorporated into this Resolution as if fully set forth herein; and

WHEREAS, the SEIR, related Findings of Fact, and Mitigation Monitoring and Reporting Program for the proposed project are on file in the Development Services Department located at 17575 Peak Avenue, Morgan Hill, California, 95037, and are available for inspection by any interested person at that location.

NOW, THEREFORE, THE MORGAN HILL CITY COUNCIL DOES RESOLVE AS FOLLOWS:

SECTION 1: FINDINGS OF FACT BY THE CITY COUNCIL OF THE CITY OF MORGAN HILL REGARDING THE FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE ROSEWOOD/MORGAN HILL MEDICAL CAMPUS PROJECT: The City Council finds, determines, and declares the findings and facts as set forth in the attached Exhibit "A" by this reference incorporated herein.

SECTION 2: CERTIFICATION OF FINAL SEIR: The City Council hereby certifies that the Final SEIR has been completed in compliance with CEQA.

PASSED AND ADOPTED THIS ____ DAY OF ____ 2026, AT A REGULAR MEETING OF THE CITY COUNCIL BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:

APPROVED:

MICHELE BIGELOW, City Clerk

MARK TURNER, Mayor

CERTIFICATE OF THE CITY CLERK

I, MICHELLE BIGELOW, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Resolution No. 26-XX, adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the ____ day of _____, 2026.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

MICHELLE BIGELOW, City Clerk

EXHIBIT "A"

FINDINGS OF FACT BY THE CITY COUNCIL OF THE CITY OF MORGAN HILL REGARDING THE FINAL SUBSEQUENT ENVIRONMENTAL IMPACT REPORT FOR THE ROSEWOOD/MORGAN HILL MEDICAL CAMPUS PROJECT (State Clearinghouse No. 2023080645)

The following Findings, the mitigation measures specified herein, and the Mitigation Monitoring and Reporting Program attached hereto are hereby adopted by the Morgan Hill City Council in accordance with the California Environmental Quality Act (CEQA), Public Resources Code Sections 21081, 21081.5 and 21081.6, and the CEQA Guidelines, Title 14, California Code of Regulations, Sections 15091 and 15092 for the Rosewood/Morgan Hill Medical Campus Project (project).

Section 15091 of the CEQA Guidelines states that:

- a. *No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings are:*
 - (1) *Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.*
 - (2) *Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.*
 - (3) *Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR.*

In short, CEQA requires that the lead agency adopt mitigation measures or alternatives, where feasible, to avoid or mitigate significant environmental impacts that will otherwise occur with implementation of the project. Project mitigation or alternatives are not required, however, where they are infeasible or where the responsibility for modifying the project lies with another agency.

For those significant effects that cannot be mitigated to a less-than-significant level, the public agency is required to find that specific overriding economic, legal, social,

technological, or other benefits of the project outweigh the significant effects on the environment. The CEQA Guidelines state in Section 15093 that:

“If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered ‘acceptable.’”

The project would not result in significant and unavoidable impacts. Thus, a statement of overriding considerations is not required.

A. ENVIRONMENTAL REVIEW PROCESS

The Subsequent Environmental Impact Report (SEIR) prepared by the City of Morgan Hill (City) for the Rosewood/Morgan Hill Medical Campus Project (project) consists of the Draft SEIR and the Final SEIR/Response to Comments on the Draft SEIR.

On August 25, 2023, the City of Morgan Hill circulated a Notice of Preparation (NOP) for a 30-day comment period to request input on the types of impacts that could result from the proposed project. The Draft SEIR was made available for public review for a 60-day comment period that began on September 5, 2025 and ended on November 3, 2025. The Notice of Availability of a Draft SEIR was posted with the Santa Clara County Clerk, sent to the State Clearinghouse, published on the City’s website, and mailed to responsible agencies. The City of Morgan Hill received a total of seven written comment letters during the public comment period, as well as verbal comments received from one commenter at the community open house meeting held on October 23, 2025.

The City released the Final SEIR for public review on December 19, 2025. The Final SEIR consists of copies of all comments received on the Draft SEIR, a summary of verbal comments received on the Draft SEIR, a list of commenters, and all responses to comments. The Final SEIR, Draft SEIR, and Mitigation Monitoring and Reporting Program (MMRP) together comprise the SEIR for the project. The analysis and conclusions contained in the SEIR reflect the independent judgment of the City.

B. PROJECT DESCRIPTION

Chapter 3 of the Draft SEIR includes a detailed description of the project. Revisions to the project description were not required.

The approximately 9.61-acre project site consists of two parcels identified by Assessor’s Parcel Numbers (APNs) 817-09-040 and -057, located to the southeast of the Juan Hernandez Drive/Barrett Avenue intersection in the City of Morgan Hill. The majority of the project site is currently undeveloped and contains ruderal grasses. Two medical office buildings totaling 15,900 square feet (sf), as well as a paved surface parking lot and landscaping trees, occur on a 1.69-acre portion of the project site. Development of the project site was originally evaluated in the 2020 Lillian Commons

Project IS/MND, which anticipated development of a larger 19.67-acre project site with a 4,500-sf urgent care facility, a 10,000-sf medical building, a 100,000-sf medical office/hospital containing 55 beds, a three-story parking garage with 500 parking spaces, a 10,000-sf commercial retail/restaurant building, and a 200-unit multi-family residential complex. The 2020 IS/MND found that all potential physical environmental effects attributable to the approved project would be reduced to a less-than-significant level and was adopted by the Morgan Hill City Council. Subsequently, modifications to the proposed project were proposed and the City determined that the modified project could result in new or substantially increased significant impacts not previously identified in the 2020 IS/MND. Thus, the City prepared a SEIR pursuant to CEQA Guidelines Section 15162 focused on the topics that could potentially result in significant effects.

The proposed project consists of a request to amend an adopted Planned Development (PD) Master Plan to allow an increase in medical office square footage within the 9.61-acre project site. The project proposes to construct a total of 275,000 sf of medical office uses, comprised of two 100,000-sf, four-story medical office buildings, and one 75,000-sf medical office building. Through approval of the PD Master Plan Amendment, the proposed project would result in a net increase of 150,500 sf of medical/commercial uses relative to the originally approved project. After accounting for the existing 15,900-sf of medical office use that would be demolished as part of the proposed project, the total net increase would be 134,600 sf. The proposed project would also include a 54,000-sf, six-story parking structure, comprised of 965 parking spaces. As a result of the increased square footage, the building coverage and floor area ratio (FAR) standards would also change. The maximum allowed building coverage will increase from 50 percent to 60 percent and FAR would be removed entirely from PD Master Plan development standards. The three medical office buildings would each be located to the south of Rosewood Lane. The maximum allowable building height for the medical office buildings would be increased as part of the PD Master Plan Amendment, from 55 feet to 65 feet. Lastly, the required parking for "Medical Office" uses would change from one space per 200 sf of net floor area to one space per 250 sf of net floor area.

The proposed PD Master Plan Amendment would also add assisted living facilities as a permitted use and change daycare facilities, farmers markets, residential care facilities, and skilled nursing facilities from conditionally permitted to permitted uses.

With respect to the parking structure, the originally approved project included construction of a three-story, 32-foot-tall parking structure, whereas the proposed project is proposing development of a six-story, 65-foot-tall parking structure. Thus, the proposed project modifications would result in a net increase of three floors and 33 feet.

The project objectives are to:

1. Create an entitled (close to shovel-ready) project that has the breadth of uses and maximum capacity to ensure the optimal pathway to deliver high-quality medical services to Morgan Hill and the surrounding South County communities.
2. Approve a project that has the ability to be phased to meet existing needs and scale up in size as demand increases.
 - a. As a hospital would be the last piece of a medical campus (according to hospital groups), the existing approved 124,500-sf of space would not be large enough to eventually accommodate a hospital footprint, this amendment rectifies that.
3. As Morgan Hill does not have the population density of other parts of the Bay Area to justify a standalone hospital, this amendment enables a continuum of care to create the localized demand for a centralized healthcare facility. Allowing uses such as skilled-nursing facilities, assisted living and residential care as permitted uses on a portion of the campus would help create demand desired by healthcare providers to make an investment of such magnitude for clinics, medical office buildings and a hospital, as well as create additional services for residents of Morgan Hill seeking healthcare options.
4. Provide easy and direct vehicular access to and from US-101 for medical services that are located on Juan Hernandez Drive, a street that can accommodate the anticipated traffic demands of the proposed project and can be served by existing (nearby) utilities.
5. Take advantage of the investments made by the Rosewood residential project, which has made the investment and has constructed the access road, detention pond, and utility infrastructure for the medical campus site that will remove potential obstacles for rapid development by a medical services provider.
6. Enable a highly desirable site to incentivize the investment of hundreds of millions of dollars creating hundreds of jobs (e.g. construction and permanent) in the Morgan Hill community.
7. Deliver healthcare options for Morgan Hill residents.
 - a. The City's Economic Blueprint identifies four industries that are key to Morgan Hill's future, one of which is "Healthcare." Under "Healthcare," the explicit goal is to "[g]row and foster the medical service and diagnostics industry by attracting services and facilities."
 - b. The Economic Blueprint has specific action items related to healthcare:
 - i. Expand Locations for Medical Uses: The main tools the City has to regulate land development are the General Plan and the Zoning Code. These tools support medical uses through ease and clear rules for development. The City should Ensure General Plan & Zoning Code Allow for a Range of Medical Uses (Action #32).
 - ii. Actively Promote Locations for Medical Uses: The City should Identify & Market PreZoned Medical Sites (Action #33) to clearly outline pre-approved locations for medical services. Similar to the Auto Dealer Incentive Policy. This direction clearly announces that

the City wants these uses in the community and eases their ability to locate. To create awareness of new zoning regulations the City should Increase Outreach and Medical Service Providers (Action #34) and Create & Implement a Targeted Marketing Campaign (Action #35).

The proposed project would require the following approvals:

- Certification of the SEIR: Certify the Rosewood/Morgan Hill Medical Campus Project SEIR and make environmental findings pursuant to CEQA.
- PD Master Plan Amendment to increase the maximum allowed medical office square footage within the project site to 275,000 sf, building coverage to 60 percent, medical office parking to one space per 250 sf, and maximum building height to 65 feet. Additionally, FAR will be eliminated. Assisted living facilities will be added as a permitted use and day care centers, farmers markets, residential care facilities, and skilled nursing facilities will all be changed from conditionally permitted to permitted uses.

C. SIGNIFICANT IMPACTS IDENTIFIED IN THE SEIR THAT ARE REDUCED TO A LEVEL OF "LESS THAN SIGNIFICANT" BY THE MITIGATION MEASURES INCORPORATED INTO THE PROJECT

The following findings are hereby made by the City of Morgan Hill City Council for the significant environmental effects identified in the SEIR that would be reduced to a less than significant level through incorporation of mitigation measures. The City finds for each of the significant or potentially significant impacts identified in this section, that based upon substantial evidence in the record, changes or alterations have been required or incorporated into the project which avoid or substantially lessen the significant effects as identified in the SEIR. Adoption of the mitigation measures set forth below will reduce these significant or potentially significant effects to less-than-significant levels and will effectively make the mitigation measures part of the project. In addition, compliance with City laws and other applicable regulations will further reduce project impacts. Therefore, the City finds that based upon substantial evidence in the record, changes or alterations have been required or incorporated into the project which avoid or substantially lessen the significant effects as identified in the SEIR.

The Final SEIR identified several impacts associated with the project that would be reduced to a level of less than significant with the implementation of mitigation measures identified in the Final SEIR:

Air Quality, Greenhouse Gas Emissions, and Energy

Impact 4.1-6: Generate greenhouse gas (GHG) emissions, either directly or indirectly, that may have a significant impact on the environment, or conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of GHGs. With the implementation of Mitigation Measure 4.1-6, this impact would be reduced to less than cumulatively considerable.

SEIR 4.1-6 Prior to the approval of project improvement plans, the applicant shall implement the following measure:

- Consistent with BAAQMD's Transportation criterion d., EV Capable parking spaces (including EV Capable parking spaces with electric vehicle supply equipment [EVSE]) shall be installed throughout the project site at the ratio specified by the current CalGreen Tier 2 standards.

Compliance with the foregoing measure shall be ensured by the City of Morgan Hill Community Development Department.

Finding: According to the Bay Area Air Quality Management District's (BAAQMD's) thresholds of significance, a project must either include specific project design elements related to buildings and transportation or be consistent with a local GHG reduction strategy. Because the City's Climate Action Plan (CAP) does not qualify as a local GHG reduction strategy under CEQA Guidelines Section 15183.5(b), the proposed project was evaluated for consistency with the BAAQMD's Buildings and Transportation criteria. The proposed project would comply with BAAQMD's Buildings criterion a., related to the prohibition of natural gas on-site, Buildings criterion b., related to the wasteful, inefficient, or unnecessary use of energy, and Transportation criterion c., related to vehicle miles traveled (VMT). However, the proposed project has the potential to conflict with Transportation criterion d., related to the provision of electric vehicle (EV) charging stations. Thus, while the proposed project would result in a reduction of operational GHG emissions as compared to the approved Lillian Commons Project, a previously unidentified cumulatively considerable and significant impact related to GHG emissions could occur as a result of a change in the regulatory setting (i.e., the adoption of new BAAQMD GHG thresholds) that has occurred since the 2020 IS/MND was adopted. The project would implement Mitigation Measure SEIR 4.1-6, which requires EV Capable parking spaces be installed throughout the project site at the ratio specified by the 2022 California Green Buildings Standards Code (CalGreen) Tier 2 standards. Implementation of Mitigation Measure SEIR 4.1-6 would ensure compliance with BAAQMD's Transportation Criterion d. Therefore, this impact would be less than cumulatively considerable with adherence to Mitigation Measure SEIR 4.1-6.

Noise

Impact 4.2-1: Generation of a substantial temporary increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies. With the implementation of Mitigation Measure NOI-1.1, this impact would be reduced to less than significant.

NOI-1.1 Prior to issuance of a grading permit for Phase 1 of the proposed project, the project applicant shall prepare a Noise Construction Control Plan that includes, but is not necessarily limited to, the following construction best management control practices:

- Equipment and trucks used for construction shall use the best available noise control techniques (e.g., improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically attenuating shields or shrouds).
- Impact tools (e.g., jackhammers, pavement breakers, and rock drills) used for construction shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools.
- Stationary noise sources shall be located as far from noise-sensitive receptors as possible, and they shall be muffled and enclosed within temporary sheds, incorporate insulation barriers, or include other measures.
- Construct temporary noise barriers, where feasible, to screen stationary noise-generating equipment. A temporary noise barrier with a height of eight feet would provide a minimum 6.0 dBA noise reduction for the residences to the north and to the west of the project site when construction activities occur at the ground level if the barrier is constructed in a manner that eliminates any cracks or gaps.
- Unnecessary idling of internal combustion engines should be strictly prohibited.
- Construction staging areas shall be established at locations that will create the greatest distance between the construction-related noise sources and noise-sensitive receptors nearest to the project site during all project construction. Locate material stockpiles, maintenance/equipment staging, and parking areas, as far as feasible from residential receptors.

- Control noise from construction workers' radios to a point where they are not audible at existing residences bordering the project site.
- Where feasible, temporary power service from local utility companies should be used instead of portable generators.
- Locate cranes as far from noise-sensitive receptors as possible.
- During final grading, substitute graders for bulldozers, where feasible. Wheeled heavy equipment are quieter than track equipment and should be used where feasible.
- Substitute nail guns for manual hammering, where feasible.
- Avoid the use of circular saws, miter/chop saws, and radial arm saws near the adjoining noise-sensitive receptors. Where feasible, shield saws with a solid screen with material having a minimum surface density of two pounds per square foot (e.g., such as 0.75-inch plywood).
- Maintain smooth vehicle pathways for trucks and equipment accessing the site and avoid local residential neighborhoods as much as possible.
- During interior construction, the exterior windows facing noise-sensitive receptors should be closed.
- During interior construction, locate noise-generating equipment within the building to break the line-of-sight to the adjoining receptors.
- The contractor(s) shall prepare a detailed construction schedule for major noise-generating construction activities. The construction plan shall identify a procedure for coordination with adjacent residential land uses so that construction activities can be scheduled to minimize noise disturbance.
- Designate a "disturbance coordinator" who would be responsible for responding to any complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., bad muffler, etc.) and will require that reasonable measures be implemented to correct the problem. Conspicuously post the telephone number for the disturbance coordinator at the construction site and include in it the notice sent to neighbors regarding the construction schedule.

The Noise Construction Control Plan shall be submitted for review and approval of the Development Services Director and the Morgan

Hill Development Services Department.

Finding: According to the Noise and Vibration Assessment prepared for the proposed project by Illingworth & Rodkin, Inc. (I&R), construction noise levels would range from 27 to 78 A-weighted noise level (dBA) L_{eq} at the existing off-site sensitive receptors (i.e., residences to the west and south of the project site). As such, the existing off-site sensitive receptors would be exposed to construction noise levels exceeding the 60 dBA L_{eq} threshold, as established in the 2020 IS/MND, as well as noise levels exceeding 5.0 dBA L_{eq} over existing noise levels. However, the existing off-site sensitive receptors would only be exposed to excess noise levels during Phase 1 of the proposed construction. In addition, the proposed project would not result in construction noise levels higher than those calculated for the Lillian Commons Project. Furthermore, the proposed project would exceed the applied thresholds for a shorter period of time relative to noise levels generated by construction of the approved Lillian Commons Project's non-residential component, as the Noise Assessment prepared for the proposed project determined that construction of the previously approved non-residential uses would have exceeded the applicable noise level thresholds for an estimated 28 months, whereas the current project would exceed the noise level thresholds for an estimated total of 15 months. Mitigation Measure NOI-1.1 requires preparation and implementation of a Noise Construction Control Plan that incorporates noise control best management practices to address the predicted exceedance of the applicable construction noise level threshold, which will be reviewed by the City's Development Services Director. The Construction Control Plan would require all phases of construction associated with the proposed project to use reasonable noise reduction measures and comply with the City's noise ordinance as required by General Plan Policy NOI-1.8. In addition, construction activities would be limited to between 7:00 AM and 8:00 PM on weekdays, and between 9:00 AM and 6:00 PM on Saturdays, as established by Morgan Hill Municipal Code Section 8.28.040. Construction activity would not be permitted on Sundays or federal holidays. Finally, the Construction Control Plan would also require all gasoline-powered construction equipment shall be equipped with an operating muffler or baffling systems as originally provided by the manufacturer(s). Implementation of Mitigation Measure NOI-1.1 would ensure that potential impacts related to the generation of a substantial temporary increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies, would be less than significant.

Impact 4.2-2: Generation of a substantial permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies. With the implementation of Mitigation Measure NOI-2.1, this impact would be reduced to less than significant.

NOI-2.1 A qualified acoustical consultant shall be retained to review mechanical equipment systems during final design of the proposed project. The consultant shall review selected equipment, including the emergency generator and transformer, and determine specific noise reduction measures necessary to reduce noise to comply with the City's noise level requirements. Prior to issuance of building permits for the project, the emergency generator and transformer must be selected and approved by the City of Morgan Hill Planning Division. The generator and transformer shall include adequate noise suppressing features to reduce impacts on surrounding land uses to meet the City's exterior and interior noise level requirements of 60 dBA.

Finding: Operational noise levels associated with the proposed project at surrounding sensitive noise receptors are not anticipated to exceed the applicable noise thresholds, as set forth in Morgan Hill Municipal Code Section 18.76.090. However, because the final design of the proposed project has not been prepared, the proposed project would still be subject to Mitigation Measure NOI-2.1. Mitigation Measure NOI-2.1 requires that a qualified acoustical consultant be retained to review the proposed mechanical equipment systems to determine if specific noise-reduction measures are necessary to comply with the City's noise regulations. Implementation of Mitigation Measure NOI-2.1 would ensure that the final design and location of the proposed mechanical equipment systems are reviewed by a qualified acoustical consultant prior to completion of the project's final design and that sensitive receptors adjacent to the project site are not subject to potential mechanical noise impacts. Therefore, impacts related to the generation of a substantial permanent increase in ambient noise levels in the vicinity of the project would be less than significant.

Transportation

Impact 4.3-3: Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment) or result in inadequate emergency access. With the implementation of Mitigation Measure SEIR 4.3-3, this impact would be reduced to less than significant.

SEIR 4.3-3 Prior to the commencement of construction, a construction signage and traffic control plan shall be provided to the City's Development Services Department for review and approval. The construction signage and traffic control plan shall include (but not be limited to) items such as:

- Guidance on the number and size of trucks per day entering and leaving the project site;

- Identification of arrival/departure times that would minimize traffic impacts;
- Approved truck circulation patterns;
- Locations of staging areas;
- Locations of employee parking and methods to encourage carpooling and use of alternative transportation;
- Methods for partial and complete street closures (e.g., timing, signage, location, and duration restrictions);
- Criteria for use of flaggers and other traffic controls;
- Preservation of safe and convenient passage for bicyclists and pedestrians through/around construction areas;
- Monitoring for roadbed damage and timing for completing repairs;
- Limitations on construction activity during peak/holiday weekends and special events;
- Preservation of emergency vehicle access;
- Coordination of construction activities with construction of other projects that occur concurrently in the City to minimize potential additive construction traffic disruptions, avoid duplicative efforts (e.g., multiple occurrences of similar signage), and maximize effectiveness of traffic mitigation measures (e.g., joint employee alternative transportation programs);
- Removing traffic obstructions during emergency evacuation events; and
- Signs providing a point of contact for nearby residents to obtain construction information, have questions answered, and convey complaints shall be posted in the vicinity of the project site.

The construction signage and traffic control plan shall be developed such that the following minimum set of performance standards is achieved throughout project construction. It is anticipated that additional performance standards would be developed once details of project construction are better known.

- All construction employees shall park in designated lots owned by the project applicant or on private lots otherwise arranged for by the project applicant.
- Roadways shall be maintained clear of debris (e.g., rocks) that could otherwise impede travel and impact public safety.

Finding: Construction activities associated with the proposed project would include the use of construction equipment, including on-site earth-moving vehicles,

bulldozers, and other heavy machinery, as well as building materials delivery, and construction worker commutes. The transport of heavy construction equipment to the site, haul truck trips, and construction worker commutes could affect the local roadway network. Because a construction management plan detailing information related to construction routes and equipment staging is not available, the SEIR conservatively concluded that construction activities could include disruptions to the transportation network near the project site, such as along Juan Hernandez Drive, Barrett Avenue, and Tennant Avenue. As such, without proper planning of construction activities, construction traffic and potential street closures could interfere with existing roadway operations, including pedestrian, bicycle, and transit facilities, during the construction phase. Mitigation Measure SEIR 4.3-3 requires the approval of a construction signage and traffic control plan prior to commencement of project construction. Implementation of Mitigation Measure SEIR 4.3-3 would ensure the construction activities, construction traffic, and potential street closures associated with the proposed project would not interfere with existing roadway operations, including pedestrian, bicycle, and transit facilities. Therefore, approval of a construction signage and traffic control plan would ensure that the proposed project would not substantially increase hazards due to a geometric design feature or incompatible uses or result in inadequate emergency access, and that a less than significant impact would occur.

Initial Study

IV-a: Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service. With the implementation of Mitigation Measures BIO-1.1 and BIO-1.2, this impact would be reduced to less than significant.

BIO-1.1 Construction shall be scheduled to avoid the nesting season to the extent feasible. If construction can be scheduled to occur between September 1st and January 31st (inclusive) to avoid the raptor nesting season, no impacts will be expected. If construction takes place between February 1st and August 31st, then pre-construction surveys for nesting birds shall be completed by a qualified ornithologist to ensure that no nests will be disturbed during project implementation. Surveys shall be completed within 30 days of the on-set of site clearing or construction activities. During this survey, the ornithologist shall inspect all trees and other potential nesting habitats (e.g., trees, shrubs, buildings) on-site trees as well as all trees within 250 feet of the site for nests.

BIO-1.2 If an active nest is found sufficiently close to work areas to be disturbed by these activities, the ornithologist shall determine the

extent of a disturbance-free buffer zone to be established around the nest (typically 250 feet for raptors and 50-100 feet for other species) that shall remain off limits to construction until the nesting season is over, to ensure that no nests of species protected by the Migratory Bird Treaty Act and California Fish and Wildlife Code will be disturbed during project implementation. A report indicating the result of the survey and any designated buffer zones shall be submitted to the satisfaction of the Development Services Director prior to issuance of a grading permit.

Finding: The 2020 IS/MND states that the project site is not located in an area containing any of the sensitive natural communities or special-status species identified in the City's General Plan EIR. However, according to the Biological Resources Assessment (BRA) prepared by WRA Environmental Consultants, Inc. for the 2020 IS/MND, three (3) species of special-status birds have the potential to occur on-site, including white-tailed kite, loggerhead shrike, and grasshopper sparrow. In addition, the 2020 IS/MND determined that because the project would include the removal of sixteen (16) trees, the project could result in the removal of nesting or foraging habitat for nesting raptors and migratory birds. Because the proposed project would be within the same disturbance footprint evaluated in the 2020 IS/MND, impacts to special-status species associated with the proposed project could be significant. Although the proposed project would involve a greater intensity of development than was analyzed in the 2020 IS/MND, as well as greater building heights, the proposed project would not result in the removal of a greater number of trees or the disturbance of a larger area than was previously analyzed. Nonetheless, to ensure that impacts to special-status bird species would be less than significant, the proposed project would be required to comply with Mitigation Measures BIO-1.1 and BIO-1.2 as included in the 2020 IS/MND. Mitigation Measure BIO-1.1 requires pre-construction surveys for nesting birds be conducted within 30 days of the on-set of construction activities should project construction take place between February 1st and August 31st. Additionally, Mitigation Measure BIO-1.2 requires the establishment of a disturbance free buffer zone around any active nest that could be disturbed by construction activities. Implementation of Mitigation Measures BIO-1.1 and BIO-1.2 would ensure that active nests belonging to raptors and migratory birds would not be disturbed by construction activities associated with the proposed project. Therefore, potential impacts to nesting raptors and migratory birds would be reduced to a less-than-significant level.

IV-e: Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance. With the implementation of Mitigation Measures BIO-5.1 and BIO-5.2, this impact would be reduced to less than significant.

BIO-5.1 To the extent feasible, activities shall avoid impacts to any protected trees. Avoidance is considered to be completely avoiding any work

or staging under the dripline of trees. The boundary of the designated avoidance buffer shall be flagged or fenced prior to initial ground disturbance. If complete avoidance is not feasible, BIO-5.2 shall be implemented.

BIO-5.2 The project proponent shall comply with local ordinances and submit permit applications for removal, trimming, damage, or relocation of all trees covered by the City ordinance. Any trees to be removed shall require replacement at a two- to-one ratio on a comparable ratio of size. The replacement trees shall be planted on-site to the extent feasible and the project proponent shall comply with all other replacement requirements imposed by the City.

Finding: According to the 2020 IS/MND, the project site contains multiple trees that qualify for protection under the City of Morgan Hill Municipal Code, including fourteen (14) coast live oaks, one Peruvian pepper, and one Monterey pine, all of which would be removed for project construction. Because the proposed project would be within the same disturbance footprint evaluated in the 2020 IS/MND, development of the proposed project would result in significant impacts to the same protected trees. Therefore, to ensure that impacts related to conflicts with local policies or ordinances protecting biological resources would be less than significant, the proposed project would be required to comply with Mitigation Measures BIO-5.1 and BIO-5.2 as included in the 2020 IS/MND. Mitigation Measure BIO-5.1 requires the complete avoidance of any work or staging under the dripline of trees, and the designation of any avoidance buffer prior to initial ground disturbance. If complete avoidance of protected trees is not feasible, Mitigation Measure BIO-5.2 would require compliance with Chapter 12.32 of the City's Municipal Code, which requires the project applicant to apply for a tree removal permit, and to plant replacement trees for those removed. Implementation of Mitigation Measures BIO-5.1 and BIO-5.2 would ensure that construction activities avoid impacts to protected trees and would enforce compliance with the regulations and requirements provided under Chapter 12.32 of the Municipal Code. Therefore, the proposed project would not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance, and impacts related to protected trees would be less than significant.

D. MITIGATION MONITORING AND REPORTING PROGRAM

When making findings, the lead agency must adopt a reporting or monitoring program for the mitigation measures it has adopted or made a condition of project approval to mitigate or avoid significant effects on the environment. The City hereby adopts the MMRP for the project, included as Attachment A to these findings. The mitigation measures identified in the Final SEIR and adopted and incorporated into the project will be monitored pursuant to this program.

E. ALTERNATIVES

Pursuant to CEQA Guidelines Section 15126.6, the SEIR examined a range of reasonable alternatives to the proposed project that would attain most of the basic project objectives but would avoid or substantially lessen the significant adverse impacts. The City has reviewed the impacts associated with each alternative as compared with the proposed project, and has also considered each alternative's feasibility, considering a range of economic, environmental, social, and legal factors. Overall, the City concludes that the No Project (No Build) Alternative would be the environmentally superior alternative. However, pursuant to CEQA Guidelines Section 15126.6 (e)(2), if the No Project (No Build) Alternative is determined to be environmentally superior, the EIR shall also identify an environmentally superior alternative among the other alternatives. The alternatives considered by the City are summarized as follows.

No Project (No Build) Alternative: Under the No Project (No Build) Alternative, existing site conditions would be maintained, and the site would not be developed. Impacts identified for the proposed project that would be less than significant with mitigation measures, including impacts related to air quality, greenhouse gas emissions, and energy, biological resources, noise, and transportation would be avoided under the No Project (No Build) Alternative. The No Project (No Build) Alternative is an environmentally superior alternative to the proposed project. Because the No Project (No Build) Alternative would not result in any new development on the site, the Alternative would avoid all environmental impacts of the project. The Alternative would not, however, meet any of the applicant's project objectives. Therefore, the No Project (No Build) Alternative is rejected.

No Project (Buildout Pursuant to Approved PD Master Plan) Alternative: The No Project (Buildout Pursuant to Approved PD Master Plan) Alternative assumes that the site would be developed pursuant to the currently approved uses set forth in the PD Master Plan, as evaluated by the 2020 IS/MND. Specifically, the project site would contain 124,500 sf of medical/commercial uses, including a 4,500-sf urgent care facility, a 10,000-sf medical building, a 100,000-sf medical office/hospital with 55 beds, a three-story parking structure with 500 spaces, and a 10,000-sf commercial retail/restaurant building. Because the City has already approved the General Plan Amendment, Zoning Amendment, PD Master Plan, and Tentative Parcel Map associated with the Lillian Commons Project, the No Project (Buildout Pursuant to the Approved PD Master Plan) Alternative would not be expected to require City approval of any further entitlements with the possible exception of Conditional Use Permits (CUPs) for uses requiring a CUP.

Unlike the approved Lillian Commons Project, the currently proposed amendment to the PD Master Plan is subject to review for consistency with BAAQMD's updated Air Quality Guidelines and qualitative GHG emissions thresholds. Should the developer proceed with developing the approved uses consistent with the approved PD Master Plan, the developer would be required to comply with Mitigation Measure GHG-1.1 as written in the 2020 IS/MND. Compliance with Mitigation Measure GHG-1.1 would

ensure development under the Alternative is consistent with the regulations in effect at the time of the 2020 IS/MND, and the currently proposed project's potential impact would not occur. Therefore, the impact related to air quality, GHG emissions, and energy could be reduced compared to the proposed project under the No Project (Buildout Pursuant to Approved PD Master Plan) Alternative.

In addition, the Noise Assessment prepared for the proposed project determined that construction of the previously approved non-residential uses would have exceeded the applicable noise level thresholds for an estimated 28 months, whereas the current project would exceed the noise level thresholds for an estimated total of 15 months. Should the developer proceed with developing the No Project (Buildout Pursuant to Approved PD Master Plan) Alternative, the developer would be required to comply with Mitigation Measure NOI-1.1 as written in the 2020 IS/MND. Compliance with Mitigation Measure NOI-1.1 requires preparation and implementation of a Noise Construction Control Plan that incorporates noise control best management practices, which would ensure development under the Alternative would reduce any potentially significant impacts associated with construction noise to a less-than-significant level. Similar to the proposed project, the Alternative would involve the use of mechanical equipment that could exceed allowable ambient noise levels. Thus, Mitigation Measure NOI-2.1, as set forth in the 2020 IS/MND, would remain applicable under the Alternative. Mitigation Measure NOI-2.1 would ensure that the final design and location of the proposed mechanical equipment systems are reviewed by a qualified acoustical consultant prior to completion of the project's final design and that sensitive receptors adjacent to the project site are not subject to potential mechanical noise impacts. Given that the Alternative would exceed the applicable threshold for a longer period of time than the proposed project, impacts related to noise would be slightly greater under the Alternative as compared to the proposed project.

The SEIR determined that the No Project (Buildout Pursuant to Approved PD Master Plan) Alternative could result in similar daily on-site construction activities and associated temporary increase in construction vehicle traffic to area roadways as compared to the proposed project. However, out of an abundance of caution, the SEIR determined that the proposed project could result in a potentially significant impact and includes Mitigation Measure 4.3-3 requiring preparation and implementation of a construction signage and traffic control plan. Therefore, the impacts related to transportation could be fewer under the Alternative as compared to the proposed project.

The No Project (Buildout Pursuant to Approved PD Master Plan) Alternative would fully meet the project objectives, with the exception of Objective #2. Objective #2 specifies that because a hospital would be the last component of a medical campus to be developed, the existing approved 124,500 sf of space would not be large enough to accommodate a hospital footprint following the development of medical offices in earlier construction phases. Therefore, the No Project (Buildout Pursuant to Approved PD Master Plan) Alternative would not have the ability to be phased to meet existing needs

and scale up in size as demand increases, and Project Objective #2 would not be met. As such, the Alternative would not be the environmentally superior alternative given the Alternative would increase the severity of impacts related to noise and would not satisfy all of the project objectives. Therefore, the No Project (Buildout Pursuant to Approved PD Master Plan) Alternative is rejected.

Reduced Size Alternative: The Reduced Size Alternative would include 225,000 sf of medical office uses, split between a four-story, 100,000-sf building, a three-story 75,000-sf building, and a two-story 50,000-sf building. The Reduced Size Alternative would retain the two existing medical buildings and parking lot located on Parcel D, thereby reducing the overall site acreage and disturbance area. The project's footprint would be reduced by approximately 50,000 sf. The Alternative would still require a PD Master Plan Amendment to increase the maximum allowed medical office square footage from 124,500 sf to 225,000 sf, building coverage to 60 percent, medical office parking to one space per 250 sf, and to increase the maximum building height from 55 feet to 65 feet. Additionally, FAR would still be eliminated, assisted living facilities would still be added as a permitted use, and day care centers, farmers markets, residential care facilities, and skilled nursing facilities would still be changed from conditionally permitted to permitted uses.

Because the Reduced Size Alternative would involve a smaller area of disturbance and building envelope than the proposed project, the GHG emissions associated with the Alternative would be less than the proposed project. However, similar to the proposed project, the Reduced Size Alternative would conflict with BAAQMD's Transportation criterion d., related to the provision of EV charging stations. Therefore, Mitigation Measure SEIR 4.1-6 would still be required under the Reduced Size Alternative. Compliance with Mitigation Measure SEIR 4.1-6 would ensure EV Capable parking spaces are installed throughout the project site at the ratio specified by the current CalGreen Tier 2 standards. Although the Reduced Size Alternative would have the same potentially significant GHG impact as the proposed project, because the Alternative would result in a reduction of GHG emissions as compared to the proposed project, impacts related to air quality, GHG emissions, and energy would be fewer than the proposed project.

Because the Reduced Size Alternative would involve less building square footage as compared to the proposed project, the intensity of construction activities would be slightly reduced. Thus, noise related to construction associated with the Alternative could be slightly reduced as compared to the proposed project. However, because construction noise would still occur under the Alternative, construction of the Alternative could still result in the generation of a substantial temporary increase in ambient noise levels in the vicinity of the project. As such, implementation of Mitigation Measure NOI-1.1 would still be required under the Alternative. In addition, although the Reduced Size Alternative would result in less square footage on a reduced project site, the proposed medical buildings would still feature emergency generator equipment and transformers. As such, similar to the proposed project, the mechanical equipment at the medical

buildings could result in the generation of a substantial permanent increase in ambient noise levels in the vicinity of the project site. Therefore, the Reduced Size Alternative would still be subject to Mitigation Measure NOI-2.1 to ensure that a qualified acoustical consultant is retained to review the proposed mechanical equipment systems and to confirm if specific noise-reduction measures are necessary. Overall, the impacts identified for the Reduced Size Alternative related to noise would be similar to the proposed project.

Similar to the proposed project, the Reduced Size Alternative would temporarily add construction vehicle traffic to area roadways. During the construction phase, construction traffic and potential street closures could interfere with existing roadway operations, including pedestrian, bicycle, and transit facilities. As such, Mitigation Measure 4.3-3, related to preparation and implementation of a construction signage and traffic control plan, would still be required under the Alternative. Because the Alternative would involve less square footage as compared to the proposed project, the intensity of construction activities, as well as the amount and overall duration of construction traffic, would be reduced. Therefore, impacts related to transportation could be fewer than the proposed project under the Alternative.

The Reduced Size Alternative would fully meet the project objectives, with the possible exception of Objective #2. Objective #2 specifies that because a hospital would be the last component of a medical campus to be developed, the existing approved 124,500 sf of space would not be large enough to accommodate a hospital footprint following the development of medical offices in earlier construction phases. Therefore, while the Reduced Size Alternative would have the ability to be phased to meet existing needs and scale up in size as demand increases, the flexibility to do so would be constrained due to the reduction in square footage by 50,000 sf. Nonetheless, the Alternative would fully meet six of the seven project objectives and could result in fewer impacts than the proposed project related to air quality, GHG emissions, and energy, and transportation, and would result in similar impacts as the proposed project related to noise. As such, the Reduced Size Alternative would be the environmentally superior alternative. Although the Reduced Size Alternative would meet six of the seven project objectives, the Alternative would satisfy the objectives to a lesser extent than the proposed project. Therefore, the Reduced Size Alternative is rejected.

F. RECIRCULATION NOT REQUIRED

No new or substantial changes to the SEIR were proposed as a result of the public comment process. The Final SEIR responds to comments provided on the Draft SEIR, and does not include any changes, clarifications or additions to the SEIR. The comments provided on the Draft SEIR did not address concerns related to any new significant impacts or substantial increases in the severity of any significant environmental impacts. Therefore, recirculation of the SEIR is not required.

G. RECORD OF PROCEEDINGS

Various documents and other materials constitute the record of proceedings upon which the City base their findings and decisions contained herein. Documents related to this proposed project are located in the City of Morgan Hill Development Services Department, 17575 Peak Avenue, Morgan Hill, California 95037.

H. SUBSTANTIAL EVIDENCE SUPPORTING FINDINGS

Substantial evidence supporting each and every finding made herein is contained in the Final SEIR and record of proceedings. Omission of reference in these findings to any evidence in the SEIR and/or record of proceedings is not intended to exclude that evidence as supporting these findings.

In making these findings, the City Council has relied upon the expertise of a variety of independent technical and professional consultants to the City, and the expertise of the City's Staff. The City Council has also carefully considered the evidence submitted by property owners and other interested agencies and individuals. To the extent that evidence consists of expert opinions that differ from the opinions of the City's outside consultants and City Staff, at most it represents a disagreement of experts, which is adequately reviewed in the SEIR. Based on its review, the City Council has determined that the opinions of its outside consultants and Staff are valid and are hereby accepted. In some instances, the City Council has also relied on the expertise of other agencies who have provided comments on the Draft SEIR and other actions related to the project. To the extent that alternatives or mitigation measures were proposed by other agencies or interested persons that differ from the mitigation adopted herein, the City Council specifically rejects these proposals based on the substantial evidence in the record supporting the mitigation adopted as sufficient and necessary to mitigate impacts to a less than significant level or to the level that the impacts can feasibly be mitigated.

ATTACHMENT "A"

MITIGATION MONITORING AND REPORTING PROGRAM

**Rosewood/Morgan Hill Medical Campus Project
File Numbers: GPA2023-0002, AAE2022-0008, and
EA2022-0011
December 19, 2025**



PREFACE

Section 21081.6 of the California Environmental Quality Act (CEQA) requires a Lead Agency to adopt a Mitigation Monitoring and Reporting Program (MMRP) whenever it approves a project for which measures have been required to mitigate or avoid significant effects on the environment. The purpose of the monitoring and reporting program is to ensure compliance with the mitigation measures during project implementation.

The Initial Study/Mitigated Negative Declaration (IS/MND) and the Subsequent Environmental Impact Report (SEIR) prepared for the Rosewood/Morgan Hill Medical Campus Project concluded that the implementation of the project could result in significant effects on the environment and mitigation measures were incorporated into the proposed project or are required as a condition of project approval. This MMRP addresses those measures in terms of how and when they will be implemented.

This document does *not* discuss those subjects for which the IS/MND and SEIR concluded that the impacts from implementation of the project would be less than significant.

I, _____, the applicant, on behalf of _____, hereby agree to fully implement the Mitigation Measures described below which have been developed in conjunction with the preparation of an IS/MND and SEIR for my proposed project. I understand that these mitigation measures or substantially similar measures will be adopted as conditions of approval with my development permit request to avoid or significantly reduce potential environmental impacts to a less than significant level, where feasible.

Project Applicant's Signature _____

Date _____



MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
AIR QUALITY, GREENHOUSE GAS EMISSIONS, AND ENERGY			
<p>Impact 4.1-6: Generate GHG emissions, either directly or indirectly, that may have a significant impact on the environment, or conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of GHGs. (Less than Significant with Mitigation Incorporated)</p>			
<p>SEIR 4.1-6: Prior to the approval of project improvement plans, the applicant shall implement the following measure:</p> <ul style="list-style-type: none"> Consistent with BAAQMD's Transportation criterion d., EV Capable parking spaces (including EV Capable parking spaces with electric vehicle supply equipment [EVSE]) shall be installed throughout the project site at the ratio specified by the current CalGreen Tier 2 standards. <p>Compliance with the foregoing measure shall be ensured by the City of Morgan Hill Community Development Department.</p>	<p>To be implemented by the project applicant prior to approval of project improvement plans.</p>	<p>All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.</p>	<p>City of Morgan Hill Development Services Department</p>

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
NOISE			
Impact 4.2-1: Generation of a substantial temporary increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies. (Less than Significant Impact with Mitigation Incorporated)			
<p>NOI-1.1: Prior to issuance of a grading permit for Phase 1 of the proposed project, the project applicant shall prepare a Noise Construction Control Plan that includes, but is not necessarily limited to, the following construction best management control practices:</p> <ul style="list-style-type: none"> • Equipment and trucks used for construction shall use the best available noise control techniques (e.g., improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically attenuating shields or shrouds). • Impact tools (e.g., jackhammers, pavement breakers, and rock drills) used for construction shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air 	To be implemented prior to issuance of a grading permit.	All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.	City of Morgan Hill Development Services Department

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>exhaust from pneumatically powered tools.</p> <ul style="list-style-type: none"> • Stationary noise sources shall be located as far from noise-sensitive receptors as possible, and they shall be muffled and enclosed within temporary sheds, incorporate insulation barriers, or include other measures. • Construct temporary noise barriers, where feasible, to screen stationary noise-generating equipment. A temporary noise barrier with a height of eight (8) feet would provide a minimum 6.0 dBA noise reduction for the residences to the north and to the west of the project site when construction activities occur at the ground level if the barrier is constructed in a manner that eliminates any cracks or gaps. • Unnecessary idling of internal combustion engines should be strictly prohibited. • Construction staging areas shall be established at locations that will create the greatest distance between the construction-related noise sources and noise-sensitive receptors nearest to the project site during all project construction. Locate material stockpiles, maintenance/equipment 			

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>staging, and parking areas, as far as feasible from residential receptors.</p> <ul style="list-style-type: none"> • Control noise from construction workers' radios to a point where they are not audible at existing residences bordering the project site. • Where feasible, temporary power service from local utility companies should be used instead of portable generators. • Locate cranes as far from noise-sensitive receptors as possible. • During final grading, where feasible, substitute graders for bulldozers. Wheeled heavy equipment are quieter than track equipment and should be used where feasible. • Substitute nail guns for manual hammering, where feasible. • Avoid the use of circular saws, miter/chop saws, and radial arm saws near the adjoining noise-sensitive receptors. Where feasible, shield saws with a solid screen with material having a minimum surface density of two pounds per square foot (e.g., such as 0.75-inch plywood). • Maintain smooth vehicle pathways for trucks and equipment accessing the 			

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>site and avoid local residential neighborhoods as much as possible.</p> <ul style="list-style-type: none"> • During interior construction, the exterior windows facing noise-sensitive receptors should be closed. • During interior construction, locate noise-generating equipment within the building to break the line-of-sight to the adjoining receptors. • The contractor(s) shall prepare a detailed construction schedule for major noise-generating construction activities. The construction plan shall identify a procedure for coordination with adjacent residential land uses so that construction activities can be scheduled to minimize noise disturbance. • Designate a "disturbance coordinator" who would be responsible for responding to any complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., bad muffler, etc.) and will require that reasonable measures to be implemented to correct the problem. Conspicuously post the telephone number for the disturbance coordinator at the construction site and include in it the notice sent to 			

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>neighbors regarding the construction schedule.</p> <p>The Noise Construction Control Plan shall be submitted for review and approval of the Development Services Director and the Morgan Hill Development Services Department.</p>			
<p>Impact 4.2-2: Generation of a substantial permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies. (Less than Significant Impact with Mitigation Incorporated)</p>			
<p>NOI-2.1: A qualified acoustical consultant shall be retained to review mechanical equipment systems during final design of the proposed project. The consultant shall review selected equipment, including the emergency generator and transformer, and determine specific noise reduction measures necessary to reduce noise to comply with the City's noise level requirements. Prior to issuance of building permits for the project, the emergency generator and transformer must be selected and approved by the City of Morgan Hill Planning Division. The generator and transformer shall include adequate noise suppressing features to reduce impacts on surrounding land uses to meet the City's</p>	<p>To be implemented prior to approval of final design.</p>	<p>All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.</p>	<p>City of Morgan Hill Planning Division.</p>

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
exterior and interior noise level requirements of 60 dBA.			
TRANSPORTATION			
Impact 4.3-3: Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment) or result in inadequate emergency access. (Less than Significant Impact with Mitigation Incorporated)			
<p>SEIR 4.3-3: Prior to the commencement of construction, a construction signage and traffic control plan shall be provided to the City’s Development Services Department for review and approval. The construction signage and traffic control plan shall include (but not be limited to) items such as:</p> <ul style="list-style-type: none"> • Guidance on the number and size of trucks per day entering and leaving the project site; • Identification of arrival/departure times that would minimize traffic impacts; • Approved truck circulation patterns; • Locations of staging areas; • Locations of employee parking and methods to encourage carpooling and use of alternative transportation; • Methods for partial and complete street closures (e.g., timing, signage, location, and duration restrictions); • Criteria for use of flaggers and other traffic controls; 	To be implemented prior to commencement of construction.	All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.	City of Morgan Hill Development Services Department.

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<ul style="list-style-type: none"> • Preservation of safe and convenient passage for bicyclists and pedestrians through/around construction areas; • Monitoring for roadbed damage and timing for completing repairs; • Limitations on construction activity during peak/holiday weekends and special events; • Preservation of emergency vehicle access; • Coordination of construction activities with construction of other projects that occur concurrently in the City to minimize potential additive construction traffic disruptions, avoid duplicative efforts (e.g., multiple occurrences if similar signage), and maximize effectiveness of traffic mitigation measures (e.g., joint employee alternative transportation programs); • Removing traffic obstructions during emergency evacuation events; and • Signs providing a point of contact for nearby residents to obtain construction information, have questions answered, and convey complaints shall be posted in the vicinity of the project site. 			

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>The construction signage and traffic control plan shall be developed such that the following minimum set of performance standards is achieved throughout project construction. It is anticipated that additional performance standards would be developed once details of project construction are better known.</p> <ul style="list-style-type: none"> • All construction employees shall park in designated lots owned by the project applicant or on private lots otherwise arranged for by the project applicant. • Roadways shall be maintained clear of debris (e.g., rocks) that could otherwise impede travel and impact public safety. 			
INITIAL STUDY			
IV: Biological Resources (Less than Significant Impact with Mitigation Incorporated)			
<p>BIO-1.1: Construction shall be scheduled to avoid the nesting season to the extent feasible. If construction can be scheduled to occur between September 1st and January 31st (inclusive) to avoid the raptor nesting season, no impacts will be expected. If construction takes place between February 1st and August 31st, then pre- construction surveys for nesting birds shall be completed</p>	<p>To be implemented within 30 days of the on-set of site clearing or construction activities, if construction activities take place between February 1st and August 31st.</p>	<p>All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.</p>	<p>City of Morgan Hill Development Services Department.</p>

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>by a qualified ornithologist to ensure that no nests will be disturbed during project implementation. Surveys shall be completed within 30 days of the on-set of site clearing or construction activities. During this survey, the ornithologist shall inspect all trees and other potential nesting habitats (e.g., trees, shrubs, buildings) on-site trees as well as all trees within 250 feet of the site for nests.</p>			
<p>BIO-1.2: If an active nest is found sufficiently close to work areas to be disturbed by these activities, the ornithologist shall determine the extent of a disturbance-free buffer zone to be established around the nest (typically 250 feet for raptors and 50-100 feet for other species) that shall remain off limits to construction until the nesting season is over, to ensure that no nests of species protected by the Migratory Bird Treaty Act and California Fish and Wildlife Code will be disturbed during project implementation. A report indicating the result of the survey and any designated buffer zones shall be submitted to the satisfaction of the Development Services Director prior to issuance of a grading permit.</p>	<p>To be implemented prior to issuance of a grading permit, if an active nest is found.</p>	<p>All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.</p>	<p>Development Services Department.</p>

MITIGATIONS	MONITORING AND REPORTING PROGRAM		
	Timeframe and Responsibility for Implementation	Method of Compliance	Oversight of Implementation
<p>BIO-5.1: To the extent feasible, activities shall avoid impacts to any protected trees. Avoidance is considered to be completely avoiding any work or staging under the dripline of trees. The boundary of the designated avoidance buffer shall be flagged or fenced prior to initial ground disturbance. If complete avoidance is not feasible, BIO-5.2 shall be implemented</p>	<p>To be implemented prior to initial ground disturbance.</p>	<p>All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.</p>	<p>City of Morgan Hill Development Services Department.</p>
<p>BIO-5.2: The project proponent shall comply with local ordinances and submit permit applications for removal, trimming, damage, or relocation of all trees covered by the City ordinance. Any trees to be removed shall require replacement at a two- to-one ratio on a comparable ratio of size. The replacement trees shall be planted on-site to the extent feasible and the project proponent shall comply with all other replacement requirements imposed by the City.</p>	<p>To be implemented prior to issuance of a grading permit.</p>	<p>All measures will be required as part of the development permit. All measures will be printed on all construction documents, contracts, and project plans prior to issuance of any grading and/or building permits.</p>	<p>City of Morgan Hill Development Services Department.</p>

Source: City of Morgan Hill. *Rosewood/Morgan Hill Medical Campus Project Final SEIR*. December 2025.

CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Dat Nguyen, Finance Director
Christina Turner, City Manager

APPROVED BY: City Manager

CONTINUED DISCUSSION OF FISCAL SUSTAINABILITY

RECOMMENDATION(S)

Receive report and provide direction to staff regarding whether to pursue placement of a local tax measure on the 2026 ballot.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Preserving and Cultivating Public Trust

2024-2025 Strategic Priorities

Fiscal Sustainability

Community Engagement

REPORT NARRATIVE:

At the February 6, 2026 Council Goal Setting Workshop, staff presented the City's General Fund budget update and presented results of the Balancing Act interactive budget tool to illustrate trade-offs between revenues and services. The tool is intended for community engagement and to inform Council policy discussions as the City prepares the upcoming biennial budget and financial forecast for the next several years.

- **Revenue Strategy:** The City continues to face a structural imbalance driven by rising costs and constrained revenue growth. Staff requests direction on whether City Council wishes to explore placing a local revenue measure (e.g., sales tax or other general/special tax) before voters in 2026. To meet election requirements, the City Council would need to take action by early August 2026 in order to place a measure on the November 2026 ballot. The estimated cost to the City for placing a measure on the ballot is approximately \$60,000. In practice, sufficient lead time, typically several months prior, is needed to engage residents, gather feedback and maximize understanding and garner support, conduct polling, draft and finalize the measure language, and prepare all materials for submission to the Santa Clara County Registrar of Voters.
- **Expenditure Reductions:** Staff will continue evaluating service levels and cost

containment strategies. During the preparation of the budget, staff intend to evaluate several opportunities for expenditure reductions as well as non-tax-based opportunities to generate revenue that offsets expenses. Recommendations and options for implementing these strategies will be presented through the upcoming budget process. It is important to note that, in the absence of a significant new revenue stream, service level reductions in the mid to long-term may be required to maintain the City's fiscal sustainability and adequate fund balance reserves.

COMMUNITY ENGAGEMENT:

Consult

This is to continue discussion of fiscal sustainability.

ALTERNATIVE ACTIONS:

The Council may look to provide staff with further direction on revenue enhancement and cost containment strategies.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

This is to continue discussion of fiscal sustainability from the Council Goal Setting Workshop.

FISCAL AND RESOURCE IMPACT:

The preparation of the report is a part of the Finance workplan.

CEQA (California Environmental Quality Act):

Not a Project

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.



Fiscal Sustainability

March 4, 2026



Capital Improvement Program

Capital Improvement Program (CIP) Planning

- Review the guiding principles of the CIP planning process
- Identify CIP Project Categories
- Discuss key projects/planning for each category
- Discuss new impacts and challenges to CIP planning

Guiding Principles

- Projects must be consistent with the goals of the General Plan
- Projects included in an adopted Master Plan
- City Council priority
- Addressing a maintenance or deficiency issue
- Available revenues to pay for project
- Long term maintenance is considered
- Legal uses of funds

Limitations

- Almost all Capital Project Funds are non-discretionary
- Impact Fees drive a significant portion of new development, meaning in most cases funds cannot be used for ongoing maintenance
- Grant funding is often difficult to obtain and may not be in alignment with City top priorities

CIP Project Categories



Current Adopted Budget

Project Categories	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Totals
1 Parks & Recreation	\$ 10,308,425	\$ 7,599,260	\$ 2,548,293	\$ 9,336,343	\$ 547,879	\$ 3,795,291	\$ 34,135,491
2 Public Facilities	4,244,522	786,897	90,606	-	-	590,582	5,712,608
3 Storm Drainage	4,069,502	2,360,692	1,887,119	1,778,695	119,152	1,889,863	12,105,024
4 Streets & Roads	6,847,196	11,960,840	8,381,052	4,057,648	4,349,035	6,378,288	41,974,060
5 Wastewater	13,676,673	68,389,698	5,896,410	5,656,672	12,772,583	4,755,368	111,147,404
6 Water	21,523,397	17,398,790	6,059,274	11,728,270	3,669,871	5,728,648	66,108,249
Totals	\$ 60,669,716	\$ 108,496,178	\$ 24,862,755	\$ 32,557,628	\$ 21,458,520	\$ 23,138,041	\$ 271,182,836

Water

Considerations

- Water System Master Plan to be updated this fiscal year

Projects Underway

- East Dunne Reservoir Project
- Glen Ayre Reservoir Expansion (design)
- Water Well at Eagle View Drive
- Water Line Rehabilitation Projects
- Water Line Capacity Enhancement Projects

Future Needs

- Additional Water Wells for redundancy
- Water line capacity enhancements for improved fire flow
- Expansion of existing reservoirs
- Replacement and renovation of pumps and reservoirs



Wastewater

Considerations

- Program is fully funded

Projects Underway

- Second Trunk Line to Treatment Plant (design)
- Treatment Plant Expansion (nearing completion)
- Annual Rehabilitation Projects
- Lift Station Renovation Projects
- Capacity Enhancement Projects

Future Needs

- Projects outlined in the Wastewater Master Plan



Streets and Roads

Consideration

- Funds are restricted for pavement rehabilitation
- Updates of transportation impact fee study
- Recent adoption of Comprehensive Safety Action Plan, and ADA Transition Plan nearing completion
- Full implementation of new plans requires additional funding
- City will be applying for grants

Projects Underway

- Monterey Road grant funded improvements (design)
- Annual Pavement and Sidewalk Rehabilitation projects
- Intersection improvements

Future Needs

- Intersection improvements for congestion management
- Multi-modal safety projects
- Safe Routes to Schools projects
- Bridge repair projects



Storm Drainage

Consideration

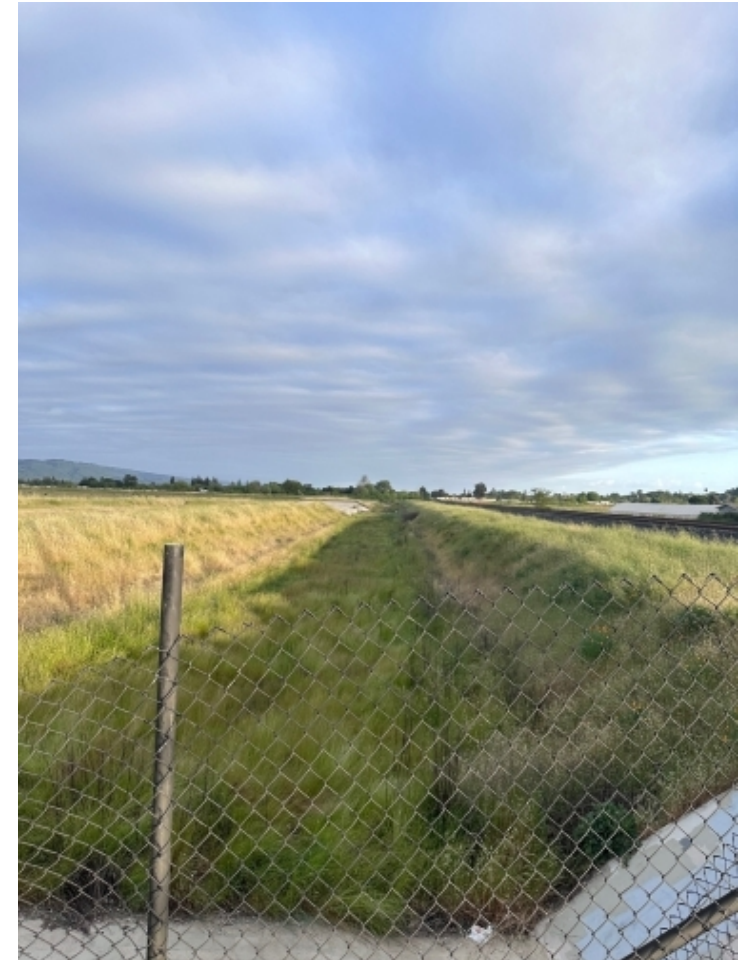
- Limited remnant RDCS funds for renovation - no programmed funding after depletion
- Storm Drain Master Plan to be completed following completion of the Upper Llagas Flood Control Protection Project
- State mandates on trash capture

Projects Underway

- Upper Llagas Flood Protection Project
- Fisher Basin Expansion
- Butterfield Multi-Use Basin (grant funded)
- State mandated trash capture implementation

Future Needs

- Minor local flooding improvements



Public Facilities

Consideration

- Very limited funding
- Internal borrowing to advance construction

Large Projects Underway/Complete

- Fire Station
- Police Department Expansion
- Solar Projects
- EV Charging (grant funded)

Future Needs

- Corporation Yard Expansion (with MHUSD)



Parks and Recreation

Consideration

- Parks and Recreation Master Plan Update is needed/planned
- Use of funds that support renovation when possible
- New facilities can increase operational costs
- Park and Recreation Commission recommendations

Large Projects Underway

- Butterfield Park
- Non-Profit Center
- Villa Mira Monte Expansion (design)
- Sports Facility Annexation Application
- Solar Systems

Future Needs

- New Parks
- El Toro Trail
- Recreation Facility Expansions/Renovations



Future Impacts to the CIP

- ADA Transition Plan and Sidewalk Assessment will present additional costs
- New Bike and Pedestrian Safety Project Needs - little to no funding available
- Remnant RDCS Funds for storm drainage, sidewalk renovation, and park maintenance continue to be depleted



Current Financial Landscape

- Due to strong fiscal oversight by City Council and budget management by staff, Morgan Hill has been recognized for being a good steward of resources
- City holds AAA issuer credit rating by S&P
- Current General Fund reserve at 47%
- One of safest communities in County and Pavement Condition Index (PCI) of 74

Current Financial Landscape (cont'd)

- Recreation has one of the highest cost recovery rates and continues to improve
- While budget challenges are not new, heightened by economic conditions (inflation, interest rates, economic uncertainty)
- Conservative spending, higher revenues than forecasted, and federal stimulus during COVID-19 pandemic delayed fiscal decline
- Ability to maintain robust services requires sustained General Fund revenue growth to meet increasing costs

Adopted Budget Principles

The City Council has adopted the following principles to guide the Sustainable Budget Strategy:

- Critical services should be maintained to the greatest extent possible.
- Resources should be allocated to the highest priority services.
- No City services or functions should be exempt from evaluation.
- “Across the Board” approaches shall be avoided because they are not aligned with the Council’s and Community’s priorities.
- Reductions in service should position the City to take advantage of economic recovery.
- Budget reductions should be ongoing and not simply “one time only.”
- Council should commit to support employees during the transition, and assist those who may be adversely impacted.

Adopted Budget Principles (cont'd)

- Employees and their recognized bargaining units should be actively involved in developing options and implementing the transition.
- The City should continue to invest in building organizational capacity by supporting training and employee development.
- Community wide tax resources should be allocated first to support community wide services.
- Special services designed for only a few should be paid for by user charges and fees.
- Administrative and operational efficiencies should be maximized before pursuing new tax revenue.

Adopted Budget Principles (cont'd)

- Reserves and one-time revenues should be used first to invest in capital outlay items that could reduce long range operating costs and, thereafter, fund transition expenses.
- New services should not be added nor existing services expanded unless they are highly valued by the Community and there is a willingness to pay for them.
- There should be regular monitoring of financial performance and opportunities to make mid-course corrections as warranted.
- City policies that may inhibit economic development, especially new retail development, should be reviewed regularly and modified.

Major Funds: Non-Discretionary

Development Services Fund

- Provides planning, building and engineering services

Special Revenue Funds

- Provides Housing and Environmental Services

Capital Project Funds

- Funds infrastructure related projects for streets, parks, storm drainage and public facilities

Enterprise Funds

- Provides for Water and Wastewater Utilities' Operations and Infrastructure Improvements

Major Funds – Discretionary & Non-Discretionary

General Fund

- Public Safety
- Parks, Streets, and Recreation
- Maintenance Services
- Economic Development
- General Government and Administration

General Fund Summary

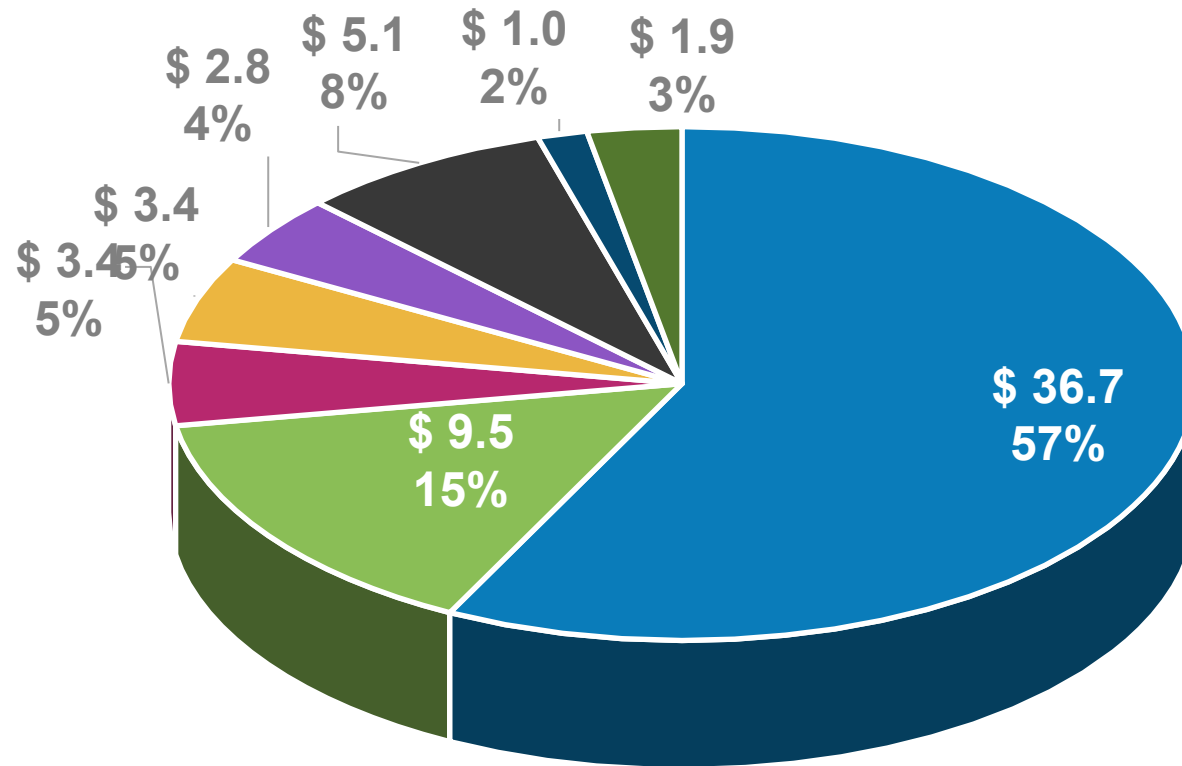
FY 2025-26

- Adopted Budget: \$256.0 million
- General Fund: \$63.8 million

General Fund Discretionary Budget

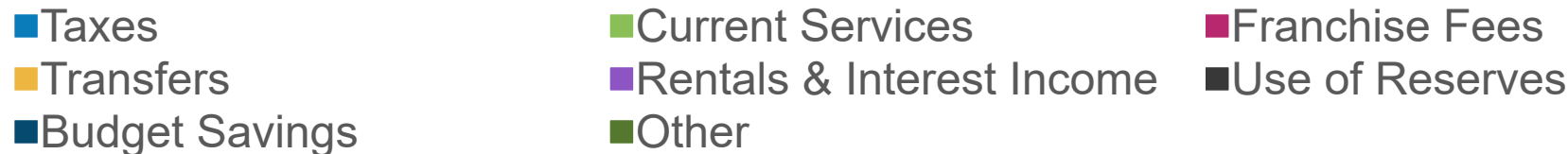
- Net of restricted revenues \$45.2 million (excludes service fees, grants, program donations, etc.)
- 78% Public Safety (Police and Fire)
- 8% General Government and Administration
- 3% Recreation and Community Services
- Remaining 11% Parks, Streets, Economic Development, Code Compliance, Community Funding, Infrastructure Planning, and other programs

General Fund Total Revenues \$63.8 million

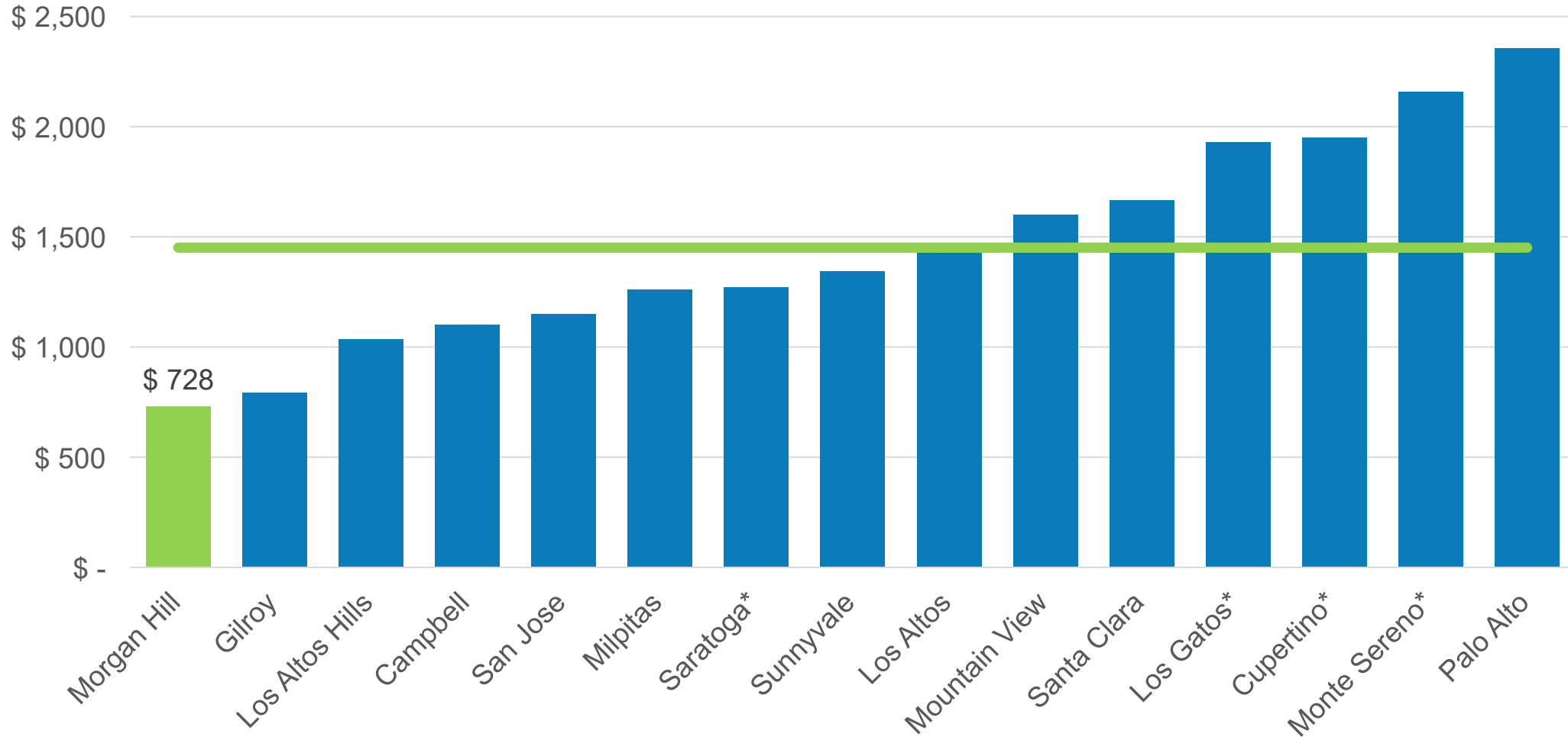


Primary Sources:

- Property Tax
- Sales Tax
- Hotel Tax
- Charges for services (recreation fees & business license fees)



Tax Revenue Per Capita FY 2024-25



*Property tax amount includes Santa Clara County Central Fire District FY24-25

Why are we the lowest?!?!

Additional local taxes:

- Sales Tax
 - Campbell, Los Gatos, Milpitas, and San Jose
- Utility User Tax
 - Sunnyvale, Cupertino, Mountain View, Los Altos, Gilroy, Palo Alto, and San Jose
- Low Property Tax (Prop 13 Base Year)

Economic Development Strategies

- Attract Revenue-Generating Users (Hotel, Auto, and Retail)
- Support Tenanting of Industrial Buildings
- Assist Projects Through Entitlement and Construction (Fee Agreements, Ombudsman Services)
- Continue to modernize Zoning and Municipal Code to encourage new investment and development
- Business Assistance Services (PBID, TBID, Economic Mobility, Small Business Support)

Revenue Measure Options

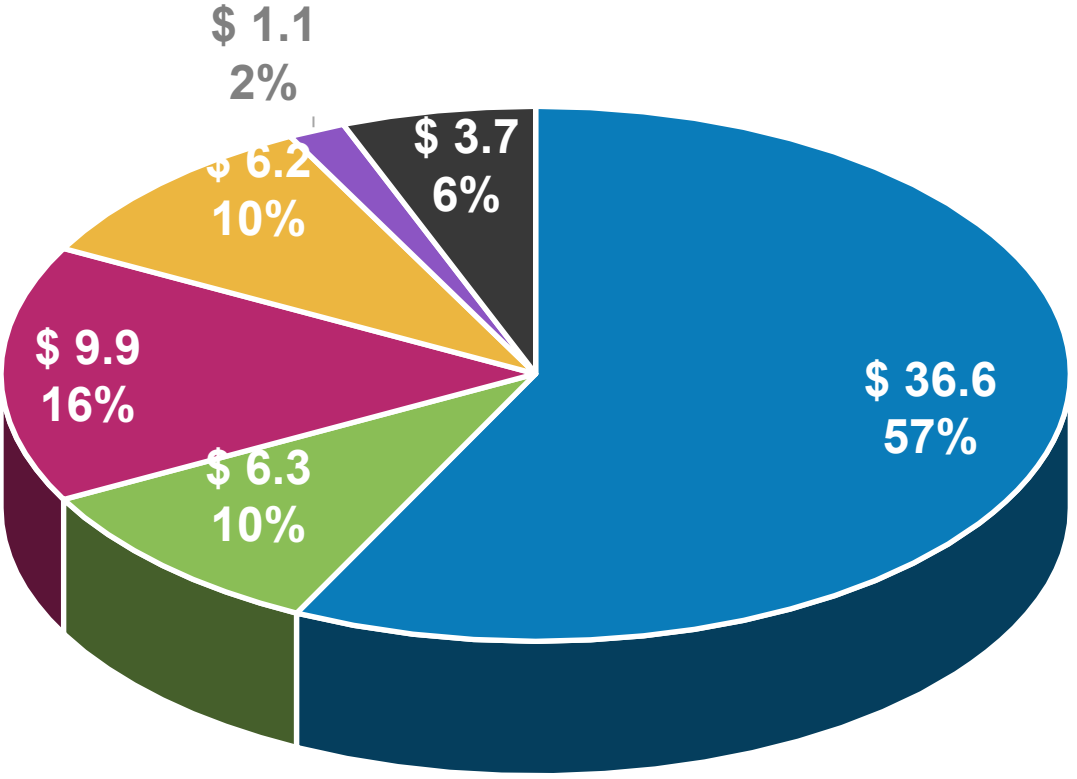
Revenue Option	Estimated Annual Revenue	Considerations
General or Special Sales Tax	\$2.9 million (1/4 cent)	General: 50%+1 voter approval Special: 2/3 approval
General or Special Utility Users Tax	\$5.2 million (at 5%)	General: 50%+1 voter approval Special: 2/3 approval
Transient Occupancy Tax	\$230K for every 1% increase	50%+1 voter approval
Parcel Tax	\$1.4 million (flat \$100/parcel)	2/3 voter approval
LAD	\$1.4 million (flat \$100/parcel)	No majority protest
CFD	\$1.4 million (flat \$100/parcel)	2/3 voter approval
Business License Tax	\$200K if double from existing	50%+1 voter approval

Deadline for Measure to be on the Ballot

- Due to County's Registrar Office
 - General election: Early August (e.g., August 2026 or August 2028), approximately \$60,000
- Several months needed to start the process for Community outreach, drafting resolutions, legal review, formatting, and submission of arguments and materials

General Fund Total Expenditures

\$63.8 million



Primary Expenses:

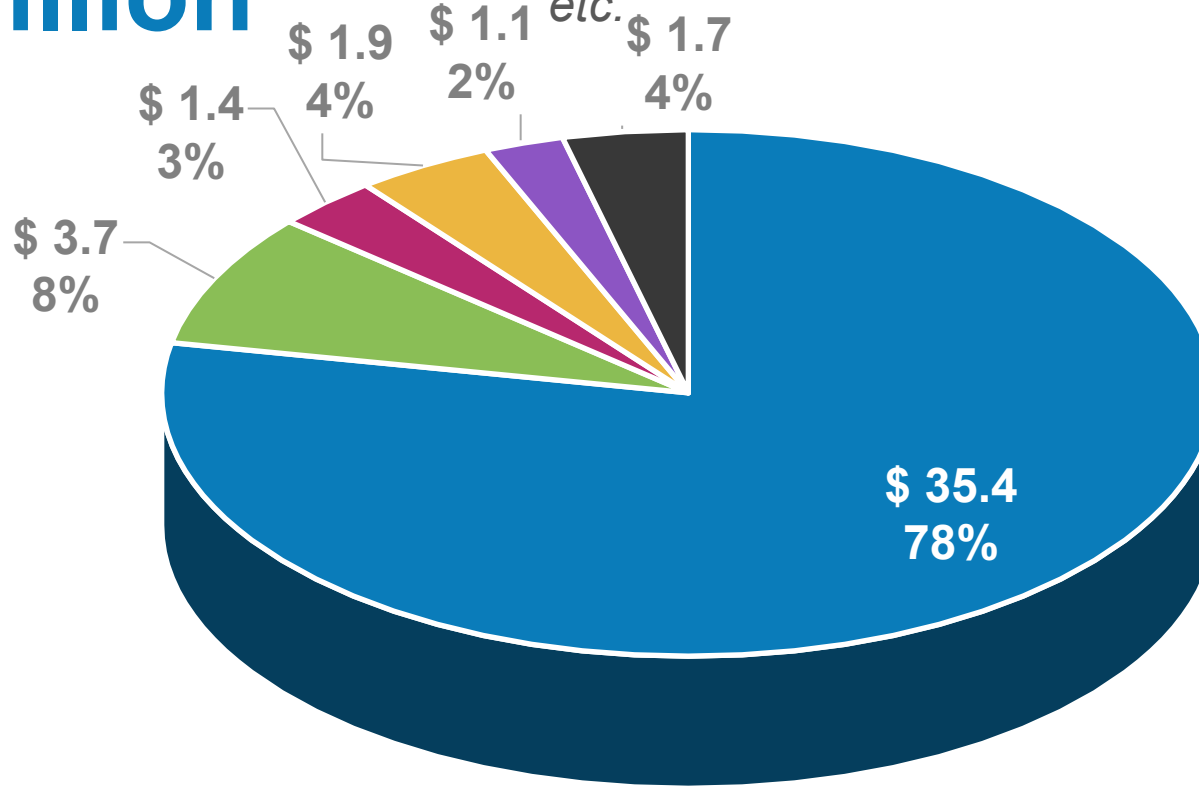
- Police
- Fire
- Parks & Street Maintenance
- Economic Development
- Recreation
- Support Services



General Fund Discretionary Expenditures

\$45.2 million

excludes service fees, grants, program donations, etc.



- Police & Fire
- Admin & General Support
- Recreation & Community Services
- Street & Park Maint./CIP
- Economic Development
- Other

Steps Taken

- **Economic Development Blueprint** - adopted in 2017 and re-affirmed in 2024, a long-term guide to land-use, policies, and strategies to support prosperity and quality of life
- **Revenue Growth** - increased the Transient Occupancy Tax (TOT), created a Tourism and Business Improvement District (TBID), established a Downtown Property-Based Improvement District (PBID), Updated Development Services Fee Schedule
- **Business Development** - modernized zoning rules to remove barriers, and actively recruited new businesses to Morgan Hill

Steps Taken (cont'd)

- **Continued Conservative Spending** – helps protect reserves
- **Cost Savings** – continued conservative spending, strategically freezing vacant positions, and new solar project to save about \$0.5 million per year
- **Future Obligations** – Set-aside \$8.2 million since FY20-21 to address unfunded general fund needs
 - \$2.6 million to Street CIP
 - \$2.5 million to Pension/OPEB
 - \$1.8 million for Public Safety Equipment
 - \$1.3 million for Park Maintenance

Service Prioritization

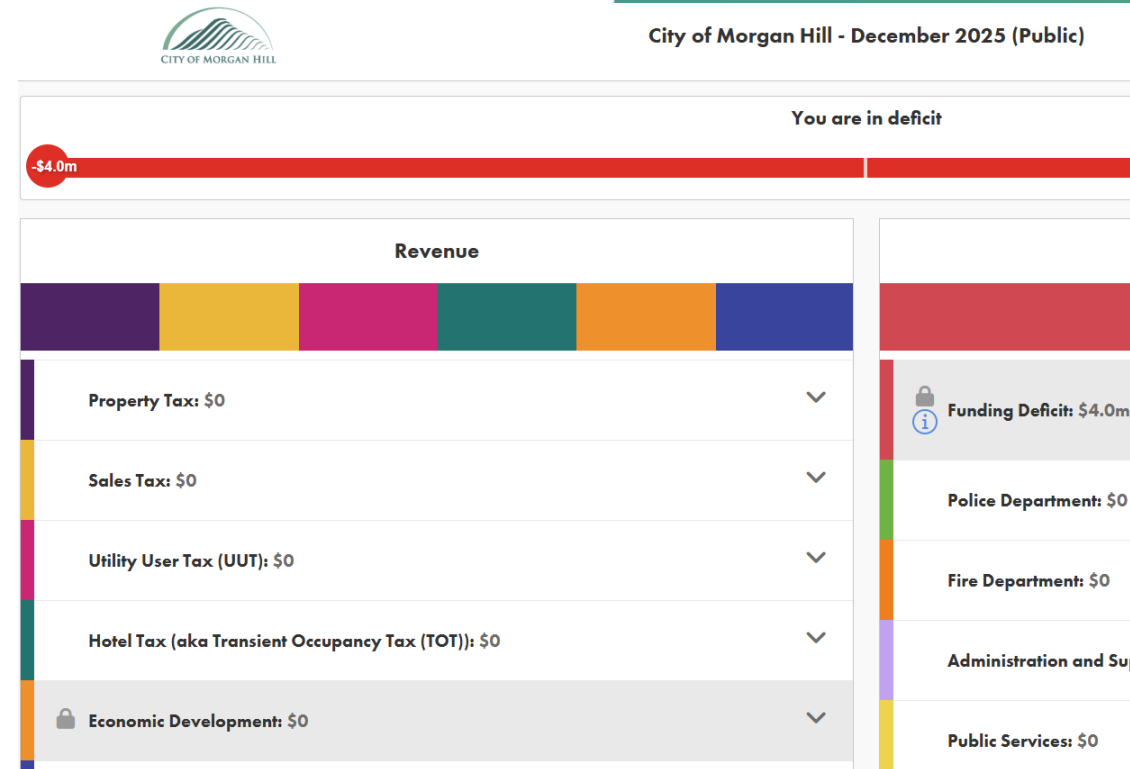
- Without additional revenue, it is nearly impossible to make a material impact without affecting core services:
 - Recreation and Community Services: scaled-back programming for youth and seniors, shortened operating hours for non-fee-based facilities (Senior Center and Teen Center), reduced volunteer coordination support, reduced Commission support, and/or lower levels of support for community partnerships
 - Parks, Street, and Infrastructure: Deferred maintenance, reduced landscaping and parks upkeep, slower response to street and facility repairs, decreased investment in long-term infrastructure sustainability

Service Prioritization (cont'd)

- General Government and Administration: Delayed service delivery, reduction in customer service responsiveness, hinder ability to implement Council initiatives and pursue grant funding opportunities, and decreased funding for Community Promotions
- Public Safety (Police and Fire): longer emergency response, reduced staffing, decreased investigative capacity, and limits on proactive policing, fire prevention, and community engagement programs

Community Engagement - Balancing Act by Polco

- Online interactive budget simulation tool with possible revenue options and potential service changes
- Focuses only on the City's General Fund
- Allows you to explore different scenarios, weigh real tradeoffs, share your input on what matters most



Balancing Act Feedback Scenarios

Revenues:

- Property tax – parcel tax, Landscape/Lighting Assessment District (LLAD), Community Facilities District (CFD)
- Sales tax – ¼ cent increase
- Utility user tax – 2%, 3%, 4%, or 5%
- Hotel tax – additional 1% or 2%

Expenses:

- No Change to Moderate Impact and Major Impact
- Reduction to Police, Fire, Public Services, Administration and Support, and City Hall operations

Balancing Act – Expense Reduction Scenarios

- Police
 - Reduce or eliminate animal services and participation in County Auto Theft Task Force
 - Reduce Police staffing and eliminate Traffic Team
- Fire
 - Reduce Fire engine staffing on one fire engine
 - Close one fire station

Balancing Act – Expense Reduction Scenarios (cont.)

- Administration and Support
 - Eliminate PBID
 - Eliminate some or all Community funding
 - Reduce administration support
 - Employee furlough and City Hall closure every other Friday, subject to labor negotiations (reduce employee work hours and result in a corresponding reduction in pay for non-public safety staff)

Balancing Act – Expense Reduction Scenarios (cont.)

- Public Services
 - Reduce maintenance in Downtown or close Railroad Park and parking structure
 - Reduce subsidies for Recreation programs
 - Eliminate all Community Services program funding
 - Reduce most park maintenance and overall upkeep
 - Eliminate all playground operations
 - Reduce maintenance for Streets, Storm Drain,

Revenue Strategies – Upcoming Budget

- Determine whether to pursue revenue measure
- Evaluate fee increases (non-tax)
- Implement Economic Development strategies
- Actively seek grant opportunities

Cost Saving Strategies – Upcoming Budget

- Review contractual service agreements for potential changes in scope/cost reductions
- Review supply budgets for opportunities for reductions
- Evaluate cost savings and efficiencies of additional agency partnerships
- Implement new solar project

Cost Saving Strategies – Upcoming Budget (cont'd)

- Continue to strategically freeze vacant positions
- Evaluate compensation and hours of part-time temporary teammates
- Consider and evaluate deferring maintenance and equipment replacements when costs savings may be available
- Continued conservative spending

Next Steps

- Determine timing of potential revenue measure (November 2026 or November 2028)
- Town Hall meetings (March 25 and May 16)
- CIP Meetings:
 - PRC – April 21
 - Planning Commission – April 28
- Release Recommended Budget – May 1
- Budget Presentation – May 6
- Budget Workshop – May 20
- Budget Public Hearing/Adoption – June 2026
- Continue implementation of cost saving measures

Questions?

CITY COUNCIL STAFF REPORT

MEETING DATE: March 4, 2026

PREPARED BY:

Christina Turner, City Manager

APPROVED BY: City Manager

PROVIDE DIRECTION TO STAFF ON PROPOSED FUTURE COUNCIL INITIATED AGENDA ITEM REGARDING BLIGHTED PROPERTIES

RECOMMENDATION(S)

Determine if the majority of the City Council wants the following item agendized at a future meeting for discussion:

- Develop a clear and enforceable “Blight” Policy.

COUNCIL PRIORITIES, GOALS & STRATEGIES

City Council Ongoing Priorities

Supporting our Youth, Seniors, and Entire Community

REPORT NARRATIVE:

Section 4.2 of City Council Policy 97-01 (Attachment 1) allows members of the City Council to request items be added to an upcoming City Council agenda by requesting an item during the “Future Council Initiated Agenda Items” section of the agenda. A City Council report will then be placed on an upcoming agenda for Council discussion and consideration.

On January 28, 2026, Mayor Turner requested the following for Council consideration (Attachment 2): A focused effort to establish a clear, enforceable definition of blight is essential to protecting neighborhood quality and supporting consistent property maintenance across the community. This agenda item proposes developing a comprehensive blight policy that outlines objective standards for upkeep, addresses deteriorated or unsafe conditions, and provides a fair, transparent framework for enforcement for residential, commercial, and industrial properties. By defining expectations for property maintenance, which may also include landscaping, structural integrity, debris removal, and overall appearance, we can enhance community pride and ensure equitable application of regulations. This policy will guide future code compliance efforts and strengthen the long term health and vitality of Morgan Hill’s neighborhoods.

Staff is seeking Council direction on whether to formally agendize this item for discussion. The anticipated level of effort is substantial. While "blight" refers to specific

conditions that are found in the [California Health and Safety Code Section 33031](#), the context of the request implies a broader focus on deteriorated or nuisance properties in addition to blight. Addressing these issues will require coordination among multiple City Departments, including Development Services, Public Services, and Legal teammates.

The Morgan Hill Municipal Code (MHMC) currently has multiple sections that help address run-down or deteriorating properties. It covers items such as graffiti, signs, garbage service, and RV/boat parking. [MHMC Chapter 15.25](#) is the Property Maintenance section. It is based on the 2021 International Property Maintenance Code. This section provides minimum maintenance standards for premises and structures and covers structural integrity, habitation, and sanitation, aimed at protecting public health. It does not address items that some people may consider visually unpleasant.

The City's Code Compliance Division enforces portions of the Municipal Code that relate to blight. The Code Compliance Division consists of 2.0 FTE Code Compliance Officers. The team manages approximately 800 cases a year and has over 100 open cases at any given time. Most of these cases are created based on formal complaints received from the public. Due to this workload, Code Compliance currently only opens cases proactively for violations that may affect life and safety.

COMMUNITY ENGAGEMENT:

This report seeks direction from the City Council on whether or not to further agendaize this topic for Council consideration.

ALTERNATIVE ACTIONS:

Not Applicable

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On January 28, 2026, the Mayor requested this item be brought back for Council consideration.

FISCAL AND RESOURCE IMPACT:

There is no fiscal impact associated with seeking direction from the Council on this item.

CEQA (California Environmental Quality Act):

Not a Project

Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: **RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS, PLACEMENT OF ITEMS ON THE AGENDA, AND MATTERS TO BE RECONSIDERED**

EFFECTIVE DATE: **May 7, 1997**

REVISED DATE: **March 15, 2023, August 23, 2023, June 19, 2024**

ORIGINATING DEPARTMENT: **CITY MANAGER**

SECTION 1 - SCOPE

- 1.1** These rules shall establish the procedures for the conduct of all meetings of the City Council of the City of Morgan Hill. The purpose of these rules is to provide procedures consistent with the Ralph M. Brown Act, establish procedures which will be convenient for the public, be fair to all members of the City Council, and contribute to the orderly conduct of City business.

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution.
- 2.3** Review Status of Agenda at 9:00 p.m.: The City Council may review the agenda at 9:00 p.m. to determine if it will be able to conclude its business by 10:00 p.m. If, at 10:00 p.m., the City Council has not concluded its business, before continuing the meeting it shall review and discuss the status of the remaining agenda items and determine by majority vote whether to continue any remaining items to a future regular or special meeting, adjourn the meeting to another date and time, or extend the meeting beyond 10:00 p.m. as needed. The meeting may be extended beyond 10:00 p.m. one time. Additional extensions of time will be at the Mayor's discretion.
- 2.4** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.5** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an

important closed session item. Closed session items may be continued to the conclusion of the agenda.

- 2.6 Quorum:** Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.7 Adjourned Meetings:** The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

- 3.1 Posting of Notice and Agenda:** For every regular or special meeting, the City Clerk or other authorized person, shall post a notice of the meeting specifying the time and place at which the meeting will be held and an agenda containing a brief description of all items of business to be discussed at the meeting. The notice and agenda may be combined in a single document.
- a. Posting for Regular Meetings:** For any regular meeting of the City Council, the notice and agenda shall be posted no later than seventy-two (72) hours prior to the time set for the meeting consistent with all Brown Act requirements.
 - b. Posting for Special Meetings:** For any special meetings of the City Council, the notice and agenda shall be posted no later than twenty-four (24) hours prior to the time set for the meeting consistent with all Brown Act requirements.
- 3.2 Location of Posting:** The notice and agenda shall be posted on the City's website and in a place to which the public has unrestricted access during at least normal business hours and where the notice and agenda are not likely to be removed or obscured by other posted materials.
- 3.3 Availability of the Agenda to the Public:** The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters:** All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Placement of items on the agenda:** The Mayor, City Manager, or City Attorney may place items on the agenda. Members of the City Council may request items to be added to an upcoming City Council agenda by requesting an item during the "Future Council Initiated Agenda Items" Section of the agenda. When a Future Council Initiated Agenda Item is requested, the Council Member making the request will send the City Manager a brief

summary outlining the request and any relevant background. If the requested item is not included in the current Strategic Priorities Workplan, the team will bring forward the item at a future Council Meeting within 30-45 days of the request via a brief staff report, including the brief summary provided by the requesting Council Member. At that meeting, the City Council will review the request and determine if the majority of the City Council wants the items agendaized at a future meeting for discussion.

- 4.3** Council shall not act or take a position on: Matters outside of the Morgan Hill City Council's subject matter jurisdiction, including foreign or international events. Appropriate subject matter jurisdiction includes agenda items directly related to Morgan Hill business, as well as County/regional items having a direct impact on the City (i.e. countywide emergency services or transportation).
- 4.4** Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
- a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.
- 4.5** Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.
- 4.6** City Council Reports: On an alternating basis, at each Regular City Council meeting, with a time limit of three minutes, a Council Member has the opportunity to share with the Council and community any pertinent updates or information in regard to their appointments to outside agencies, upcoming events, or relevant City business. These are non-action items.
- 4.7** City Manager Report: These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.
- 4.8** City Attorney Report: These are updates on current City activities, reports on issues raised at previous Council meetings, or reportable actions of the City Council in Closed Sessions and/or current litigation. These are non-action items.
- 4.9** Other Reports: These are pertinent updates or information on upcoming activities or events relevant to City business with a time limit of one minute. These are non-action items.
- 4.10** Public Comment for items not on the agenda: This refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.
- 4.11** Consent Calendar: These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the

consent calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the consent calendar. The Mayor shall decide if the items are heard before or after moving on to public hearing and other business items.

4.12 Public Hearings: These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.

4.13 Other Business: These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.

4.14 Future Business: These are items that members of the City Council wish to discuss to potentially take action on or have placed on future agendas.

SECTION 5. ORDER OF BUSINESS

5.1 The order of business at meetings of the City Council shall be as follows:

- a. CALL TO ORDER**
- b. ROLL CALL ATTENDANCE**
- c. DECLARATION OF POSTING AGENDA**
- d. WORKSHOP (if needed; 5:00-6:00 p.m., or as deemed appropriate)**
- e. CLOSED SESSION (if needed; 5:00-6:00 p.m., or as deemed appropriate)**
- f. SILENT INVOCATION**
- g. PLEDGE OF ALLEGIANCE**
- h. PRESENTATIONS**
- i. PROCLAMATIONS**
- j. RECOGNITIONS**
- k. CITY COUNCIL REPORTS**
- l. CITY MANAGER'S REPORT**
- m. CITY ATTORNEY'S REPORT**
- n. OTHER REPORTS**
- o. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**
- p. ADOPTION OF AGENDA**
- q. CONSENT CALENDAR**

- r. PUBLIC HEARINGS
- s. OTHER BUSINESS
- t. FUTURE COUNCIL INITIATED AGENDA ITEMS
- u. CLOSED SESSION
- v. ADJOURNMENT

SECTION 6. PUBLIC COMMENT

- 6.1 Public Comment:** Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but items raised by the public during public comment may be referred to a future City Council agenda at the request of the Mayor or City Council.
- 6.2 Limitations:** The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speaker cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments.

The Mayor or Presiding Officer may allow speakers who wish to speak under public comment for items not on the agenda to concede a portion of their time, specifically, one speaker may concede a portion of their time to one other speaker. For all other business items, the Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group, specifically up to two speakers may concede their time to one speaker, unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins. Additionally, any speaker that concedes their time must be present at that City Council meeting. Speaker who would like to share documents or presentations may do so by submitting said document to the City Clerk by noon on the day of the City Council Meeting. Speaker may not share videos or presentations with videos embedded within them.

- 6.3 Procedure:** To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name, contact information, and the subject(s) upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be called to speak by the City Clerk.

Public comment may be provided in writing for items on the agenda, as well as for items not on the agenda. Public comment in writing may be submitted via email to ccpubliccomment@morganhill.ca.gov or by mail to the City Clerk at 17575 Peak Avenue,

Morgan Hill, CA 95037. Please email your comments to the City Clerk no later than 3:00 p.m. on Tuesday (the day before the City Council meeting) for your comments to be submitted to the members of the City Council with sufficient time to review the comments. You may continue to provide written comments up to noon on Wednesday (the day of the meeting although Council Members may not have sufficient time to review them. Public comments submitted to the City Clerk after noon the day of the meeting will be provided to the City Council as time allows.

Written comments WILL NOT be read aloud during the City Council Meeting. Please note that written comments are posted on the City's website, so do not include any personal information you do not want to be posted on the web.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

- a.** The Presiding Officer of the City Council, who shall be the Mayor or in the Mayor's absence shall be the Mayor Pro Tempore, or in their absence any other designated member of the City Council, shall be responsible for maintaining the order and decorum of meetings. It shall be the duty and responsibility of the Presiding Officer to ensure that the rules of operation and decorum contained herein are observed. The Presiding Officer shall maintain control of communication between Council Members and between the Council, staff, and public.
- b.** Communication with Council Members:
 - 1.** Council Members should request the floor from the Presiding Officer before speaking.
 - 2.** When one member of the Council has the floor and is speaking, other Council Members shall not interrupt or otherwise disturb the speaker.
 - 3.** During both questions, when one Council Member has the floor, they are limited to 5 minutes. During discussion, the Mayor and Council Members as a whole are limited to 15 minutes. The time limit may be extended at the Mayor's discretion.
 - 4.** With the concurrence of the Mayor, a Council Member holding the floor may address a question to another Council Member. The Council Member being questioned may or may not respond while the floor is still held by the Council Member asking the question. The reply shall be limited to the question asked.
- c.** The Mayor or Presiding Officer may declare that an item within the meeting will be conducted in "workshop" format, which means that the procedures described in section 7.1B do not strictly apply. This is to allow for a more open discussion without strict formalities. The Mayor or Presiding Officer may end the workshop format for the item at his/her discretion.
- d.** Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
 2. After a witness or subject matter expert has addressed the City Council during public comment, Council members may only ask questions of witnesses or subject matter experts. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.
 3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
 4. Members of the public shall direct their questions and comments through the Presiding Officer.
- 7.2 Rules of Order:** The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to Rosenberg's Rules of Order (available at <https://www.cacities.org/UploadedFiles/LeagueInternet/77/77d4ee2b-c0bc-4ec2-881b-42ccdbbe73c9.pdf>) as a guide for the conduct of meetings. The guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.
- 7.3 Motions:** The Mayor or any member of the City Council may bring a matter of business on the agenda before the Council by making a motion. Before the matter can be considered or debated it must be seconded. Once the motion has been properly made and seconded, the Presiding Officer shall open the matter for full debate offering the first opportunity to debate to the moving party and, thereafter, to any Council Member recognized by the Mayor or Presiding Officer. Debate shall be closed upon consent of a majority of the Council.
- 7.4 Reconsideration:** Immediately after a vote on a matter, any member of the City Council may request to have his/her vote changed on a matter before the Council moves on to the next item. Such a request will be granted by the Mayor or Presiding Officer unless a majority of the Council objects.

A matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council, however, nothing in this policy precludes the majority of members of the City Council from requesting reconsideration of any item.

- 7.5 Debate:**
- a. The discussions and deliberations at meetings of the City Council are to secure the informed judgement of Council members on proposals submitted for decision. This

purpose is best served by the exchange of thought through discussion and debate.

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

b. Obtaining the Floor for Debate:

As soon as a debatable motion has been stated to the Council by the Mayor or Presiding Officer, any member of the Council has a right to discuss it after obtaining the floor. The member obtains the floor by seeking recognition from the Mayor or Presiding Officer. A member who has been recognized is entitled to be heard so long as he/she observes the rules of debate.

c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

d. Relevancy of Debate:

All discussion must be relevant to the motion before the City Council. A member is given the floor only for the purpose of discussing the pending question; discussion which departs is out of order. The Mayor or Presiding Officer should then direct the speaker to limit discussion to the question before the City Council.

A motion-its nature or consequences-may be attacked vigorously. But it is never permissible to attack the motives, character, or personality of a member either directly or by innuendo or implication. It is the duty of the Mayor or Presiding Officer instantly to stop any member who engages in personal attacks. It is the motion, not its proposer, that is the subject of debate. Meetings must discuss measures and ideas, not people.

Arguments, for or against a measure, should be stated as concisely as possible.

Debate must be fundamentally impersonal. All discussion is addressed to the Mayor or Presiding Officer and must never be directed to any individual.

e. Mayor's Duties During Debate:

The Mayor or Presiding Officer has the responsibility of controlling and expediting debate. A Council member who has been recognized to speak on a question has a right to the undivided attention of the Council.

It is the duty of the Mayor or Presiding Officer to keep the subject clearly before the members, to rule out irrelevant discussion, and to restate the question whenever necessary.

SECTION 8. DECORUM

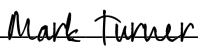
- 8.1 Council Members:** Members of the City Council value and recognize the importance of the trust invested to them by the public to accomplish the business of the City. Council Members shall accord the utmost courtesy to each other, to City employees, and to the public appearing before the City Council.
- 8.2 City Employees:** Members of City staff shall observe the same rules of order and decorum applicable to the City Council. City staff shall act at all times in a business and professional manner towards Council Members and members of the public.
- 8.3 Public:** Members of the public attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council.
- 8.4 Noise in the Chamber:** Noise emanating from the audience within the Council Chamber or lobby area, which disrupts City Council meetings, shall not be permitted.
- 8.5 Sergeant-at-Arms:** The Chief of Police, or his/her designated representative shall be ex-officio Sergeant-at-Arms of the City Council.

SECTION 9. VIOLATIONS OF PROCEDURES

- 9.1** Nothing in these policies and procedures shall invalidate a properly noticed and acted upon action of the City Council in accordance with State Law.

This policy shall remain in effect until modified by the City Council.

APPROVED:

DocuSigned by:

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MARK TURNER, MAYOR

Develop a “Blight” Policy

A focused effort to establish a clear, enforceable definition of blight is essential to protecting neighborhood quality and supporting consistent property maintenance across the community. This agenda item proposes developing a comprehensive blight policy that outlines objective standards for upkeep, addresses deteriorated or unsafe conditions, and provides a fair, transparent framework for enforcement for residential, commercial, and industrial properties. By defining expectations for property maintenance, which may also include landscaping, structural integrity, debris removal, and overall appearance, we can enhance community pride and ensure equitable application of regulations. This policy will guide future code compliance efforts and strengthen the long-term health and vitality of Morgan Hill’s neighborhoods