



Special - Regular Meeting Agenda

City Council

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

Wednesday, October 17, 2018 5:30 p.m.

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

PUBLIC NOTICE

The Public Hearing regarding GPA2018-0001/ZA2018-0001/EA2018-0001: East Dunne - Ross, that was publicly noticed for consideration by the City Council at this meeting has been continued at the request of the applicant to date uncertain.

SPECIAL/REGULAR MEETING

(5:30 P.M. Closed Session/ 6:00 P.M. Workshop/ 7:00 P.M. Regular Meeting)

A special meeting of the City Council is called at 5:30 p.m. for the purpose of conducting a closed session and a Joint City Council/Planning Commission Workshop.

SPECIAL MEETING

5:30 P.M.

CALL TO ORDER

(Mayor Tate)

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

Per Government Code Section 54954.2
(Deputy City Clerk Bigelow)

CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Authority: Government Code 54957(b)(1)

Title: City Manager

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

WORKSHOP

MONTEREY CORRIDOR BLOCK-LEVEL MASTER PLAN JOINT CITY COUNCIL/PLANNING COMMISSION WORKSHOP

Recommendation:

1. Receive a presentation from Lisa Wise Consulting (LWC) and Metrovation Brokerage on the Monterey Corridor Block-Level Master Plan,
2. Discuss and provide feedback on draft frontage standards for future development along the Monterey Corridor, and
3. Discuss and provide feedback on the results and recommendations of the block-level commercial analysis.

REGULAR MEETING

7:00 P.M.

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.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Mayor Pro Tem Constantine

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PROCLAMATIONS

Proclaiming October 20, 2018 as Arbor Day
Anthony Eulo, Program Administrator, Community Services Department

October 17, 2018

RECOGNITIONS

125th Birthday of the Morgan Hill United Methodist Church
Pastor Patrick Davis

PRESENTATIONS

Legislative Update
Assembly Member Anna Caballero

**ANDERSON DAM PRESENTATION-BOARD MEMBER JOHN VARELA, SANTA CLARA
VALLEY WATER DISTRICT**

**YAC PRESENTATION ASSET # 4 - CARING NEIGHBORHOOD, ASSET # 21 ACHIEVEMENT
MOTIVATION, AND ASSET # 31- HEALTHY LIFESTYLE**

PUBLIC COMMENT

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. (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.

Time Estimate for Consent Calendar: 1 - 10 Minutes

1. ACCEPT SUBDIVISION PUBLIC IMPROVEMENTS – LODEN PLACE - TRACT NO. 10197

Recommendation:

1. Accept the Subdivision Public Improvements for Loden Place – Tract No. 10197;
2. Authorize the City Engineer to sign a Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

2. APPROVE IMPROVEMENT AGREEMENT WITH GUNTER LOFTS, LLC

Recommendation:

1. Approve an Improvement Agreement with Gunter Lofts, LLC;
2. Authorize the City Manager to execute the Improvement Agreement;
3. Authorize the City Manager to execute a Stormwater Best-Management-Practices (BMP) Operation and Maintenance Agreement pending review and approval by the City Attorney; and
4. Authorize the recordation of the Improvement Agreement and the Stormwater BMP Operation and Maintenance Agreement.

3. APPROVE FIRST AMENDMENT TO BRIGHTVIEW LANDSCAPE SERVICES, INC. AGREEMENT FOR LANDSCAPE SERVICES

Recommendation:

Approve the first amendment to the maintenance service agreement with Brightview Landscape Services, Inc. for additional services totaling \$1,200, for total contract amount of \$262,752.

4. APPROVE THIRD AMENDMENT TO WEST COAST ARBORIST, INC. AGREEMENT FOR CITYWIDE TREE SERVICES

Recommendation:

Approve the third amendment to the maintenance service agreement with West Coast Arborist, Inc. for additional services totaling \$110,000, for total contract amount of \$865,000.

5. AUTHORIZE CITY MANAGER TO APPROVE CHANGE ORDER FOR 2018 INFLOW AND INFILTRATION PROJECT

Recommendation:

Authorize the City Manager to execute a change order of up to \$170,000 with Pacific Underground Construction, Inc. for the 2018 Inflow and Infiltration Project, for a total project cost of up to \$931,035.

6. ADOPT THE 2018 STORM DRAINAGE SYSTEM MASTER PLAN

Recommendation:

Adopt the 2018 Storm Drainage System Master Plan.

7. ADOPT RESOLUTION ADOPTING THE FINAL RELOCATION IMPACT STATEMENT AND LAST RESORT HOUSING PLAN FOR THE HALE AVENUE EXTENSION PROJECT

Recommendation:

Adopt resolution for the following actions:

1. Adopt the Final Relocation Impact Statement and Last Resort Housing Plan for the Hale Avenue Extension Project; and
2. Authorize expenditure of an amount not to exceed \$98,000 for relocation assistance, from the Traffic Impact Fund (309).

8. ADOPT REVISED RESOLUTION OF NECESSITY REPLACING RESOLUTION 18-071

Recommendation:

Adopt revised 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 for the Hale Avenue Extension Project, and rescinding resolution 18-071.

9. JULY 2018 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

10. ACCEPT RESIGNATION OF PARKS AND RECREATION COMMISSIONER

Recommendation:

1. Accept LaRene Green's resignation from the Parks and Recreation Commission effective immediately; and
2. Direct the City Clerk to continue recruitment efforts to fill an unexpired term ending April 1, 2022, on the Parks and Recreation Commission.

11. AMEND CONFLICT OF INTEREST CODE REPORTING CATEGORIES

Recommendation:

Adopt resolution amending the list of positions subject to the City's Conflict of Interest Code.

12. ADOPT ORDINANCE APPROVING A ZONING AMENDMENT ZA2018-0004 TO AMEND THE ZONING ON HALF OF THE 0.29 ACRE PORTION OF DEPOT STREET LOCATED AT THE END OF DEPOT STREET AND EAST DUNNE AVENUE INTERSECTION, ADJACENT TO 17020 DEPOT STREET (APN 726-13-049)

Recommendation:

Waive the reading, adopt Ordinance No. 2282, 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.

13. ADOPT ORDINANCE AMENDING CHAPTER 5.32 (MASSAGE ESTABLISHMENTS) TO TITLE 5 (BUSINESS LICENSES GENERALLY) TO CLARIFY BUSINESS LICENSE REQUIREMENT AND REVOCATIONS FOR MASSAGE ESTABLISHMENTS AND SERVICES

Recommendation:

Waive the reading, adopt Ordinance No. 2283, 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.

14. ADOPT ORDINANCE AMENDING SECTION 2.08.040 ("POWERS AND DUTIES") OF CHAPTER 2.08 ("CITY MANAGER") OF TITLE 2 ("ADMINISTRATION AND PERSONNEL") OF THE MORGAN HILL MUNICIPAL CODE TO MODIFY THE POWERS AND DUTIES OF THE CITY MANAGER

Recommendation:

Waive the reading, adopt Ordinance No. 2284, 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.

15. ADOPT ORDINANCE AMENDING CHAPTER 3.04 ("PURCHASING") OF TITLE 3 ("REVENUE AND FINANCE") OF THE MORGAN HILL MUNICIPAL CODE TO MODIFY PROVISIONS GOVERNING THE PURCHASE OF GOODS AND SERVICES

Recommendation:

Waive the reading, adopt Ordinance No. 2285, 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.

16. APPROVE THE SEPTEMBER 26, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

17. APPROVE THE OCTOBER 3, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

OTHER BUSINESS

18. ECONOMIC DEVELOPMENT WEBSITE AND MARKETING CAMPAIGN UPDATE

Recommendation:

Receive economic development website and marketing campaign update, and provide feedback.

Estimated Time: 15 Minutes

PUBLIC HEARING

19. APPROVE DA2017-0008, EA2017-0016: LLAGAS - STROLATA - DEVELOPMENT AGREEMENT AND ENVIRONMENTAL ASSESSMENT FOR PROPERTY IDENTIFIED BY ASSESSOR PARCEL NUMBER 773-32-013 LOCATED AT THE NORTHEAST END OF SABINI COURT

Recommendation:

1. Open/close public hearing;
2. Waive first and second reading of the ordinance;
3. Introduce an ordinance approving the Development Agreement; and
4. Authorize the City Manager to execute and administer the Development Agreement.

Estimated Time: 5 Minutes

20. APPROVE DEVELOPMENT AGREEMENT FOR A 389 UNIT APARTMENT PROJECT ON APPROXIMATELY 19.5 ACRES AT JARVIS DRIVE AND MONTEREY ROAD

Recommendation:

1. Open/close the public hearing;
2. Waive first and second reading of Development Agreement Ordinance;
3. Introduce Development Agreement Ordinance; and
4. Authorize the City Manager to execute and administer the Development Agreement.

Estimated Time: 15 Minutes

21. ADOPT HOUSING PROGRAM, ORDINANCE ADDING A NEW CHAPTER 14.08 “IN-LIEU HOUSING FEE” TO TITLE 14 (HOUSING) ESTABLISHING IN-LIEU FEES AND ADDING CHAPTER 14.12 “BELOW MARKET RATE PROGRAM” WHICH INCORPORATES A NEW BELOW MARKET RATE OWNERSHIP PROGRAM PARTICIPATION GUIDE AND A NEW BELOW MARKET RATE OWNERSHIP PROGRAM APPLICATION GUIDE, AND INCORPORATES BELOW MARKET RATE PROGRAM DEVELOPMENT STANDARDS, AND REPEALING CHAPTERS 15.22 “AFFORDABLE HOUSING FEE” AND 15.23 “BELOW MARKET RATE PROGRAM”

Recommendation:

1. Open/Close Public Hearing;
2. Waive the first and second reading of the ordinance; and
3. Introduce ordinance that:
 - A. Adds Chapter 14.08 to institute a Housing in-lieu fee of \$19.70 per square foot for residential development outside of Downtown where there is a 15% Inclusionary Housing Requirement, \$13.20 per square foot for ownership projects in the Downtown where there is a 10% Inclusionary Housing Requirement, \$29.00 per square foot for rental residential development outside of Downtown where there is a 15% Inclusionary Housing Requirement, and \$14.50 per square foot for rental projects in the Downtown where there is a 10% Inclusionary Housing Requirement;
 - B. Adds Chapter 14.12 Below Market Rate Program, incorporating a Below Market Rate Ownership Program Participation Guide and a Below Market Rate Program Application Guide;
 - C. Repeals Chapter 15.22 Affordable Housing Fee and Chapter 15.23 Below Market Rate Program from Title 15, placing both in Title 14; and
 - D. Adds Below Market Rate (BMR) Program Development Standards.

OR

4. Provide feedback on draft ordinance and direct staff to bring a revised ordinance to a future meeting.

Estimated Time: 20 Minutes

OTHER BUSINESS

22. UPDATE ON AGRICULTURAL PRESERVATION STRATEGY AND POTENTIAL RELATED LAND USE CONSIDERATIONS

Recommendation:

1. Accept report on the City's Conservation Strategy; and
2. Provide policy direction to staff.

Estimated Time: 20 Minutes

23. AMEND AGREEMENT WITH MAGICAL BRIDGE FOUNDATION AND RECEIVE PROJECT UPDATE

Recommendation:

1. Receive update on Magical Bridge Morgan Hill Inclusive Playground Project;
2. Authorize the City Manager to execute and administer an amendment to the Consultant Services and Design Agreement with the Magical Bridge Foundation; and
3. Authorize the City Manager to execute and administer a Service Agreement for Design Professionals with the Magical Bridge Foundation.

Estimated Time: 20 Minutes

24. APPROVE UPDATED CONCEPTUAL DESIGN FOR LIBRARY EXPANSION PROJECT

Recommendation:

Approve the updated Conceptual Design for the Library Expansion Project.

Estimated Time: 10 Minutes

25. APPROVE UPDATE TO THE CENTENNIAL RECREATION CENTER EXPANSION PROJECT

Recommendation:

Direct staff to proceed with the completion of the project documents and bidding of the project.

Estimated Time: 10 Minutes

26. APPROVE AN IMPACT FEE FREEZE AGREEMENT WITH EVERGREEN DEVCO, INC. FOR 20.43 ACRES LOCATED ON THE EASTERLY SIDE OF BUTTERFIELD BOULEVARD BETWEEN COCHRANE ROAD AND JARVIS DRIVE IDENTIFIED BY ASSESSOR PARCEL NUMBERS 726-32-021 AND 726-25-035.

Recommendation:

1. Approve an Impact Fee Freeze Agreement with Evergreen Devco, Inc. for the development of a 195,500 square foot retail center located at the corner of Butterfield Boulevard and Cochrane Road; and
2. Authorize the City Manager to execute the Impact Fee Freeze Agreement.

Estimated Time: 15 Minutes

27. APPROVE AN IMPACT FEE FREEZE AGREEMENT WITH BRIDGE GROUP INVESTMENTS FOR INDUSTRIAL DEVELOPMENT ON 7.9 ACRES LOCATED ON JARVIS DRIVE IDENTIFIED BY ASSESSOR PARCEL NUMBER 726-30-013.

Recommendation:

1. Approve an Impact Fee Freeze Agreement with Bridge Group Investments, LLC. for the development of a 503,000 square foot corporate office/warehouse facility located on Jarvis Drive; and
2. Authorize the City Manager to execute the Impact Fee Freeze Agreement.

Estimated Time: 15 Minutes

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 that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Council on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order 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 plan an item on the agenda for a future City Council meeting. Should your comments require Council action, your request may be placed on the next appropriate agenda. 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.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259, (408)779-3117 (fax) or by email cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

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.

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- 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
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

- Agricultural Preservation
- Cannabis Policy
- Community Engagement and Messaging
- Economic Development
- Financial Stewardship
- High Speed Rail
- Homelessness
- Housing
- Infrastructure
- Telecommunications
- Traffic/Transportation

