CITY OF MORGAN HILL

Meeting Minutes
City Council

Steve Tate - Mayor
Rich Constantine - Mayor Pro Tem
Larry Carr - Council Member
Caitlin Jachimowicz - Council Member
Rene Spring - Council Member

Wednesday, September 5, 2018 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

PUBLIC NOTICE

The City Council has adopted a policy that regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority of the City Council.

CALL TO ORDER

Mayor Tate called the meeting to order at 7:00 p.m.

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

Attendee Name	Title	Status	Arrived
Steve Tate	Mayor	Present	
Rich Constantine	Mayor Pro Tem	Present	
Larry Carr	Council Member	Present	
Caitlin Jachimowicz	Council Member	Present	
Rene Spring	Council Member	Present	

DECLARATION OF POSTING AGENDA

Deputy City Clerk Michelle Bigelow declared the posting of the agenda.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member Jachimowicz shared that there were over 300 participants for the 2018 Women's Week events. She thanked the City for its continued support, along with the Chamber of Commerce, the volunteers and organizers, and the wonderful panelists. She mentioned that next week is the League of California Cities Annual Conference in Long Beach and shared that the Brown Act does apply to the Conference which means that a lot of the activities are open to the public. She gave a shout out to the City's Housing Team. They were recently recognized in the League of California Cities' newsletter for the 14 million dollars in tax exempt bonds that were utilized for a 39-unit affordable housing project, The Crossings, on Monterey Road. She concluded by sharing that one of the hardest parts of the Council's job is when they receive information about tragic events within the community and the sorrow and pain that they feel is just a small percentage of what our first responders experience. She thanked all of the first responders in uniform for their work along with everyone behind the scenes; the 911 operators, the dispatchers, the chaplains, the coroners, everyone within the team that has experience with these tragedies. They perform an invaluable service to the community and she extended a thank you for everything they do. She mentioned that Starbucks keeps a gift card behind the register for people that want to load it for first responders as a good way to simply say thank you and give back.

CITY MANAGER'S REPORT

Quarterly Teammate Recognition

New Hires

Jose Garcia Gomez- Recreation Services Coordinator
Ericka Davis - Accounting Assistant II
Mariah Dabel- Community Services Supervisor
Patricia Pretell- Accounting Technician
Kira Sareli- Police Recruit
Samuel (Sam) Huezo- Police Officer
Andrew Martinez- Health & Wellness Director (CRC/YMCA)
Katie Plaza- Health & Wellness Coordinator (CRC/YMCA)

Promotions

Eric Blomquist - Building Official
Daniel Cardwell- Building Inspector Supervisor
Chris Ghione - Public Services Director
John Lang - Economic Development Manager
Nichole Martin- Community Services Supervisor

Retirement

Jerry Neumayer- Police Captain
Pat Heikens- Accounting Technician

TEAMMATE RECOGNITION PRESENTATION

City Manager Christina Turner spoke to the evening's supplements and presentations. She mentioned that this month is National Hispanic Heritage Month and spoke to the events that will take place throughout the month.

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin shared that MWest/Divco has filed a writ of mandate challenging the City's denial of their application for multi-year allotments through our Residential Development Control System (RDCS). We are still discussing our response to the lawsuit, including a potential settlement. The suit raises a number of issues that are relevant to tonight's RDCS discussion. Questions can be answered when we get to that item. Most significantly, as applied to affordable housing projects, which includes the MWest/Divco project, our RDCS ordinance is preempted by some of the recently enacted state housing laws. While the preemption question is clear, what's not written in the state law is how we address that preemption in our RDCS ordinance. Our plan, whether or not there is a settlement with MWest/Divco, is that we would treat affordable housing projects as exempt projects like Downtown projects or agricultural set aside projects which are allowed to move forward independent of and without competing in the RDCS process. We first need to present this option to a court to determine whether that is an appropriate resolution. All we know at this point is that there is a conflict between state law and our RDCS ordinance and we need to resolve that conflict. Under RDCS, Morgan Hill has achieved one of the highest, if not the highest, rates of affordable housing units in the state of California. We are doing all we can to preserve a growth management system that both controls the pace of growth and ensures housing opportunities at all income levels. While local control is really being threatened, at the state level and across the state, we are going to continue to do what we can to preserve the RDCS system which has helped maintain the quality, rate, and affordability of development in Morgan Hill for the last 40 years.

OTHER REPORTS

Mayor Tate shared that the next Coffee with the Mayor will take place at Booksmart on Saturday, September 8th from 10:00 a.m. to 11:30 a.m. with special guest Council Member Caitlin Jachimowicz.

PROCLAMATIONS

Proclaiming the week of September 17-23, 2018 as Constitution Week
Proclaiming the month of September as Childhood Cancer Awareness Month
Proclaiming the month of September as Emergency Preparedness Month

RECOGNITIONS

South Valley Civic Theatre 50th Anniversary

Tropos Technology Donation

ADOPTION OF AGENDA

MOTION:
Adopting the agenda as posted.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Rich Constantine, Mayor Pro Tem
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

PUBLIC COMMENT

The public comment was opened at 7:28 p.m.
Brian Faircloth was called to speak.
There being no further requests to speak, the public comment was closed.

PUBLIC COMMENT SUPPLEMENTAL

CONSENT CALENDAR

MOTION:

Approving consent calendar items 1 through 5 and 7 through 14.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

1. ACCEPT DONATION OF TWO ELECTRIC COMPACT UTILITY VEHICLES FROM TROPOS TECHNOLOGIES

Recommendation:

1. Accept donation of two electric utility vehicles from Tropos Technologies, Inc. valued at approximately $32,000; and
2. Authorize the City Manager to execute and administer all agreements necessary to accept the donation.

2. WATER METERING INFRASTRUCTURE EXPENDITURE REPORT AND CONTINUATION OF SENSUS USA SOLE SOURCE DESIGNATION

Recommendation:

1. Receive report on sole source purchases of water meters, advanced metering infrastructure (AMI) equipment and supporting services; and
2. Reaffirm Sensus USA, Inc.'s designation as the City's sole source provider through the term of the existing agreement between the City and Sensus USA, Inc. (January 21, 2034).

3. APPROVE CITY SUPPORT OF THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE RESOLUTIONS

Recommendation:

1. Authorize the City's voting delegate(s) to vote on the two resolutions to be considered at the League of California Cities (LOCC) annual conference; and
2. Direct staff to participate in advocacy efforts related to the resolutions: 1) Local Municipal Authority, Control, and Revenue and 2) Repeal Preemption of Regulating Pesticides.

4. UPDATE ON DOWNTOWN SPECIAL EVENTS AND STREET CLOSURES

Recommendation:

Receive update on Downtown Special Events and Street Closures.

5. APPROVE STORMWATER BEST MANAGEMENT PRACTICES (BMP) OPERATION AND MAINTENANCE AGREEMENT FOR A NEW OFFICE AND WAREHOUSE BUILDING LOCATED AT 16250 VINEYARD BOULEVARD (APN: 817-05-065)

Recommendation:

1. Approve a Stormwater Best Management Practices (BMP) Operation and Maintenance Agreement for a new office and warehouse building located at 16250 Vineyard Boulevard (APN: 817-05-065); and
2. Authorize the City Manager to execute the Stormwater BMP Operation and Maintenance Agreement pending review and approval by the City Attorney.

6. ITEM PULLED FOR DISCUSSION

7. APPROVE RE-SUBORDINATION OF EXISTING CITY LOAN FOR REHABILITATION OF SYCAMORE GLEN SENIOR AFFORDABLE HOUSING APARTMENTS

Recommendation:

Approve re-subordination of existing $200,000 City loan for rehabilitation of 20-unit Sycamore Glen Senior Affordable Housing Apartment Complex.

8. APPROVE THE JULY 13, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

9. APPROVE THE JULY 18, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

10. APPROVE THE JULY 25, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

11. APPROVE THE JULY 25, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

12. APPROVE THE JULY 27, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

13. APPROVE THE AUGUST 22, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

14. APPROVE THE AUGUST 27, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

ITEM PULLED FOR DISCUSSION

6. APPROVE AGRICULTURAL PROPERTY PURCHASE, EASEMENT, AND RESALE FOR 1469 MAPLE AVENUE

Recommendation:

1. Approve the purchase of the land at 1469 Maple Ave., subject to the City Attorney and City Manager's approval of the appraisal and toxics evaluation, and authorize the City Manager to execute all agreements, documents, and certifications related to the purchase of the property;
2. Adopt resolution amending the FY 2018-2019 Adopted Budget by increasing the appropriation for

land acquisition in the Agricultural Preservation CIP Project (No. 140016) by $400,000;
3. Direct staff to enter into and complete negotiations with a land trust, public agency, or other qualified conservation easement administrator for the administration of an agricultural conservation easement and record an easement on the rear ten acres of the property which prevents any development for nonagricultural purposes on these lands in perpetuity. The City Manager is authorized to execute all agreements, documents, and certifications required to complete the agreement for the easement and its related recordation with Santa Clara County and to make all payments required for the easement so long as they are within the appropriated budget; and
4. Direct staff to take all reasonable measures available, in compliance with State law, to resell the property for the highest return available and return the net proceeds of the sale to the City's Agricultural Preservation and Open Space Fund. The City Manager is authorized to execute all agreements, documents, and certifications necessary to complete the sale.

MOTION:
Approving the recommended actions.

The public comment was opened at 7:37 p.m.
There being no requests to speak, the public comment was closed.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

OTHER BUSINESS

15. CONSIDER JOINING THE SANTA CLARA/SANTA CRUZ COUNTIES AIRPORT/COMMUNITY ROUNDTABLE

Recommendation:

1. Consider adopting a resolution for the City to join the Santa Clara/Santa Cruz Airport/Community Roundtable and appoint a representative and alternate; and
2. Authorize the City Manager to execute all documents necessary for participation in the Roundtable.

City Manager Christina Turner provided the report. Andi Jordan, Executive Director of the Cities Association, answered questions.

The public comment was opened at 7:43 p.m.
There being no requests to speak, the public comment was closed.

MOTION:
Authorizing the Mayor to report back to the Cities Association that Morgan Hill is not interested in participating at this time.

RESULT:	**AUTHORIZED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

16. REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) SUBREGION CONSIDERATION

Recommendation:

1. Consider the Cities Association of Santa Clara County Board of Directors' request of each City Council and the County Board of Supervisors to support the concept of forming a Regional Housing Needs Allocation (RHNA) Sub-Region and forward the city's response to the Cities Association Board of Directors by September 28, 2018; and
2. Adopt resolution of support for the creation of a RHNA Sub-Region.

Assistant City Manager for Community Development Leslie Little provided the report.

Mayor Tate called a recess at 8:07 p.m.
The meeting was reconvened at 8:12 p.m.

The public comment was opened at 8:19 p.m.
There being no requests to speak, the public comment was closed.

MOTION:
Approving the recommended action.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Rich Constantine, Mayor Pro Tem
SECONDER:	Larry Carr, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

PUBLIC HEARING

17. APPROVE AMENDMENTS TO TENTATIVE SUBDIVISION MAP AND PLANNED DEVELOPMENT MASTER PLAN FOR A PROPOSED COMMERCIAL AND RETAIL CENTER LOCATED ON THE EASTERLY SIDE OF BUTTERFIELD BOULEVARD BETWEEN COCHRANE ROAD AND JARVIS DRIVE APN 726-25-035 AND 726-32-021 (COCHRANE ROAD INVESTORS, LLC, OWNERS)

Recommendation:

1. Open and close public hearing;
2. Adopt Subdivision resolution;
3. Waive first and second reading of Zoning Amendment Ordinance; and
4. Introduce Zoning Amendment Ordinance.

Development Services Director Jennifer Carman and contract planner Rick Smeaton provided the report. Rogg Collins and Zach Lauterbach with Evergreen Development presented the proposed project.

The public hearing was opened at 8:41 p.m. The following people were called to speak:
John Horner, representing the Chamber of Commerce
Sharon Luna
There being no further requests to speak, the public hearing was closed.

MOTION:
Adopting the subdivision resolution.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

MOTION:
Waiving the first and second reading of the Zoning Amendment Ordinance.

RESULT:	**WAIVED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

MOTION:
Introducing the Zoning Amendment Ordinance.

RESULT:	**INTRODUCED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

18. APPROVE URBAN SERVICE AREA AMENDMENT USA2018-0001: TENNANT-SOUTH COUNTY CATHOLIC HIGH SCHOOL

Recommendation:

Adopt resolution authorizing the City to apply to the Santa Clara County Local Agency Formation Commission (LAFCO) for an amendment to the City's Urban Service Area (USA) boundary, as proposed in application USA2018-0001: Tennant-South County Catholic High School, to include approximately 64.56 acres located on both sides of Murphy Avenue between Barrett Avenue and Tennant Avenue (APNs: 817-17-001, -025, -026; 817-13-008, -011, and -037).

Interim Principal Planner John Baty provided the report.

The public hearing was opened at 9:38 p.m. The following people were called to speak:
Andy Pashby
Chuck Berghoff
Father Steve Kim
Angelo Grestoni
Julie Hutcheson with the Committee for Green Foothills
John McKay
There being no further requests to speak, the public hearing was closed.

MOTION:
Approving the recommended action, adding that staff review the three parcels that are designed SRL sites with a new zoning that would not allow any type of commercial, residential, or hotel uses and that we include that in the submittal to LAFCO, and directing staff to come back to Council before November 7, 2018.

RESULT:	**ADOPTED [3 TO 2]**
MOVER:	Larry Carr, Council Member
SECONDER:	Caitlin Jachimowicz, Council Member
AYES:	Tate, Carr, Jachimowicz
NAYS:	Constantine, Spring

19. <u>ZA2018-0003: AN ORDINANCE AMENDING THE COMPETITION MANUAL FOR THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDCS) AND ESTABLISHING THE AVAILABLE ALLOTMENTS FOR THE 2018 COMPETITION YEAR</u>

Recommendation:

1. Open/close public hearing;
2. Waive first and second reading of Ordinance amending Section III of the RDCS Competition Manual;
3. Introduce Ordinance amending Section III of the RDCS Competition Manual;
4. Adopt resolution amending Sections I, II and IV of the RDCS Competition Manual; and
5. Adopt resolution establishing 215 Fiscal Year 2020/21 allotments for the 2018 RDCS competition.

Mayor Tate called a recess at 10:27 p.m.
The meeting was reconvened at 10:35 p.m.

Development Services Director Jennifer Carman provided the report.

The public hearing was opened at 10:59 p.m. The following people were called to speak:
Dick Oliver
Vince Burgos
There being no further requests to speak, the public hearing was closed.

<u>MOTION:</u>
Extending the meeting to 12:00 a.m.

RESULT:	**EXTENDED [UNANIMOUS]**
MOVER:	Rich Constantine, Mayor Pro Tem
SECONDER:	Rene Spring, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

<u>MOTION:</u>
Waiving the first and second reading of the ordinance amending Section III of the RDCS Competition Manual to reflect the total of 215 allotments (90 attributed to MWest and 125 FY 2020/21 competition).

RESULT:	**WAIVED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

<u>MOTION:</u>
Introducing the ordinance as amended.

RESULT:	**INTRODUCED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

MOTION:
Adopting resolution amending sections I, II, and IV of the RDCS Competition Manual as amended.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Steve Tate, Mayor
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

MOTION:
Adopting resolution establishing 125 fiscal year 2020/21 allotments (40 ongoing and 85 unassigned) for the 2018 RDCS competition.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

20. CONDUCT HEARING AND CONSIDER ADOPTION OF RESOLUTION OF NECESSITY FOR THE HALE AVENUE EXTENSION PROJECT

Recommendation:

1. Adopt resolution of Necessity determining that the public interest and necessity require the acquisition by eminent domain of real property from Pacific Gas and Electric Company as identified in Exhibits A and B for the Hale Avenue Extension Project;
2. Authorize the City Attorney to file suit in eminent domain with respect to said property; and
3. Approve the expenditure of $869,000 for said properties for deposit into the State Condemnation Deposit Fund.

Associate Engineer David Gittleson provided the report.

The public hearing was opened at 11:28 p.m.
There being no requests to speak, the public comment was closed.

MOTION:
Approving the recommended actions.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Caitlin Jachimowicz, Council Member
SECONDER:	Rich Constantine, Mayor Pro Tem
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

OTHER BUSINESS

21. ADOPT ORDINANCE ESTABLISHING NEWSRACK CONSOLIDATION PROGRAM

Recommendation:

1. Waive the first and second reading of the ordinance; and
2. Introduce the ordinance authorizing the City Manager to create a Newsrack Consolidation Program to regulate the placement, size, and appearance of newsracks located in the public-right-of-way.

Special Project Coordinator Vera Fisher provided the report.

The public comment was opened at 11:37 p.m.
There being no requests to speak, the public comment was closed.

MOTION:
Waiving the first and second reading of the ordinance.

RESULT:	**WAIVED [UNANIMOUS]**
MOVER:	Caitlin Jachimowicz, Council Member
SECONDER:	Larry Carr, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

MOTION:
Introducing the ordinance.

RESULT:	**INTRODUCED [UNANIMOUS]**
MOVER:	Caitlin Jachimowicz, Council Member
SECONDER:	Larry Carr, Council Member
AYES:	Tate, Constantine, Carr, Jachimowicz, Spring

22. PROVIDE DIRECTION REGARDING NON-PROFIT CENTER PURCHASE OPPORTUNITY AND FRIENDLY INN SALE

Recommendation:

1. Direct City staff to incorporate the acquisition of a non-profit center within the negotiations for the redevelopment of the Hale Lumber site; and
2. Provide City staff direction on the future sale of the El Toro Youth Center Building.

Public Services Director Chris Ghione and Associate Planner Tiffany Brown provided the report.

The public comment was opened at 11:50 p.m.
Brian Sullivan was called to speak.
There being no further requests to speak, the public comment was closed.

RESULT:	**NO ACTION TAKEN**

FUTURE COUNCIL INITIATED AGENDA ITEMS

Council Member Constantine asked the City Attorney to bring an ordinance to Council listing all lobbyists registered with the City.

Mayor Tate would like to have a discussion regarding the Saint Louise Hospital bankruptcy proceedings and what the implications are to the City.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:02 a.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk