CITY OF MORGAN HILL

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, December 5, 2018 7:00 pm

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

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)

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

Per Government Code Section 54954.2
(Deputy City Clerk Bigelow)

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member Spring

CITY MANAGER'S REPORT

City Manager Christina Turner

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin

OTHER REPORTS

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. DECLARE SURPLUS OF VEHICLES AND ONE PIECE OF EQUIPMENT FOR AUCTION

Recommendation:

1. Declare nine vehicles and one piece of equipment to be surplus; and
2. Authorize the purchasing officer to dispose of the vehicles and equipment in accordance with Section 3.04.400 of the City of Morgan Hill Municipal Code.

2. ACCEPT MONTEREY ROAD SEWER VAULT COATING AT LLAGAS CREEK PROJECT

Recommendation:

1. Accept as complete, the Monterey Road Sewer Vault Coating at Llagas Creek Project, in the final amount of $203,863;
2. Authorize the City Engineer to sign the attached Notice of Completion; and
3. Direct the City Clerk to file said Notice of Completion with the County Recorder's Office.

3. RESOLUTION APPROPRIATING FUNDS FOR A CUT-THROUGH TRAFFIC STUDY

Recommendation:

Adopt resolution to amend the Fiscal Year 2018-19 budget to appropriate $26,000 from the General Fund to perform a Citywide cut-through traffic study.

4. APPROVE AGREEMENT ACCEPTING LAW ENFORCEMENT TOBACCO GRANT FROM THE COUNTY OF SANTA CLARA

Recommendation:

Adopt resolution authorizing the City Manager to execute an agreement with the County of Santa Clara to accept grant funds as a sub-recipient of the State of California Department of Justice Law Enforcement Tobacco Grant for total amount of $63,731 over two fiscal years and amending the City's FY 2018-19 and FY 2019-20 adopted budget to appropriate expenditure of the grant funding of $31,568 in FY 2018-19 and $32,163 in FY 2019-20, in the General Fund (010).

5. APPROVE HEALTHIER KIDS FOUNDATION FUNDING MOU AND LICENSE AGREEMENT

Recommendation:

Authorize the City Manager to enter into and administer a memorandum of understanding, and a license agreement, with the Healthier Kids Foundation to provide funding in the amount of $20,000 annually and usage of a City facility.

6. APPROVE MEMORANDUM OF UNDERSTANDING FOR SOUTH VALLEY CIVIC THEATER FUNDING

Recommendation:

Authorize the City Manager to enter into and administer a memorandum of understanding with South Valley Civic Theater for the purpose of providing funding of $10,000 annually to support theater programming for low-income participants.

7. APPROVAL OF MEMORANDUM OF UNDERSTANDING (MOU) WITH THE AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES (AFSCME), THE COMMUNITY SERVICE OFFICERS' ASSOCIATION (CSOA), POLICE OFFICERS' ASSOCIATION (POA) AND CORRESPONDING SALARY SCHEDULES AND APPROVAL OF THE MANAGEMENT, PROFESSIONAL, AND CONFIDENTIAL EMPLOYEES RESOLUTION AND PART-TIME TEMPORARY AND SEASONAL EMPLOYEES RESOLUTION AND CORRESPONDING SALARY SCHEDULES

Recommendation:

1. Approve a Memorandum of Understanding (MOU) with AFSCME effective December 30, 2018 – December 31, 2021 and corresponding salary schedules;
2. Approve a MOU with CSOA effective December 30, 2018 - December 31, 2021 and corresponding salary schedules;
3. Approve a MOU with POA effective December 30, 2018 - December 31, 2021 and corresponding salary schedules;
4. Approve the Management, Professional, and Confidential Employees Resolution effective December 30, 2018 and corresponding salary schedules; and
5. Approve the Part-Time Temporary and Seasonal Employees Resolution effective December 30, 2018 and corresponding salary schedule.

8. APPROVE GEOGRAPHIC INFORMATION SYSTEM (GIS) SERVICES CONTRACT WITH GEOGRAPHIC TECHNOLOGIES GROUP

Recommendation:

1. Approve an agreement with Geographic Technologies Group for a not to exceed amount of $59,000, for the GIS Services Project; and
2. Authorize City Manager to execute and administer the said agreement.

9. APPROVE FIRST AMENDMENT TO AGREEMENT WITH MEYERS NAVE FOR LABOR NEGOTIATION SERVICES

Recommendation:

1. Approve First Amendment to Agreement with Meyers Nave for an additional $50,000 to provide labor negotiations services for a total not to exceed amount of $100,000;
2. Authorize the City Manager to execute and administer the amended agreement; and
3. Adopt resolution amending the City's adopted Fiscal Year 2018-19 budget, to appropriate $50,000 from the General Fund (010) for labor negotiations.

10. APPROVE FIRST AMENDMENT TO COMMUNITY CHRISTIAN LEASE AGREEMENT

Recommendation:

1. Approve First Amendment to the Lease Agreement with Community Christian for use of the El Toro Youth Center Building; and
2. Authorize the City Manager to execute and administer the First Amendment to the Lease Agreement.

11. APPROVE IMPACT FEE FREEZE AGREEMENT WITH TBI-MISSION WEST II, LLC FOR THE DEVELOPMENT OF A MANUFACTURING BUILDING IN THE MADRONE BUSINESS PARK, PARCEL IDENTIFIED AS APN 726-35-029

Recommendation:

1. Approve an Impact Fee Freeze Agreement for the development of a 31,100 manufacturing building on 2.4 acres on Madrone Parkway identified by Assessor Parcel Number 726-35-029; and
2. Authorize the City Manager to execute and administer the Impact Fee Freeze Agreement.

12. ADOPT RESOLUTION INITIATING 2019 HAZARDOUS VEGETATION PROGRAM

Recommendation:

Adopt resolution declaring weeds and brush to be a nuisance and setting the hazardous vegetation public hearing on February 6, 2019.

13. APPROVE PURCHASE OF AGRICULTURAL CONSERVATION EASEMENT ON FOUNTAIN OAKS RANCH

Recommendation:

1. Authorize the City Manager to negotiate and execute an agreement with Fountain Oaks Ranch, LLC for the purchase of an agricultural conservation easement for up to $3.0 million on approximately 33 acres of land consisting of the entire historical parcels 155, 168, and 169 on APN 817-21-011 subject to the review and approval of the City Attorney; and
2. Authorize the City Manager to execute all additional forms and agreements relating to the preservation of the agricultural lands including the transfer of the agricultural conservation easement to another agency, land trust, or other qualified entity.

14. RECEIVE AND FILE THE ANNUAL SB 165 REPORT FOR COMMUNITY FACILITIES DISTRICT NO. 2014-1 (FISHER CREEK)

Recommendation:

Receive and file the report.

15. APPROVE FISCAL YEAR 2017-18 RECOMMENDED YEAR END BUDGET AMENDMENTS

Recommendation:

Adopt resolution amending the Fiscal Year 2017-18 adopted budget to appropriate a total of $314,317, in various funds, as detailed in Exhibit A to the resolution.

16. ADOPT RESOLUTION APPROVING AND MAKING FINDINGS RELATED TO THE AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR 2017-18

Recommendation:

Adopt resolution making findings for unexpended development impact fees and accept the annual development impact fee report.

17. ACCEPT COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Recommendation:

Accept the City's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2018.

18. CONTINUE RECRUITMENT EFFORTS TO FILL UP TO TWO VACANCIES ON THE PLANNING COMMISSION

Recommendation:

Direct the City Clerk to continue recruitment efforts to fill up to two unexpired terms ending June 1, 2021, on the Planning Commission.

19. <u>ADOPT ORDINANCE AUTHORIZING THE CITY MANAGER TO APPOINT THE CITY CLERK</u>

Recommendation:

Waive the reading, adopt Ordinance No. 2291, 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.

20. <u>ADOPT ORDINANCE ADDING CHAPTER 5.68 TO TITLE 5 (BUSINESS LICENSES GENERALLY) OF THE MORGAN HILL MUNICIPAL CODE TO PROVIDE UNIFORM REGULATIONS APPLICABLE TO ALL FIREARM DEALERS IN THE CITY</u>

Recommendation:

Waive the reading, adopt Ordinance No. 2292, 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.

21. <u>ADOPT ORDINANCE APPROVING ZONING AMENDMENT ZA 2018-0006 CHANGING THE ZONING DESIGNATION OF AN APPROXIMATELY 16.28-ACRE SITE LOCATED ON THE NORTH SIDE OF HALF ROAD BETWEEN CONDIT ROAD AND MISSION VIEW DRIVE (ASSESSOR PARCEL NUMBERS 728-30-003, -004) FROM R-2 3,500/PD PLANNED DEVELOPMENT DISTRICT TO RAL-3,500 RESIDENTIAL ATTACHED LOW DISTRICT</u>

Recommendation:

Waive the reading, adopt Ordinance No. 2293, 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.

22. <u>APPROVE THE NOVEMBER 28, 2018 MEETING MINUTES</u>

Recommendation:

Approve Minutes.

<u>OTHER BUSINESS</u>

23. <u>EDEN HOUSING - APPROVE ASSIGNMENT, MODIFICATION, EXTENSION, ASSUMPTION, AND RE-SUBORDINATION OF EXISTING CITY LOANS AND GROUND LEASES FOR REHABILITATION OF APARTMENTS; SKEELS, VILLA CIOLINO, WILLOWS APARTMENTS AND DEPOT COMMONS</u>

Recommendation:

1. Authorize City Manager to negotiate and approve assignment, modification, extension, assumption, and re-subordination of existing City loan in the principal amount of $162,331 and accrued interest of approximately $68,339 for rehabilitation of 13-unit Skeels Affordable Housing Apartment Complex subject to the final review and approval of the City Manager;
2. Authorize City Manager to negotiate and approve assignment, modification, extension, and assumption, of ground lease for rehabilitation of housing component of Skeels Affordable Housing Apartment Complex and potential subdivision of commercial space subject to the final review and approval of the City Manager;
3. Authorize City Manager to negotiate and approve assignment, modification, extension, assumption, and re-subordination of existing City loan in the principal amount of $2,375,000 and accrued interest of approximately $1,783,111 for rehabilitation of 42-unit Villa Ciolino Affordable Housing Apartment Complex subject to the final review and approval of the City Manager;
4. Authorize City Manager to negotiate and approve assignment, modification, extension, and assumption, of ground lease for 20-unit Willows Affordable Housing Apartment Complex subject to the final review and approval of the City Manager; and
5. Approve a letter of commitment to support EDEN's efforts to seek new Low Income Housing Tax Credit financing and tax-exempt bonds to support their re-capitalization and rehabilitation of projects.

Estimated Time: 15 Minutes

24. <u>MONTEREY CORRIDOR BLOCK-LEVEL MASTER PLAN ALTERNATIVES FOLLOW-UP</u>

Recommendation:

1. Receive follow-up information on Monterey Corridor Block-Level Master Plan Alternatives and Specific Plan preparation; and
2. Direct staff to proceed with Monterey Corridor Block-Level Master Plan process.

Estimated Time: 30 Minutes

25. <u>SEPTEMBER 2018 FINANCIAL AND INVESTMENT REPORT</u>

Recommendation:

Accept and file report.

Estimated Time: 5 Minutes

26. <u>ADOPT AN ANNUAL REGULATORY FEE FOR MASSAGE ESTABLISHMENTS WITHIN THE CITY</u>

Recommendation:

Adopt resolution establishing an Annual Regulatory Fee for Massage Establishments.

Estimated Time: 5 Minutes

<u>PUBLIC HEARING</u>

27. **ADOPT RESOLUTION OF NECESSITY FOR THE ACQUISITION OF REAL PROPERTY CONSISTING OF A PORTION OF APN NO. 767-03-936 FOR 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 Faridey Betpolice 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 $300,500 for said properties for deposit into the State Condemnation Deposit Fund.

Estimated Time: 10 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 michelle.wilson@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 michelle.wilson@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

Morgan Hill is a safe, inclusive, socially responsible, environmentally conscious, and economically sound community.

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 Cultural Heritage · Enhancing Diversity and Inclusiveness

2018 STRATEGIC PRIORITIES

Community Engagement and Messaging

Economic Development and Telecommunications

Financial Stewardship

Infrastructure

Regional Initiatives

2018 STRATEGIC PRIORITIES:

Community Engagement and Messaging

The City of Morgan Hill will tell our story through outreach and by working closely with our community in presenting our vision, priorities, and financial needs, and by engaging citizens and business owners to find affordable and sustainable solutions. The City's communications, services, public spaces, and projects will embrace all community members as partners, encouraging public participation.

Economic Development and Telecommunications

The Economic Blueprint will continue to be implemented, with a primary goal of attracting jobs and investment into our community. The City will collaborate with the private sector to explore ways to provide fast, reliable access and wireless connectivity for residents and businesses. The 2016 Telecommunications Infrastructure and Economic Blueprint reports will be the foundation for continuing discussions with broadband providers, public utilities, and other infrastructure service providers in developing an implementation plan for growing our telecommunications infrastructure with private sector partnerships. The plan will be used to signal Morgan Hill's support for business expansion.

Financial Stewardship

We will be financial stewards of the City's assets to ensure long-term fiscal sustainability. New revenue sources, including a possible tax measure, will be considered to fund increasing costs to deliver services and complete infrastructure projects. The City will closely manage its expenditures to maintain its general fund reserve. The labor contracts will be negotiated using the City's adopted Employee Compensation Guiding Principles.

Infrastructure

The City will review its streets, parks, and public facilities infrastructure needs to quantify the funding gap. We will identify potential funding options as ongoing revenue is insufficient to fund our vital community assets at a sustainable level without significantly impacting existing service levels that our community has come to expect. Morgan Hill will actively work with the Valley Transportation Agency, the County, and the State to secure funding for transportation projects and road maintenance. For High Speed Rail, we will strongly advocate for the route with the least impact on Morgan Hill.

Regional Initiatives

City Council and staff will focus on influencing regional decisions that benefit Morgan Hill. A regional approach will be employed to address many priorities, including but not limited to, homelessness, animal services, teen suicide, High Speed Rail, and land use (Catholic High School, Outdoor Sports Center, agricultural preservation, and city limits). This regional involvement will include partnering with the League of California Cities, Valley Transportation Authority, Caltrain, Santa Clara Valley Water District, Cities Association of Santa Clara County, the City of Gilroy, Santa Clara County, Morgan Hill Unified School District, the Local Agency Formation Commission, the Open Space Authority, and Silicon Valley Clean Energy to advance projects that further Sustainable Morgan Hill.