



CITY OF MORGAN HILL

Regular Meeting Agenda

City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, February 6, 2019 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 Constantine)

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

PROCLAMATIONS

Proclaiming the week of February 3rd through 9th as Future Business Leaders of America Week
Karrine Leong and Gillian McCaw

RECOGNITIONS

Recognition for Downtown Flower Box Coordinators
Irene Mort and Susan Houghton

Recognition for Supreme Donations for the Downtown Flower Boxes
Dave Vincent, Cal Color Growers

PRESENTATIONS

Morgan Hill Aquatic Foundation \$3K scholarship donation
Tim Thornton

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 NOVEMBER 2018 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

2. ACCEPT FOURTH STREET & MONTEREY ROAD SIGNALIZATION PROJECT

Recommendation:

1. Accept the Fourth Street & Monterey Road Signalization Project, in the final amount of \$293,582;
2. Authorize the City Engineer to sign the attached Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

**3. ADOPT ORDINANCE 2295 AMENDING THE MADRONE VILLAGE SHOPPING CENTER
PRECISE DEVELOPMENT MASTER PLAN TO ALLOW HOTEL DEVELOPMENT**

Recommendation:

Waive the reading, adopt Ordinance No. 2295, 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.

**4. ADOPT ORDINANCE 2296 ESTABLISHING PROCESS FOR CONTINUITY OF
GOVERNMENT IN THE EVENT OF A DISASTER**

Recommendation:

Waive the reading, adopt Ordinance No. 2296, 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.

**5. ADOPT RESOLUTION OF INTENT TO HOLD SPECIAL BALLOT PROCEEDING FOR
PARSONS CORNER SUBAREA OF MORGAN HILL LANDSCAPE ASSESSMENT
DISTRICT NUMBER 1**

Recommendation:

1. Adopt resolution of intent authorizing a special ballot proceeding to detach the Parsons Corner Subarea from the Morgan Hill Landscape Assessment District Number 1 (District); and
2. Approve and authorize the City Manager to execute a Maintenance Agreement with the Parson's Corner Homeowners Association, subject to successful detachment of the Parsons Corner Subarea from the Morgan Hill Landscape Assessment District Number 1 (District).

6. CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Recommendation:

1. Review and approve the City Council Appointments to Outside Agencies as necessary; and
2. Direct the City Clerk to notify the appropriate agencies of the updated assignments and update the Form 806 as necessary.

7. APPROVE THE JANUARY 23, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

8. APPROVE THE JANUARY 25, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

9. APPROVE THE JANUARY 26, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

PUBLIC HEARING

10. ADOPT GENERAL PLAN AMENDMENT TO CHANGE THE GENERAL PLAN LAND USE DESIGNATION ON AN 8.34 ACRE SITE LOCATED NORTH OF EAST DUNNE AVENUE AND SADDLEBACK DRIVE (APN NO. 728-02-002) FROM RESIDENTIAL ESTATE TO RESIDENTIAL DETACHED LOW AND ADOPT ZONING AMENDMENT ORDINANCE TO CHANGE THE ZONING CLASSIFICATION FOR THE PARCEL FROM RESIDENTIAL ESTATE ONE-ACRE TO RESIDENTIAL DETACHED LOW DENSITY (RDL-20,000)

Recommendation:

1. Open and close public hearing;
2. Adopt resolution approving the General Plan Amendment and approving a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for the project;
3. Waive first and second reading of Zoning Amendment Ordinance; and
4. Introduce Zoning Amendment Ordinance.

Estimated Time: 30 Minutes

11. ADOPT ZONING AMENDMENT FOR APPROXIMATELY 8.55 ACRES OF PROPERTY LOCATED ON THE NORTHEAST CORNER OF MONTEREY ROAD AND BURNETT AVENUE (APN NO. 725-01-018, -032, AND -033) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX/PLANNED DEVELOPMENT (PD) COMBINING DISTRICT TO ESTABLISH A BLOCK-LEVEL MASTER PLAN (BLMP) FOR MONTEREY ROAD CORRIDOR BLOCK ONE.

Recommendation:

1. Open/close public hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0001: Monterey Corridor Block One; and
3. Introduce Zoning Amendment ZA2019-0001: Monterey Corridor Block One

Estimated Time: 30 Minutes

12. ADOPT ZONING AMENDMENT FOR APPROXIMATELY 7.58 ACRES OF PROPERTY LOCATED ON THE EAST SIDE OF MONTEREY ROAD OPPOSITE OLD MONTEREY ROAD (APN NOS. 726-25-006 AND -005) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX/PLANNED DEVELOPMENT (PD) COMBINING DISTRICT TO ESTABLISH A BLOCK-LEVEL MASTER PLAN (BLMP) FOR MONTEREY ROAD CORRIDOR BLOCK FOUR

Recommendation:

1. Open/close public hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0002: Monterey Corridor Block Four; and
3. Introduce Zoning Amendment ZA2019-0002: Monterey Corridor Block Four

Estimated Time: 30 Minutes

13. ADOPT RESOLUTION AUTHORIZING THE COUNTY TO COMMENCE 2019 HAZARDOUS VEGETATION ABATEMENT PROGRAM

Recommendation:

1. Open/Close public hearing;
2. Adopt Resolution A authorizing Santa Clara County to commence hazardous vegetation abatement activities on the attached list; and
3. Adopt Resolution B authorizing Santa Clara County to commence hazardous vegetation abatement activities for the remaining parcel.

Estimated Time: 5 Minutes

OTHER BUSINESS

14. RECEIVE CAPITAL IMPROVEMENT PROJECT UPDATE

Recommendation:

Receive an update on City Capital Improvement Projects.

Estimated Time: 20 Minutes

15. PROVIDE DIRECTION REGARDING THE ADOPTION OF A LOBBYIST REGISTRATION ORDINANCE

Recommendation:

Direct the City Attorney to prepare an ordinance requiring registration of paid lobbyists.

Estimated Time: 5 Minutes

16. UPDATES TO SUSTAINABLE MORGAN HILL AND ONGOING PRIORITIES AND ESTABLISHMENT OF 2019-2020 STRATEGIC PRIORITIES

Recommendation:

Adopt updates to Sustainable Morgan Hill and ongoing priorities and establish the City Council's 2019-2020 Strategic Priorities.

Estimated Time: 10 Minutes

17. ACCEPT REPORT REGARDING WASTEWATER SYSTEM NEEDS AND RATE STUDY SCHEDULE

Recommendation:

Receive an update on wastewater system needs and schedule for the upcoming rate study.

Estimated Time: 15 Minutes

18. PROVIDE DIRECTION ON SPORTS FACILITY DEVELOPMENT PROCESS

Recommendation:

Provide staff direction on development of sports facilities on City owned properties.

Estimated Time: 25 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.

CLOSED SESSION

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

Conference with Legal Counsel - Existing Litigation

Authority:	Pursuant to CA Govt. Code Section 54656.9(a).
Case Name:	Neumayer v. City of Morgan Hill and Innovative Claim Solutions, Inc.
Case Numbers:	Workers' Compensation Claim No: MHL1400004, WCAB No: ADJ10003677; ADJ10804856

Conference with Legal Counsel - Existing Litigation

Authority:	Pursuant to CA Govt. Code Section 54656.9(a).
Case Name:	Munoz v. City of Morgan Hill
Case Numbers:	Workers' Compensation Claim No: MHL1800013, WCAB No: n/a

RECONVENE

CLOSED SESSION ANNOUNCEMENT

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.



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Dat Nguyen, Finance Director
APPROVED BY: City Manager

ACCEPT NOVEMBER 2018 FINANCIAL AND INVESTMENT REPORT

RECOMMENDATION(S)

Accept and file report.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility
Preserving and Cultivating Public Trust

2018 Strategic Priorities

Financial Stewardship

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, attached are the Financial and Investment Reports for the month ended November 30, 2018. The Revenue and Expense Summary for the month of November is included on the first page. Overall, General Fund revenues through November totaled \$13.2 million or 33% of the budget. Expenditures, including encumbrances, amounted to \$19.3 million through November. The encumbrances represent commitments or contractual obligations that the City entered with vendors or suppliers such as Cal-West Lighting and Signal Maintenance for the maintenance of the City's streetlights and traffic signals, and the partnership agreement with the YMCA of Silicon Valley for the management and operation of the Community Recreation Center. The services from these vendors are expected to be utilized by the City and paid throughout the fiscal year.

COMMUNITY ENGAGEMENT: Inform

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

ALTERNATIVE ACTIONS:

No alternative action is recommended, as this is a monthly financial report on City transactions which have already occurred.

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.

This report is not a project, as defined in Section 15378 of the State CEQA Guidelines. Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

LINKS/ATTACHMENTS:

1. November 2018 Financial Statement Analysis
2. November 2018 Financial and Investment Report

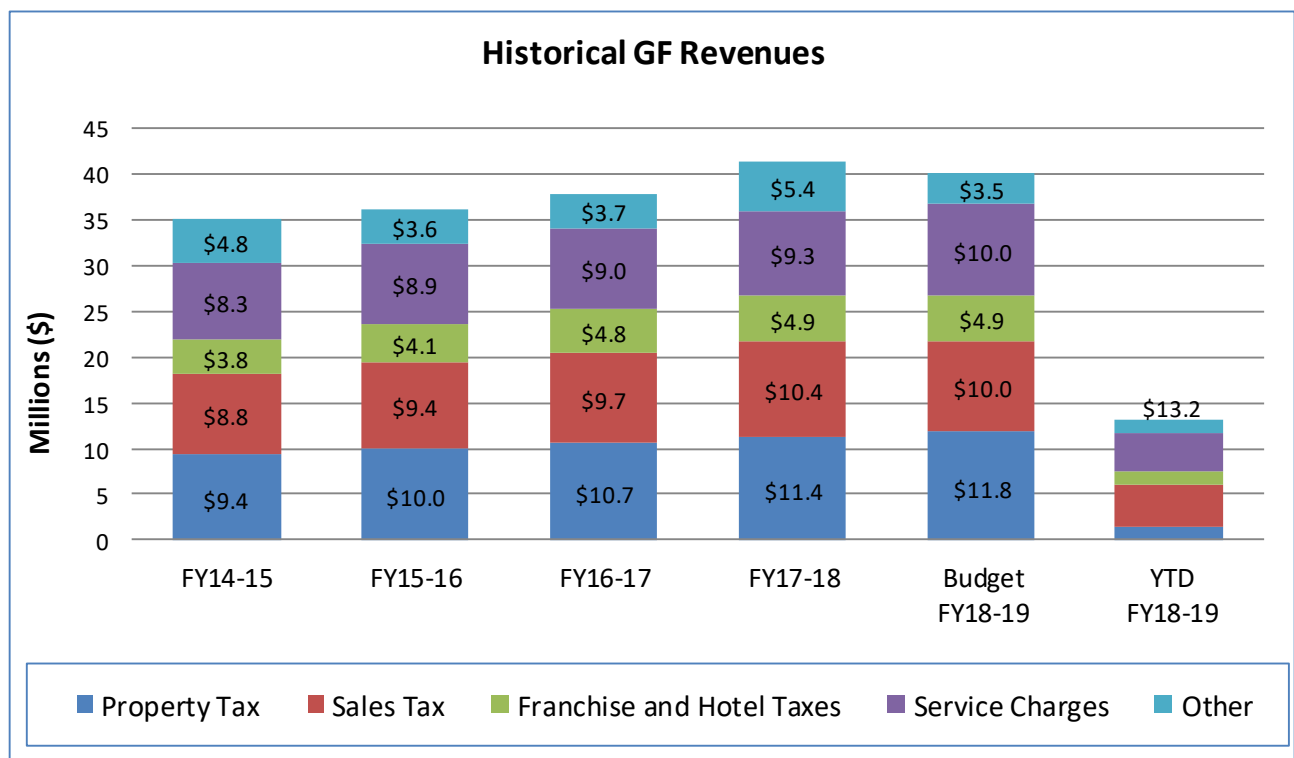


CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2018-19
FOR THE MONTH ENDED NOVEMBER 2018 – 42% OF YEAR COMPLETE

- **General Fund** – Revenues through the month of November totaled \$13.2 million, or 33% of the budgeted revenues as some of the major revenue categories such as property tax are received later in the fiscal year. With respect to the property tax revenue forecast, the most recent County’s estimate projected Morgan Hill property tax revenue, excluding the property transfer tax, at \$12.5 million for the fiscal year 2018-19, which is approximately \$700,000 more than the adopted budget partially attributable to the higher excess Educational Revenue Augmentation Fund (ERAF) distribution of \$821,000 versus \$495,000 budgeted. Excess ERAF is the money that is returned to the cities, counties, and special districts after schools reach their state-mandated thresholds. Property tax is the largest source of Morgan Hill's General Fund revenue. However, it accounts for only 29% of the approximately \$40.2 million General Fund revenue. Although property tax tends to be a more predictable revenue source, other major revenue categories such as sales tax and transient occupancy tax, which account for a large portion of the City's General Fund revenue, are more volatile and tend to fluctuate more with swings in the economy.

The small category of business licenses was already at 94% of the budgeted amount as annual business license renewal payments are usually received in the first few months of the fiscal year.

The chart below shows historical General Fund revenues by major revenue category from FY14-15 through FY17-18 Actual, FY18-19 Budget, and YTD as of November 30, 2018.

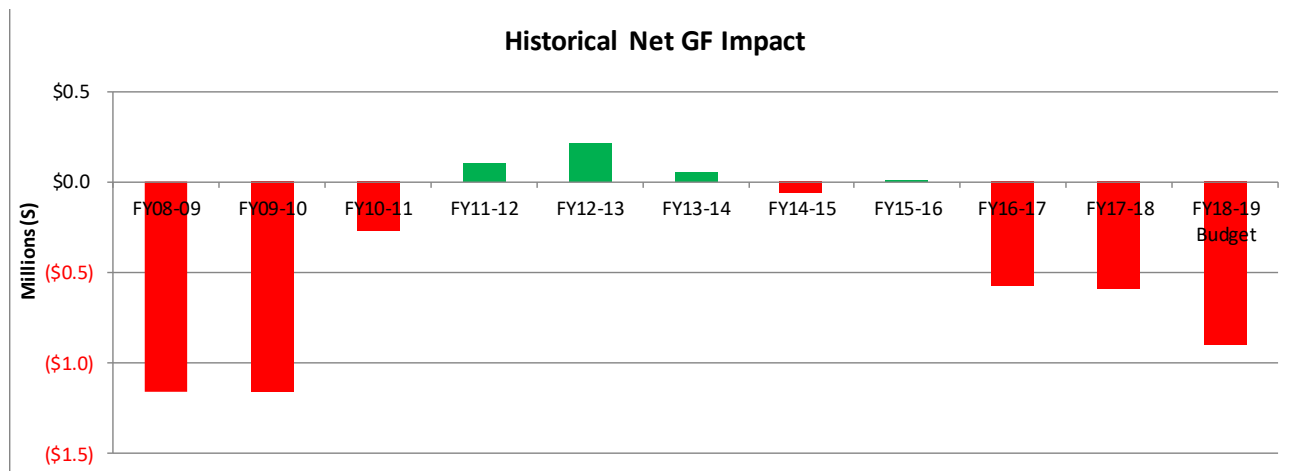


General Fund expenditures and encumbrances as of November 30, 2018 totaled \$19.3 million, of which approximately \$3.3 million is attributable to outstanding encumbrances.



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2018-19
FOR THE MONTH ENDED NOVEMBER 2018 – 42% OF YEAR COMPLETE

- **Community Services** - The Community Services Department's recreation operations, as reflected in the schedule presented on page 4 of the Monthly Financial and Investments Reports, shows a negative impact to the General Fund of approximately \$1.3 million through the month of November. Without the carry-over encumbrances, the year to date operations through the month of October resulted in a small net benefit to the general fund of approximately \$200,000. Any net impact from the recreation operations increases (decreases) reserves in 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 Community Development, 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 Federal government's 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 represent best practice for non-grant funded City operations like utilities and information services.

- **Development Services Fund** – Revenues through November totaled \$2.2 million, an increase of 10% or approximately \$198,000 more than a year ago at this time partially due to the fee increases that went into effect January 1st of this year. Expenditures, including encumbrances, totaled \$3.4 million. Without the outstanding encumbrances, however, expenditures through the month of November amounted to \$2.2 million. The fund is budgeted to end the fiscal year with an operating deficit of approximately \$1.4 million. This is primarily due to the timing of fee increases, services or new projects unsupported by fees, such as front counter services, responding to public inquiries, tree removal permits, use permits for non-profits or special projects, and continued implementation of Measure S. In addition, fees are based on average time for processing, the more complicated the case, the more time is spent assisting the applicant in the application process. This extra time is not incorporated into the cost recovery model. There is available fund reserve to support the fund's operating deficits in the two-year window, however, a General Fund support may be required in future years due to the aforementioned reasons.
- **Debt Service Funds** – Expenditures through the month of November totaled \$515,000. The debt service for the first half of the year includes both interest and principal, while the second half of the year will include interest only. Debt service payments were all scheduled when the bonds were issued,



CITY OF MORGAN HILL, CALIFORNIA
FINANCIAL STATEMENT ANALYSIS - FISCAL YEAR 2018-19
FOR THE MONTH ENDED NOVEMBER 2018 – 42% OF YEAR COMPLETE

and are budgeted for in the months delineated 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.

- **Wastewater Operations** – Revenues from Sewer Operations through the month of November totaled \$4.5 million. Expenditures and outstanding encumbrances totaled \$4.3 million or 38% of the budget. The table below shows historical Sewer Operations revenues and expenditures from FY14-15 through FY17-18 Actual, FY18-19 Budget, and YTD as of November 30, 2018.

(amount in millions)	FY14-15	FY15-16	FY16-17	FY17-18	Budget FY18-19	YTD FY18-19
Revenues	10.3	10.2	9.7	10.3	10.7	4.5
Expenditures	8.8	12.0	9.8	10.8	11.3	4.3
Operating Margin	1.5	(1.8)	(0.1)	(0.5)	(0.6)	0.2
Operating Margin without Encumbrances	1.5	(1.8)	(0.0)	(0.3)	(0.6)	0.4

- **Water Operations** – Water Operations includes Utility Billing, Water Conservation, and Water Operations. Revenues from Water Operations through the month of November totaled \$6.9 million, approximately 11% more than a year ago partially due to rate adjustment. Water Operations expenditures, including outstanding encumbrances, totaled \$5.9 million for the year. Without the encumbrances, however, the expenditures amounted to \$4.9 million. The table below shows Water Operations revenues and expenditures from FY14-15 through FY17-18 Actual, FY18-19 Budget, and YTD as of November 30, 2018.

(amount in millions)	FY14-15	FY15-16	FY16-17	FY17-18	Budget FY18-19	YTD FY18-19
Revenues	8.8	8.5	10.9	13.0	13.8	6.9
Expenditures	9.3	9.7	11.2	12.1	13.5	5.9
Operating Margin	(0.5)	(1.2)	(0.3)	0.9	0.3	1.0
Operating Margin without Encumbrances	(0.5)	(1.2)	(0.1)	1.4	0.3	2.0

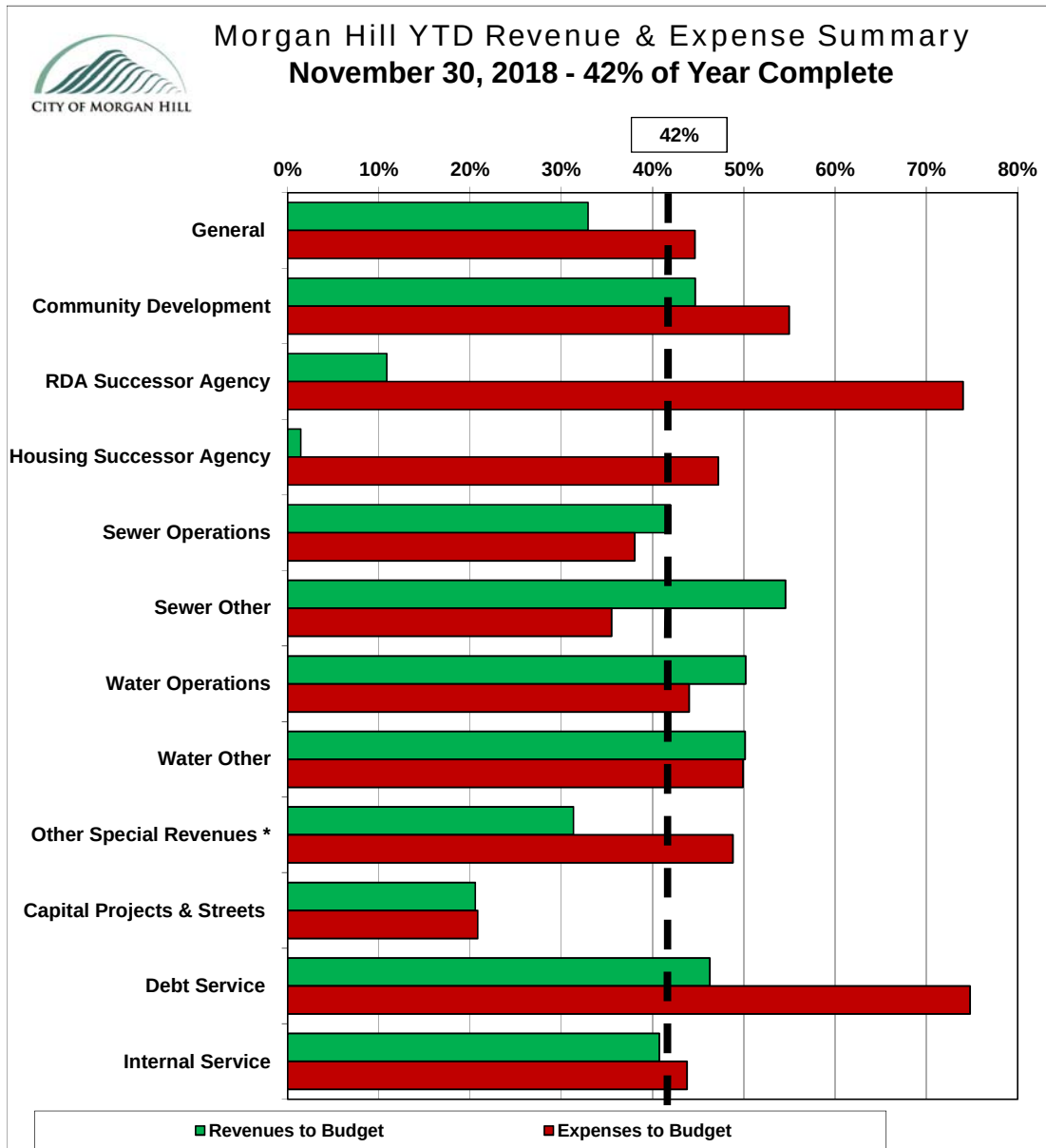
- **Investments** – One purchase was made, and one security was called during the month of November 2018. Total interest earnings received on investments were \$152,000 during the month.

CITY OF MORGAN HILL
Monthly Financial and Investment Reports
November 30, 2018 - 42% of Year Complete



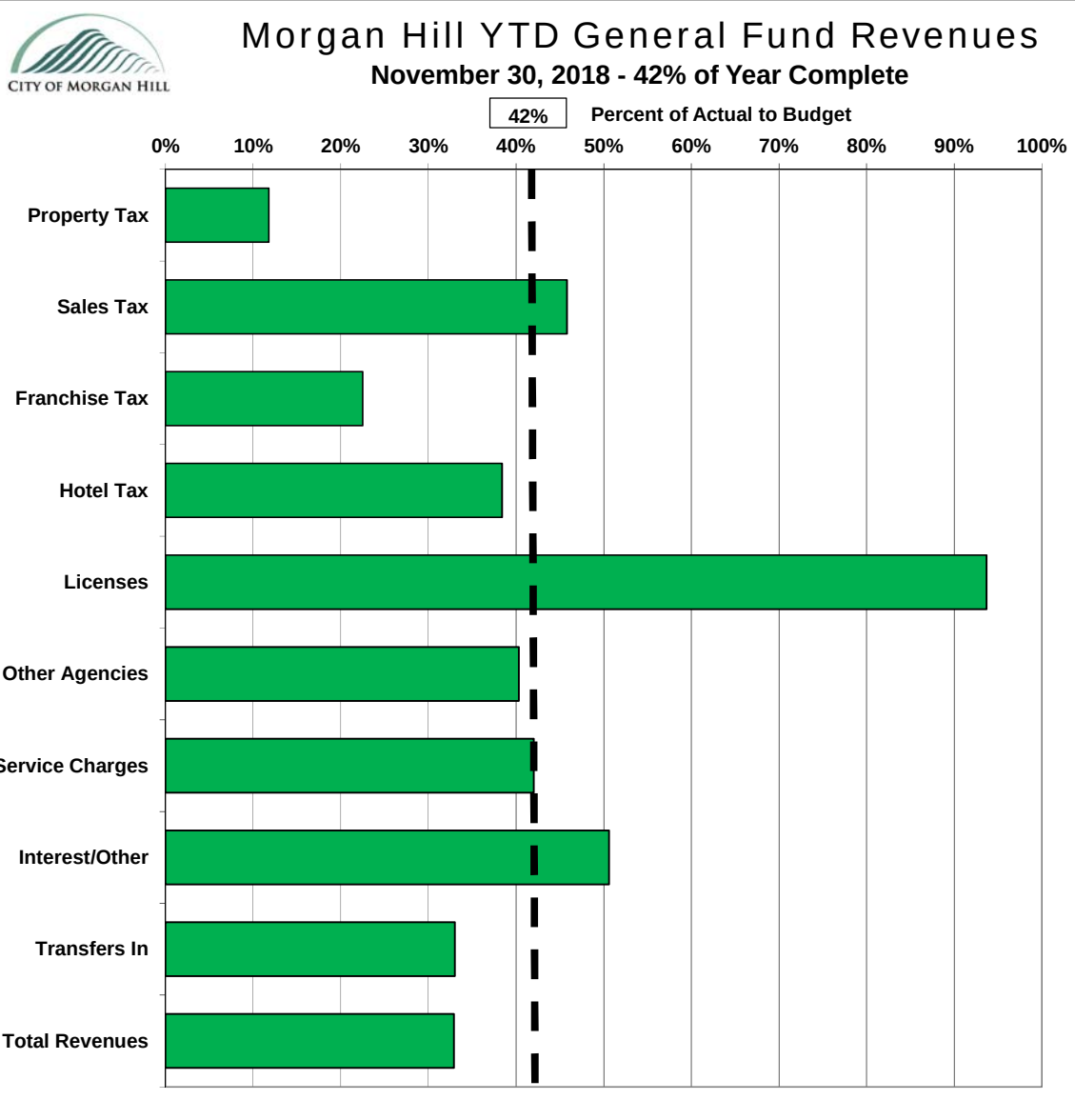
CITY OF MORGAN HILL

Prepared by:
FINANCE DEPARTMENT

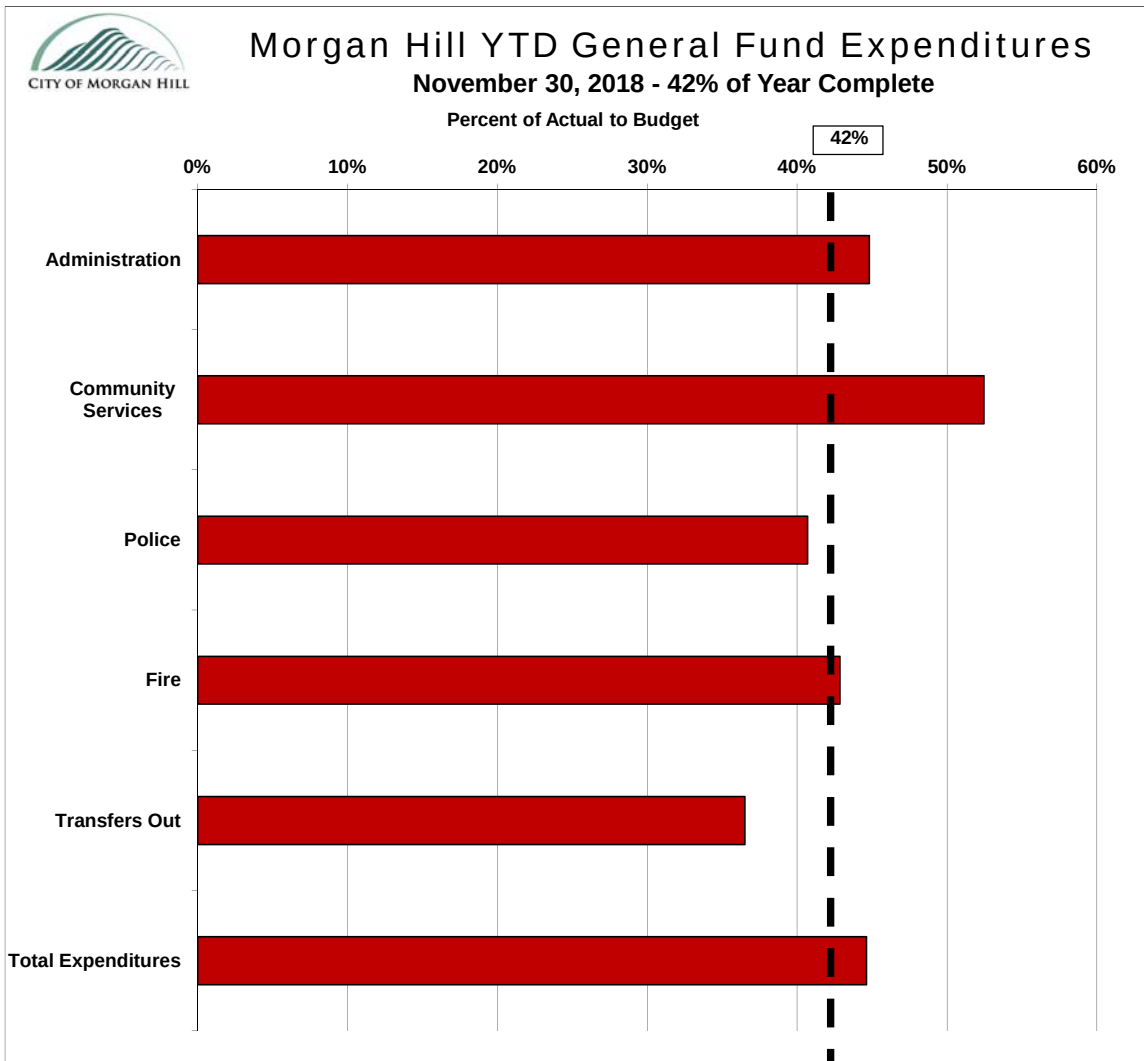


FUND NAME	REVENUES		EXPENSES	
	ACTUAL	% OF BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET
General	\$ 13,236,801	33%	\$ 19,293,533	45%
Community Development	2,179,507	45%	3,430,676	55%
RDA Successor Agency	864,950	11%	5,910,288	74%
Housing Successor Agency	34,625	1%	1,736,359	47%
Sewer Operations	4,505,964	42%	4,302,405	38%
Sewer Other	4,237,848	55%	5,481,186	35%
Water Operations	6,902,537	50%	5,922,376	44%
Water Other	1,888,435	50%	2,948,407	50%
Other Special Revenues *	1,292,227	31%	2,683,684	49%
Capital Projects & Streets	8,141,983	21%	11,507,307	21%
Debt Service	312,109	46%	515,264	75%
Internal Service	4,807,820	41%	5,017,294	44%
TOTAL FOR ALL FUNDS	\$ 48,404,807	33%	\$ 68,748,778	38%

* Includes all Special Revenue Funds except Community Development, Street Funds, and RDA and Housing Successor Agencies.



REVENUE CATEGORY	BUDGET	ACTUAL	% OF BUDGET	PRIOR YEAR TO DATE	% CHANGE FROM PRIOR YEAR
Property Tax	\$11,813,532	\$ 1,394,543	12%	\$ 1,065,285	31%
Sales Tax	9,981,124	4,574,876	46%	4,271,405	7%
Franchise Tax	2,164,190	487,140	23%	445,125	9%
Hotel Tax	2,754,000	1,057,041	38%	1,015,310	4%
Licenses	200,800	188,204	94%	177,942	6%
Other Agencies	314,398	126,618	40%	126,383	0%
Service Charges	9,993,089	4,194,677	42%	3,834,037	9%
Interest/Other	1,330,787	673,618	51%	2,212,323	-70%
Transfers In	1,637,720	540,085	33%	469,855	15%
TOTAL REVENUES	\$40,189,640	\$13,236,801	33%	\$ 13,617,665	-3%



EXPENDITURE CATEGORY	BUDGET	ACTUAL PLUS ENCUMBRANCES	% OF BUDGET	PRIOR YTD PLUS ENCUMBRANCES	% CHANGE FROM PRIOR YEAR
Administration	\$ 4,993,269	\$ 2,238,220	45%	\$ 2,988,692	-25%
Community Services	12,195,638	6,398,522	52%	5,875,017	9%
Police	17,301,708	7,040,734	41%	6,512,749	8%
Fire	6,666,707	2,857,292	43%	2,524,563	13%
Transfers Out	2,077,498	758,765	37%	893,805	-15%
TOTAL EXPENDITURES	\$ 43,234,819	\$ 19,293,533	45%	\$ 18,794,825	3%

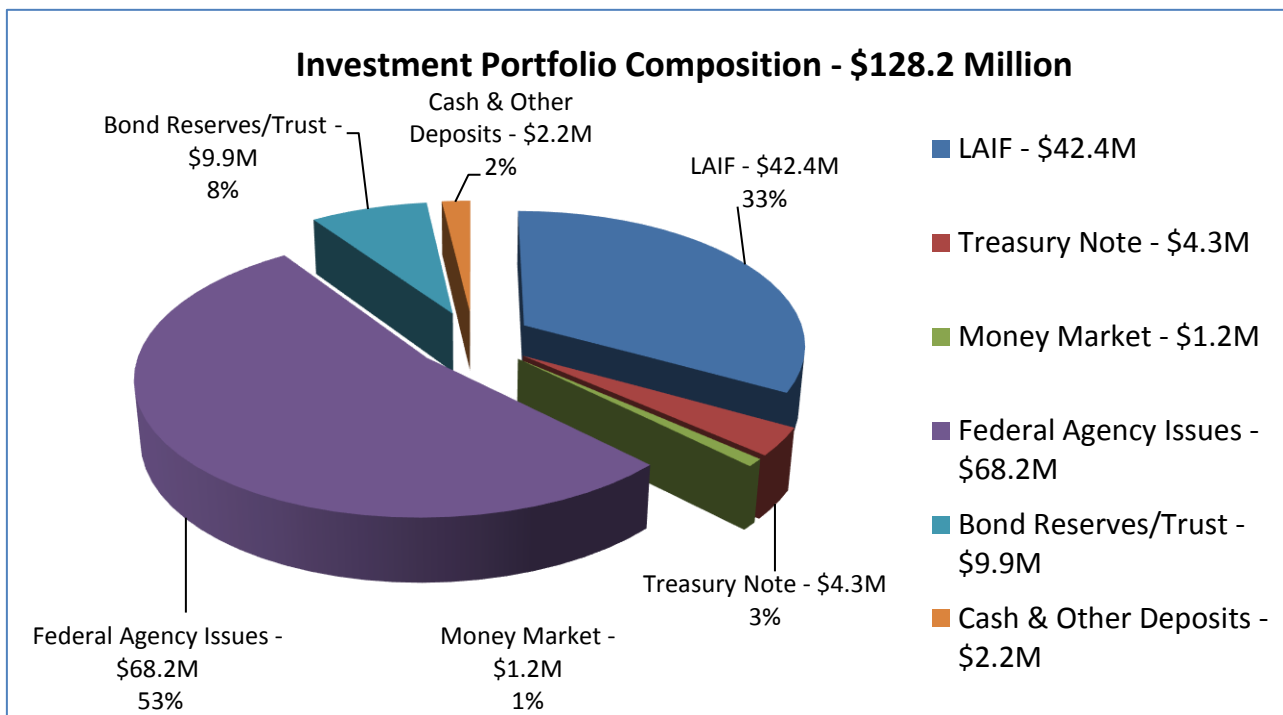


**City of Morgan Hill
Recreation Report - Fiscal Year 2018-19
For the Month and Five Months Ended November 30, 2018
42% of Year Complete**

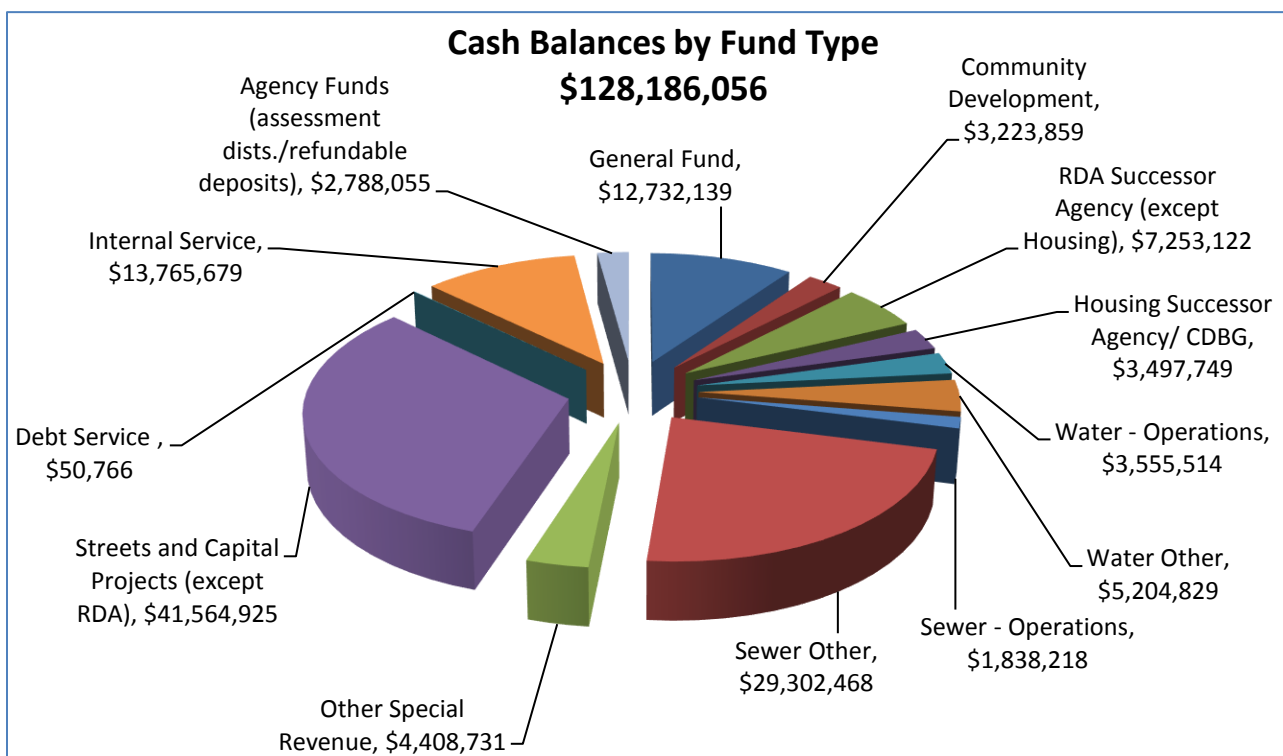
	<u>Budget</u>	<u>November 2018</u>	<u>YTD</u>	<u>% of Budget</u>
Revenues				
Membership Services & Rec Programs	\$ 6,241,196	\$ 480,197	\$ 2,789,811	
Facility Rentals	898,700	57,881	418,557	
Community Services	147,840	7,188	27,341	
Transfers in	75,000	6,250	31,250	
Total Revenues	\$ 7,362,736	\$ 551,515	\$ 3,266,958	44%
Less: Expenditures				
Membership & Program Services	\$ 6,255,009	\$ 336,989	\$ 2,312,390	
Facility Rentals	1,355,732	109,578	544,302	
Community Services	653,307	35,589	211,219	
Total Expenditures	\$ 8,264,049	\$ 482,154	\$ 3,067,910	37%
Net Impact without encumbrances	\$ (901,313)	\$ 69,361	\$ 199,048	
Encumbrances	-	-	1,459,051	
Net Impact with encumbrances	\$ (901,313)	\$ 69,361	\$ (1,260,003)	

City of Morgan Hill Monthly Investment Report - November 30, 2018

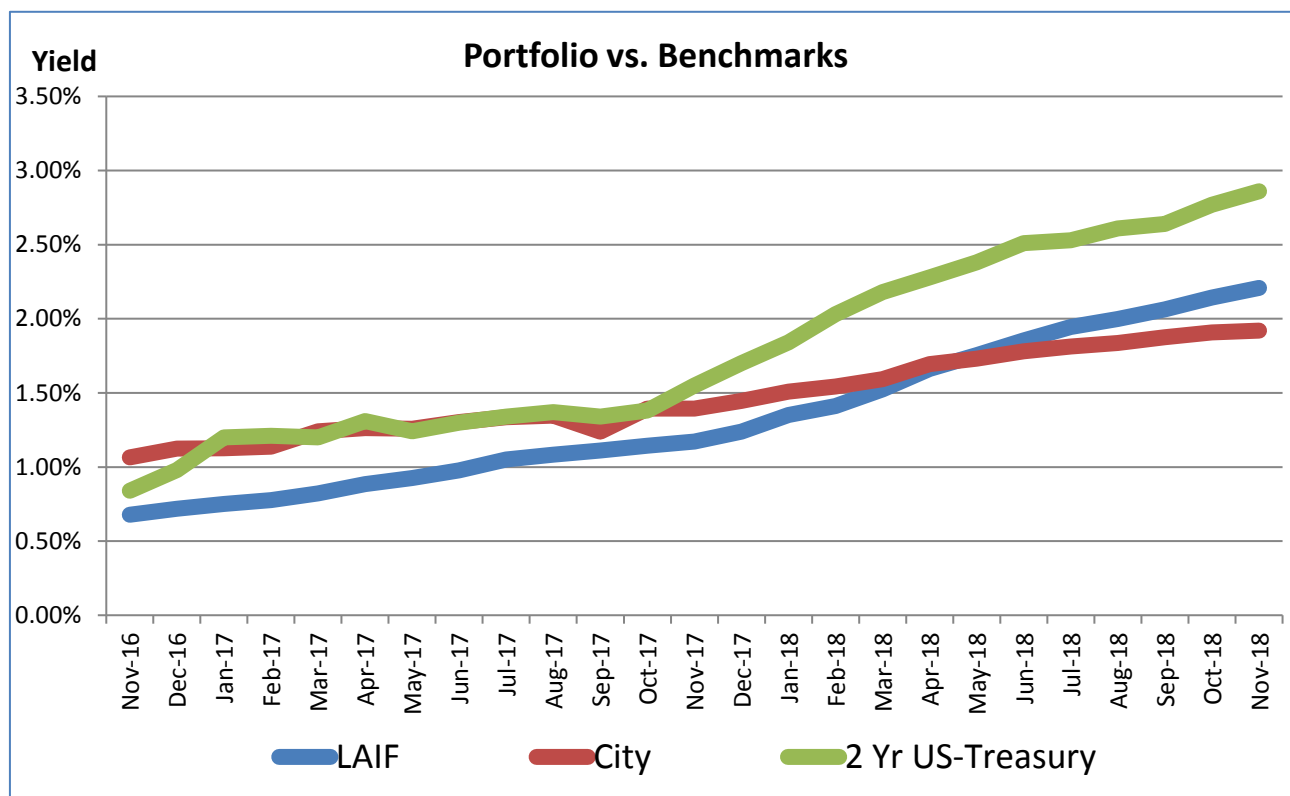
The following are the snapshots of City's investment portfolio as of November 30, 2018. The first chart shows the portfolio composition by investment type:



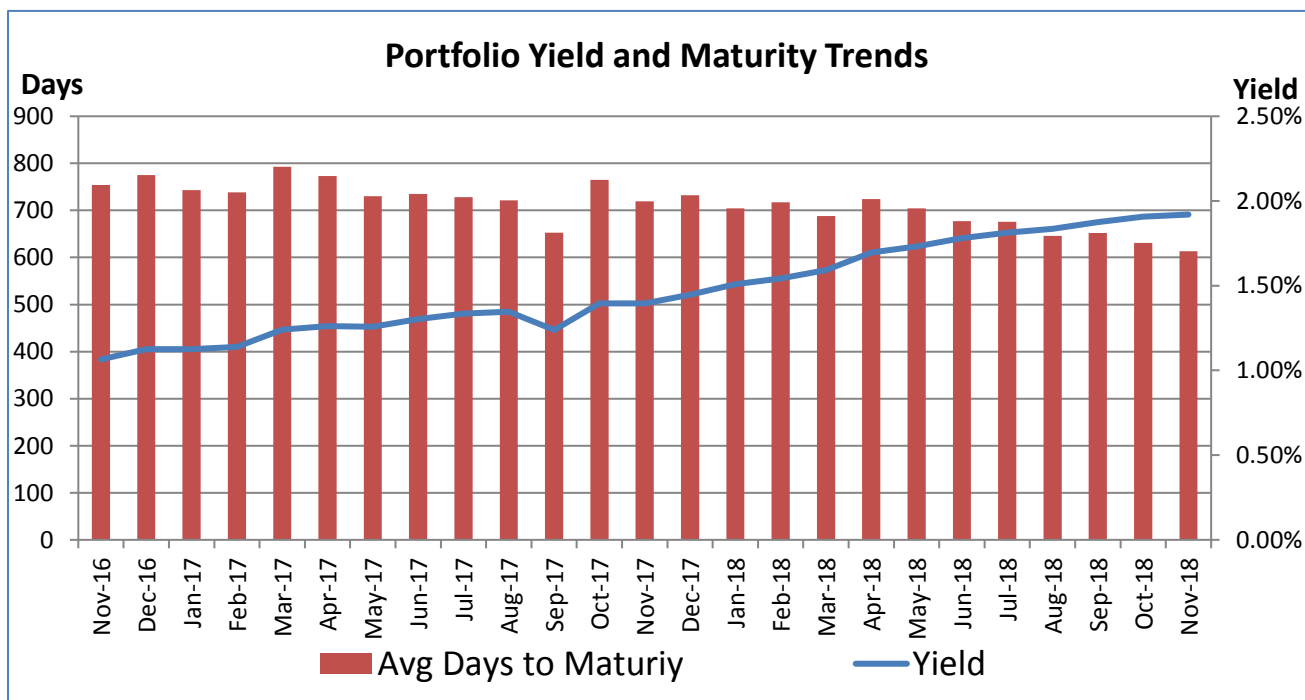
The chart below shows cash balances by fund type reconciled to City's financial system:



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 November 30, 2018

Investment Type	Settlement Date	Book Value	% of Portfolio	Market Value	YTM at Cost	Next Call Date	Date of Maturity
L A I F		\$ 42,429,775	33.10%	\$ 42,389,515	2.14%		
City Managed							
Fed Home Loan Bank	10/19/2015	4,000,000	3.12%	3,914,720	1.70%	1/19/2019	10/19/2020
Fed Home Loan Bank	6/30/2016	4,000,000	3.12%	3,865,360	1.50%	6/30/2021	6/30/2021
Fed Natn'l Mortgage Assn	8/25/2016	4,000,000	3.12%	3,836,600	1.40%	8/25/2021	8/25/2021
Fed Home Loan Mortgage	9/29/2016	2,000,000	1.56%	1,932,560	1.65%	12/29/2018	9/29/2021
Fed Natn'l Mortgage Assn	9/29/2016	4,000,000	3.12%	3,840,760	1.60%	12/29/2018	9/29/2021
Fed Home Loan Mortgage	10/27/2016	4,000,000	3.12%	3,855,840	1.60%	1/27/2019	10/27/2021
Fed Natn'l Mortgage Assn	10/28/2016	4,000,000	3.12%	3,814,720	1.55%	1/28/2019	10/28/2021
Fed Home Loan Mortgage	10/28/2016	2,000,000	1.56%	1,930,660	1.65%	1/28/2019	10/28/2021
Fed Home Loan Bank	11/15/2016	4,000,000	3.12%	3,849,360	1.55%	11/15/2021	11/15/2021
Fed Home Loan Bank	11/23/2016	3,000,000	2.34%	2,894,580	1.65%	12/23/2018	11/23/2021
Fed Home Loan Bank	11/23/2016	4,000,000	3.12%	3,856,760	1.63%	12/23/2018	11/23/2021
Fed Home Loan Mortgage	11/30/2016	4,000,000	3.12%	3,883,040	1.88%	12/26/2018	11/26/2021
Fed Home Loan Mortgage	6/29/2017	1,300,000	1.01%	1,263,223	2.15%	3/29/2019	6/29/2022
Fed Home Loan Bank	10/19/2017	3,850,000	3.00%	3,733,076	2.15%	10/19/2022	10/19/2022
Fed Natn'l Mortgage Assn	10/26/2017	4,150,000	3.24%	4,021,018	2.20%	1/26/2019	10/26/2022
Fed Home Loan Mortgage	1/30/2018	3,000,000	2.34%	2,930,280	2.50%	1/30/2019	1/30/2023
Treasury Note	4/30/2018	4,277,036	3.34%	4,251,465	2.73%	3/31/2023	3/31/2023
Sub Total/Average		\$ 59,577,036	46.48%	\$ 57,674,022	1.82%		
Money Market		\$ 1,099,032	0.86%	\$ 1,099,032	2.15%		
Total City Managed/Average		\$ 103,105,843	80.43%	\$ 101,162,567	2.04%		
City Managed - HighMark							
Fed Natn'l Mortgage Assn	8/18/2016	\$ 749,930	0.59%	\$ 748,440	1.06%	1/25/2019	1/25/2019
Fed Natn'l Mortgage Assn	8/18/2016	749,863	0.58%	742,718	1.18%	7/26/2019	7/26/2019
Fed Natn'l Mortgage Assn	8/23/2016	749,982	0.59%	742,148	1.25%	2/23/2019	8/23/2019
Fed Home Loan Mortgage	8/31/2016	750,000	0.59%	742,305	1.25%	8/15/2019	8/15/2019
Fed Home Loan Mortgage	10/7/2016	749,910	0.59%	741,405	1.29%	12/12/2018	9/12/2019
Fed Natn'l Mortgage Assn	10/11/2016	749,945	0.59%	745,043	1.22%	2/23/2019	5/23/2019
Fed Home Loan Mortgage	10/24/2016	739,900	0.58%	738,291	1.03%	1/30/2019	1/30/2019
Fed Natn'l Mortgage Assn	10/24/2016	749,979	0.59%	740,955	1.25%	12/30/2018	9/30/2019
Fed Home Loan Mortgage	12/13/2016	1,001,975	0.78%	995,960	1.35%	5/30/2019	5/30/2019
Fed Home Loan Bank	12/13/2016	999,974	0.78%	998,620	1.27%	1/16/2019	1/16/2019
Fed Home Loan Mortgage	12/29/2016	749,329	0.58%	746,288	1.37%	4/15/2019	4/15/2019
Fed Natn'l Mortgage Assn	12/29/2016	741,452	0.58%	736,426	1.39%	6/20/2019	6/20/2019
Fed Home Loan Bank	6/19/2018	945,371	0.74%	944,737	2.38%	5/28/2019	5/28/2019
Fed Home Loan Mortgage	9/14/2018	817,888	0.64%	817,278	2.56%	8/1/2019	8/1/2019
Fed Home Loan Bank	9/26/2018	745,884	0.58%	745,748	2.80%	3/30/2020	3/30/2020
Fed Home Loan Bank	11/6/2018	739,054	0.58%	740,213	2.87%	11/15/2019	11/15/2019
Money Market		71,484	0.06%	71,484	2.15%		
Sub Total/Average		\$ 12,801,920	9.99%	\$ 12,738,056	1.60%		
Bond Reserve Accounts - Held By Trustees		\$ 7,701,005	6.01%	\$ 7,709,868			
Cash/Deposits		\$ 2,389,884	1.86%	\$ 2,389,884			
PARS Trust		\$ 2,187,404	1.71%	\$ 2,388,832			
GRAND TOTAL/AVERAGE		\$ 128,186,056	100.00%	\$ 126,389,207			

Attachment: November 2018 Financial and Investment Report (2167 : Accept November 2018 Financial and Investment Report)



CITY OF MORGAN HILL CASH AND INVESTMENT REPORT
FOR THE MONTH OF NOVEMBER 30, 2018
FOR THE FISCAL YEAR OF 2018-19

	Invested in Fund	Yield	Book Value End of Month	% of Total	Market Value
Investments					
State Treasurer LAIF - City	All Funds Pooled	2.14%	\$ 37,807,534	29.49%	\$ 37,771,659
2014 Water Rev Bonds - Water Impact	Water Fund	2.14%	529,765	0.41%	529,263
2014 Water Rev Bonds - Water CIP	Water Fund	2.14%	118,093	0.09%	117,981
2015 Wastewater Rev Bonds - CIP	Wastewater Fund	2.14%	3,974,382	3.10%	3,970,611
Federal Issues	All Funds Pooled	1.50%	68,030,436	53.07%	66,089,128
US Treasury Notes	All Funds Pooled	2.73%	4,277,036	3.34%	4,251,465
Dreyfus Treas Cash Management Acct	All Funds Pooled	2.15%	1,170,516	0.91%	1,170,516
	SUBTOTAL		\$ 115,907,762	90.42%	\$ 113,900,623
Bond Reserve Accounts - held by trustees					
BNY - 2015 Wastewater Bonds					
Cash Balance	Wastewater Fund	0.00%	-	0.00%	-
Zions Bank - Civic Center/Library Facility					
Blackrock Liq Fund	Debt Service	1.82%	243	0.00%	243
Zions Bank - MH Police Facility Lease Revenue Bonds					
Blackrock Liq Fund	Debt Service	1.82%	310	0.00%	310
BNY - RDA Bonds					
Dreyfus Cash Mgmt 521	Successor Fund	2.09%	315,266	0.25%	315,266
US Treasury Notes - Reserve Acct.	Successor Fund	1.33%	6,862,871	5.35%	6,871,734
Zions Bank - MH Ranch 2015					
Blackrock Liq Funds Fed Fund -DI -2015	Agency Fund	1.82%	257,517	0.20%	257,517
Zions Bank - Madrone Bus Park Taxable/ Tax Exempt 2015					
Blackrock Liquidity Temp Fund-2015	Agency Fund	1.82%	264,797	0.21%	264,797
	SUBTOTAL		7,701,005	6.01%	7,709,868
Other Cash/Deposits					
General Checking	All Funds		2,352,772	1.84%	2,352,772
Workers' Comp Administrators	Workers' Comp		30,000	0.02%	30,000
Petty Cash & Emergency Cash	General Fund		7,112	0.01%	7,112
PARS - OPEB Trust			1,387,404	1.08%	1,529,229
PARS - PENSION Trust			800,000	0.62%	859,603
	SUBTOTAL		4,577,288	3.57%	4,778,716
Total Cash and Investments			\$ 128,186,055	100.00%	\$ 126,389,206

CASH ACTIVITY SUMMARY
FY 2018-19

Fund Type	Unaudited 07/01/18 Balance	Change in Cash Balance	11/30/2018 Balance
General Fund	\$ 14,905,287	\$ (3,173,147)	\$ 11,732,139
Community Development	3,444,772	(220,913)	3,223,859
RDA Successor Agency (except Housing)	12,278,895	(5,025,773)	7,253,122
Housing Successor Agency/ CDBG	4,152,743	(654,994)	3,497,749
Water - Operations	2,341,115	1,214,400	3,555,514
Water Other	4,954,819	250,010	5,204,829
Sewer - Operations	1,519,052	319,166	1,838,218
Sewer Other	29,212,177	90,291	29,302,468
Other Special Revenue	5,093,029	(684,298)	4,408,731
Streets and Capital Projects (except RDA)	42,155,177	(590,252)	41,564,925
Debt Service	253,645	(202,878)	50,766
Internal Service	13,022,186	743,493	13,765,679
Agency Funds (assessment dists./refundable deposits)	4,116,381	(1,328,326)	2,788,055
Total	\$ 137,449,278	\$ (9,263,223)	\$ 128,186,055

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

I certify the information on the investment reports on pages 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: Harjot Sangha, Accounting Manager

Approved by: _____

Reviewed by: Dat Nguyen, Finance Director

David Clink, Treasurer



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2018-19
For the Five Months Ended November 30, 2018
42% of Year Complete

FUND REVENUE SOURCE	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	\$ 10,131,882	\$ 10,131,882	\$ 1,272,687	13%	\$ 1,017,832	\$ 254,854	25%
Property Tax - RPTTF Residual Distribution	1,405,500	1,405,500	73,755	5%	-	73,755	n/a
Property Tax - Supplemental Roll	276,150	276,150	48,101	17%	47,453	648	1%
Sales Tax	9,601,124	9,601,124	4,451,945	46%	4,155,333	296,611	7%
Public Safety Sales Tax	380,000	380,000	122,932	32%	116,071	6,860	6%
Transient Occupancy Taxes	2,754,000	2,754,000	1,057,041	38%	1,015,310	41,731	4%
Franchise (Refuse, Cable, PG&E)	2,164,190	2,164,190	487,140	23%	445,125	42,014	9%
Property Transfer Tax	505,000	505,000	194,598	39%	170,857	23,741	14%
TOTAL TAXES	27,217,846	27,217,846	7,708,198	28%	6,967,983	740,215	11%
LICENSES/PERMITS							
Business License	196,000	196,000	184,695	94%	174,955	9,741	6%
Other Permits	4,800	4,800	3,509	73%	2,987	522	17%
TOTAL LICENSES/PERMITS	200,800	200,800	188,204	94%	177,942	10,263	6%
FINES AND PENALTIES							
Parking Enforcement	8,250	8,250	2,662	32%	2,787	(124)	-4%
Bails & Fines	71,500	71,500	34,571	48%	16,209	18,362	113%
Administrative Citations	9,500	9,500	102	1%	6,750	(6,648)	-98%
TOTAL FINES AND PENALTIES	89,250	89,250	37,335	42%	25,745	11,589	45%
OTHER AGENCIES							
Motor Vehicle in-Lieu	23,934	23,934	-	0%	-	-	n/a
Other Revenue - Other Agencies	271,398	314,398	126,618	40%	126,383	235	0%
TOTAL OTHER AGENCIES	295,332	338,332	126,618	37%	126,383	235	0%
CHARGES CURRENT SERVICES							
Police False Alarm Charge	33,000	33,000	18,409	56%	13,949	4,460	32%
Business License Application Review	36,000	36,000	20,882	58%	16,538	4,344	26%
Membership Services & Rec Programs	6,241,196	6,241,196	2,789,811	45%	2,583,386	206,425	8%
Facility Rentals	898,700	898,700	418,557	47%	413,113	5,444	1%
Community Services	147,840	147,840	27,341	18%	37,767	(10,426)	-28%
General Administration Overhead	1,709,712	1,709,712	710,880	42%	550,120	160,760	29%
Other Charges Current Services	926,641	926,641	208,798	23%	219,164	(10,366)	-5%
TOTAL CURRENT SERVICES	9,993,089	9,993,089	4,194,677	42%	3,834,037	360,640	9%
OTHER REVENUE							
Use of money/property	458,589	458,589	166,632	36%	155,373	11,259	7%
Other Revenues	254,014	254,014	275,052	108%	1,860,347	(1,585,295)	-85%
TOTAL OTHER REVENUE	712,603	712,603	441,684	62%	2,015,720	(1,574,036)	-78%
TRANSFERS IN							
One Time Transfer	-	-	-	0%	-	-	0%
Public Safety	100,000	100,000	48,809	49%	16,000	32,809	205%
Streets	738,968	738,968	158,460	21%	123,000	35,460	29%
Police Impact	25,000	25,000	10,415	42%	10,415	-	n/a
Sewer Operations	349,376	349,376	145,575	42%	144,595	980	1%
Water Operations	349,376	349,376	145,575	42%	144,595	980	1%
Park Development	75,000	75,000	31,250	42%	31,250	-	n/a
TOTAL TRANSFERS IN	1,637,720	1,637,720	540,085	33%	469,855	70,230	15%
TOTAL GENERAL FUND	40,146,640	40,189,640	13,236,801	33%	13,617,665	(380,864)	-3%
SPECIAL REVENUE FUNDS							
202 STREET MAINTENANCE							
Gas Tax 2105 - 2107.5	751,089	751,089	230,375	31%	260,985	(30,610)	-12%
Interest / Other Revenue/Other Charges	-	-	1,025	n/a	406	619	152%
202 STREET MAINTENANCE	751,089	751,089	231,401	31%	261,391	(29,991)	-11%

Attachment: November 2018 Financial and Investment Report (2167 : Accept November 2018 Financial and Investment Report)



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2018-19
For the Five Months Ended November 30, 2018
42% of Year Complete

FUND REVENUE SOURCE	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
SPECIAL REVENUE FUNDS							
205 PUBLIC SAFETY TRUST							
Interest Income	202	202	429	212%	124	305	247%
Police Grant/SLEF/JAG	100,000	100,000	65,413	65%	56,083	9,330	17%
205 PUBLIC SAFETY TRUST	100,202	100,202	65,842	66%	56,207	9,635	17%
206 COMMUNITY DEVELOPMENT							
Building Fees	2,996,450	2,996,450	1,456,422	49%	1,030,477	425,945	41%
Planning Fees	1,396,529	1,396,529	456,916	33%	349,227	107,688	31%
Engineering Fees	462,524	462,524	242,050	52%	580,007	(337,957)	-58%
Other Revenue/Current Charges	24,265	24,265	24,119	99%	21,324	2,796	13%
206 COMMUNITY DEVELOPMENT	4,879,768	4,879,768	2,179,507	45%	1,981,035	198,472	10%
207 LONG RANGE PLANNING	741,894	741,894	339,444	46%	316,489	22,955	7%
215 and 216 HCD BLOCK GRANT							
Interest Income/Other Revenue	2,821	2,821	423	15%	1,600	(1,177)	-74%
215 and 216 HCD BLOCK GRANT	2,821	2,821	423	15%	1,600	(1,177)	-74%
225 ASSET SEIZURE	1,670	1,670	2,092	125%	733	1,359	185%
229 LIGHTING AND LANDSCAPE	188,591	188,591	1,016	1%	812	204	25%
230 COMMUNITY FACILITIES DISTRICT	44,198	44,198	10,528	24%	282	10,246	3627%
232 ENVIRONMENTAL PROGRAMS	394,158	394,158	190,381	48%	229,326	(38,945)	-17%
234 MOBILE HOME PARK RENT STAB.	661	661	8,814	1333%	220	8,594	3909%
235 SENIOR HOUSING	3,347	3,347	1,444	43%	1,187	258	22%
236 HOUSING MITIGATION	1,613,912	2,613,912	661,995	25%	333,536	328,459	98%
240 EMPLOYEE ASSISTANCE	28,949	28,949	9,370	32%	12,610	(3,241)	-26%
247 ENVIRONMENT REMEDIATION	2,118	2,118	879	42%	755	124	16%
250 COMH-SUCCESSOR AGENCY-MHRDA	7,946,430	7,946,430	864,950	11%	31,715	833,235	2627%
255 HOUSING SUCCESSOR AGENCY	2,386,006	2,386,006	34,625	1%	203,479	(168,854)	-83%
TOTAL SPECIAL REVENUE FUNDS	19,085,815	20,085,815	4,602,711	23%	3,431,377	1,171,333	34%
CAPITAL PROJECTS FUNDS							
301 PARK DEVELOPMENT	7,959,013	7,959,013	1,103,678	14%	1,424,545	(320,867)	-23%
302 PARK MAINTENANCE	1,320,332	1,320,332	341,463	26%	973,400	(631,938)	-65%
303 LOCAL DRAINAGE	1,394,482	1,394,482	338,431	24%	1,576,893	(1,238,462)	-79%
304 LOCAL DRAINAGE/NON AB1600	80,981	80,981	92,871	115%	142,304	(49,434)	-35%
306 AGRICULTURE & OPEN SPACE PRESERVATION	2,652,538	2,652,538	1,682,468	63%	475,594	1,206,874	254%
308 STREET CIP	3,861,662	3,861,662	1,479,055	38%	510,344	968,711	190%
309 TRAFFIC IMPACT	17,251,157	17,251,157	1,246,671	7%	153,322	1,093,348	713%
311 POLICE IMPACT	277,713	277,713	163,980	59%	131,085	32,896	25%
313 FIRE IMPACT	349,306	349,306	155,766	45%	39,991	115,775	290%
346 PUBLIC FACILITIES NON-AB1600	590,499	590,499	131,004	22%	76,564	54,440	71%
347 PUBLIC FACILITIES IMPACT	198,932	198,932	112,719	57%	89,240	23,480	26%
348 LIBRARY	909,565	909,565	427,886	47%	282,149	145,737	52%
350 UNDERGROUNDING	45,800	45,800	138,534	302%	199,419	(60,885)	-31%
355 SCHOOL PEDESTRIAN/TRAFFIC SAFETY	684,678	684,678	18,042	3%	70,009	(51,967)	-74%
360 COMMUNITY/REC IMPACT FUND	1,275,010	1,275,010	478,015	37%	447,075	30,940	7%
TOTAL CAPITAL PROJECTS FUNDS	38,851,668	38,851,668	7,910,583	20%	6,591,935	1,318,648	20%
DEBT SERVICE FUNDS							
420 CIVIC CENTER DEBT	298,856	298,856	124,587	42%	123,267	1,320	1%
441 POLICE FACILITY BOND	375,764	375,764	187,523	50%	229,200	(41,677)	-18%
TOTAL DEBT SERVICE FUNDS	674,620	674,620	312,109	46%	352,466	(40,357)	-11%

Attachment: November 2018 Financial and Investment Report (2167 : Accept November 2018 Financial and Investment Report)



City of Morgan Hill
Year to Date Revenues - Fiscal Year 2018-19
For the Five Months Ended November 30, 2018
42% of Year Complete

FUND REVENUE SOURCE	ADOPTED BUDGET	AMENDED BUDGET	CURRENT YTD ACTUAL	% OF BUDGET	PRIOR YTD	INCR (DECR) FROM PRIOR YTD	% CHANGE
ENTERPRISE FUNDS							
640 SEWER OPERATION							
Sewer Service Fees	10,391,000	10,391,000	4,337,475	42%	4,061,175	276,301	7%
Interest Income/Transfers	37,151	37,151	12,648	34%	11,765	883	8%
Other Revenue/Current Charges	318,700	318,700	155,840	49%	183,939	(28,099)	-15%
640 SEWER OPERATION	10,746,851	10,746,851	4,505,964	42%	4,256,879	249,085	6%
641 SEWER EXPANSION							
Interest Income	215,856	215,856	112,136	52%	77,656	34,480	44%
Development Impact Fee	4,717,263	4,717,263	2,911,633	62%	1,487,134	1,424,499	96%
Transfers/Other	-	-	-	0%	-	-	0%
641 SEWER EXPANSION	4,933,119	4,933,119	3,023,769	61%	1,564,790	1,458,979	93%
642 SEWER RATE STABILIZATION	38,641	38,641	16,591	43%	13,641	2,951	22%
643 SEWER-CAPITAL PROJECT	2,797,976	2,797,976	1,197,488	43%	1,030,779	166,709	16%
TOTAL SEWER FUNDS	18,516,587	18,516,587	8,743,812	47%	6,866,088	1,877,724	27%
650 WATER OPERATION							
Water Sales	12,435,000	12,435,000	6,145,132	49%	5,426,503	718,629	13%
Meter Install & Service	123,000	123,000	80,633	66%	160,493	(79,860)	-50%
Transfers-In / Interest Income	440,840	440,840	187,108	42%	182,512	4,596	3%
Other Revenue/Current Charges	752,660	752,660	489,664	65%	472,319	17,345	4%
650 WATER OPERATION	13,751,500	13,751,500	6,902,537	50%	6,241,827	660,710	11%
651 WATER EXPANSION							
Interest Income/Other Revenue/Transfer	47,561	47,561	19,522	41%	18,476	1,045	6%
Development Impact Fee	1,311,698	1,311,698	761,585	58%	394,655	366,930	93%
651 WATER EXPANSION	1,359,259	1,359,259	781,107	57%	413,131	367,975	89%
652 Water Rate Stabilization	8,223	8,223	3,550	43%	211,749	(208,200)	-98%
653 Water Capital Project	2,400,895	2,400,895	1,103,779	46%	567,787	535,992	94%
TOTAL WATER FUNDS	17,519,877	17,519,877	8,790,972	50%	7,434,494	1,356,477	18%
TOTAL ENTERPRISE FUNDS	36,036,464	36,036,464	17,534,783	49%	14,300,583	3,234,201	23%
INTERNAL SERVICE FUNDS							
730 INFORMATION SYSTEMS	1,870,983	1,870,983	783,267	42%	670,248	113,019	17%
740 BUILDING MAINTENANCE	3,326,619	3,326,619	1,369,278	41%	1,283,488	85,791	7%
741 BUILDING REPLACEMENT	789,958	789,958	319,737	40%	207,930	111,807	54%
745 CIP ADMINISTRATION	1,780,750	1,780,750	535,934	30%	577,908	(41,974)	-7%
760 UNEMPLOYMENT INSURANCE	2,324	2,324	1,037	45%	885	152	17%
770 WORKERS COMPENSATION	775,343	775,343	354,055	46%	317,644	36,410	11%
790 EQUIPMENT REPLACEMENT	1,064,433	1,064,433	451,815	42%	418,442	33,373	8%
791 EMPLOYEE BENEFITS	1,171,099	1,171,099	566,050	48%	256,203	309,847	121%
793 CORPORATION YARD COMMISSION	-	-	1,517	0%	341	1,176	345%
795 GENERAL LIABILITY INSURANCE	1,020,581	1,020,581	425,130	42%	396,565	28,565	7%
TOTAL INTERNAL SERVICE FUNDS	11,802,090	11,802,090	4,807,820	41%	4,129,654	678,166	16%
TOTAL FOR ALL FUNDS	\$ 146,597,297	\$ 147,640,297	\$ 48,404,807	33%	\$ 42,423,680	\$ 5,981,127	14%

Attachment: November 2018 Financial and Investment Report (2167 : Accept November 2018 Financial and Investment Report)



City of Morgan Hill
 Year to Date Expenses - Fiscal Year 2018-19
 For the Month and Five Months Ended November 30, 2018
 42% 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		\$ 9,341	\$ 337,607	\$ 93,142	\$ 91,633	\$ 184,775	55%	\$ 121,000
CITY ATTORNEY		52,892	768,318	254,104	139,932	394,035	51%	300,000
CITY MANAGER		47,732	433,799	254,057	72,227	326,284	75%	430,000
HUMAN RESOURCES		73,607	796,813	305,310	25,531	330,841	42%	310,000
COUNCIL SVCS & RECORDS MGMT								
Council Svcs & Records Mgmt		40,940	614,068	245,552	4,800	250,352	41%	240,000
Elections		3,251	322,533	11,137	-	11,137	3%	30,000
COUNCIL SVCS & RECORDS MGMT		44,191	936,601	256,690	4,800	261,490	28%	270,000
FINANCE		136,310	1,720,130	688,434	52,362	740,796	43%	660,000
TOTAL ADMINISTRATION		364,073	4,993,269	1,851,736	386,484	2,238,220	45%	2,110,000
II. COMMUNITY SERVICES								
Membership Services & Rec. Programs		336,989	6,255,009	2,312,390	1,353,607	3,665,997	59%	2,210,000
Recreation Facility Rentals		109,578	1,355,732	544,302	36,124	580,425	43%	540,000
Community Services		35,589	653,307	211,219	69,320	280,539	43%	280,000
Environmental Services		16,231	303,894	85,767	-	85,767	28%	80,000
Street Maintenance		254,259	2,362,851	924,378	165,648	1,090,026	46%	810,000
Downtown Maintenance		21,118	316,644	149,250	43,453	192,703	61%	100,000
Cable Television		1,691	21,581	8,469	-	8,469	39%	0
COMMUNITY SERVICES		775,454	11,269,018	4,235,775	1,668,152	5,903,926	52%	4,060,000
CODE COMPLIANCE		11,647	150,464	59,724	-	59,724	40%	40,000
CONGESTION MANAGEMENT		1,281	55,861	34,447	-	34,447	62%	40,000
ECONOMIC DEVELOPMENT PROGRAMS		36,875	720,295	243,094	157,331	400,425		
TOTAL COMMUNITY SERVICES		825,257	12,195,638	4,573,039	1,825,482	6,398,522	52%	4,150,000
III. PUBLIC SAFETY								
POLICE								
PD Administration		78,511	1,222,942	540,829	63,230	604,059	49%	490,000
Field Operations		648,313	9,196,103	3,058,287	954,770	4,013,057	44%	3,170,000
Support Services		184,313	2,272,707	907,979	11,071	919,051	40%	830,000
Emergency Services/Haz Mat		13,869	187,057	67,392	-	67,392	36%	70,000
Special Operations		161,886	2,748,496	788,133	-	788,133	29%	1,130,000
Dispatch Services		120,940	1,674,402	644,014	5,029	649,043	39%	660,000
POLICE		1,207,833	17,301,708	6,006,634	1,034,100	7,040,734	41%	6,370,000
FIRE		495,975	6,666,707	2,798,404	58,888	2,857,292	43%	2,520,000
TOTAL PUBLIC SAFETY		1,703,808	23,968,415	8,805,038	1,092,988	9,898,026	41%	8,890,000
IV. TRANSFERS								
Other		151,753	2,077,498	758,765	-	758,765	37%	890,000
TOTAL TRANSFERS		151,753	2,077,498	758,765	-	758,765	37%	890,000
TOTAL GENERAL FUND		3,044,892	43,234,819	15,988,579	3,304,954	19,293,533	45%	16,060,000

Attachment: November 2018 Financial and Investment Report (2167 : Accept November 2018 Financial and Investment Report)



City of Morgan Hill
Year to Date Expenses - Fiscal Year 2018-19
For the Month and Five Months Ended November 30, 2018
42% 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
SPECIAL REVENUE FUNDS								
202	STREET MAINTENANCE	326	742,877	161,177	-	161,177	22%	12%
205	PUBLIC SAFETY/SUPP.LAW	545	106,536	51,534	-	51,534	48%	11%
206	COMMUNITY DEVELOPMENT FUND							
	Planning	215,123	2,597,350	933,967	341,274	1,275,241	49%	75%
	Building	155,034	1,976,108	681,621	308,762	990,383	50%	75%
	Engineering	128,902	1,668,062	548,950	616,102	1,165,052	70%	51%
206	COMMUNITY DEVELOPMENT FUND	499,059	6,241,520	2,164,538	1,266,138	3,430,676	55%	2,02%
207	LONG RANGE PLANNING	62,966	1,383,881	253,918	573,797	827,715	60%	25%
215/216	CDBG	749	4,961	2,401	-	2,401	48%	1%
225	ASSET SEIZURE	-	-	-	-	-	0%	
229	LIGHTING AND LANDSCAPE	15,103	195,274	84,535	20,808	105,343	54%	7%
230	COMMUNITY FACILITIES DISTRICT	1,188	46,262	10,680	-	10,680	23%	1%
232	ENVIRONMENT PROGRAMS	41,468	406,727	157,738	16,310	174,048	43%	14%
234	MOBILE HOME PARK	34	405	170	-	170	42%	
236	HOUSING MITIGATION	(199,697)	3,323,394	1,280,542	224,033	1,504,575	45%	24%
240	EMPLOYEE ASSISTANCE	2,078	28,430	4,390	-	4,390	15%	1%
247	ENVIRONMENTAL REMEDIATION	1,314	-	2,022	807	2,829	0%	
250	COMH-SUCCESSOR AGENCY-MHRDA	11,576	7,983,635	5,886,398	23,890	5,910,288	74%	5,10%
255	HOUSING SUCCESSOR AGENCY	71,277	3,679,973	801,879	934,480	1,736,359	47%	1,17%
TOTAL SPECIAL REVENUE FUNDS		507,986	24,143,875	10,861,920	3,060,263	13,922,183	58%	9,19%
CAPITAL PROJECT FUNDS								
301	PARK DEVELOPMENT	46,764	8,802,955	156,221	539,609	695,830	8%	2,86%
302	PARK MAINTENANCE	85,572	1,248,941	471,304	183,185	654,489	52%	38%
303	LOCAL DRAINAGE	5,816	523,416	49,178	463	49,641	9%	1%
304	LOCAL DRAIN. NON-AB1600	217	338,627	1,206	-	1,206	0%	4%
306	AGRICULTURE & OPEN SPACE PRESERVATION	169,731	8,483,054	2,172,439	61,279	2,233,719	26%	2%
308	STREET CIP	10,424	5,392,576	285,660	1,803,099	2,088,759	39%	88%
309	TRAFFIC IMPACT	3,613,943	20,493,433	4,593,340	195,069	4,788,409	23%	26%
311	POLICE IMPACT	2,569	228,096	112,416	463	112,878	49%	13%
313	FIRE IMPACT	445	172,227	22,920	463	23,383	14%	
346	PUBLIC FAC.NON AB1600	7,770	821,119	107,184	32,748	139,932	17%	45%
347	PUBLIC FACILITIES IMPACT	400	84,479	2,733	463	3,196	4%	
348	LIBRARY IMPACT	51,035	3,849,962	232,769	89,687	322,456	8%	15%
350	UNDERGROUNDING	85	56,024	425	-	425	1%	
355	SCHOOL PEDESTRIAN & TRAFFIC SAFETY	5,917	1,830,740	17,996	29,578	47,575	3%	21%
360	COMM/REC CENTER IMPACT	5,042	2,184,177	46,792	137,441	184,234	0%	
TOTAL CAPITAL PROJECTS FUNDS		4,005,731	54,509,827	8,272,583	3,073,547	11,346,130	21%	5,42%
DEBT SERVICE FUNDS								
420	CIVIC CENTER DEBT	799	308,656	221,934	-	221,934	72%	20%
441	POLICE FACILITY BOND DEBT	305	380,313	293,330	-	293,330	77%	29%
TOTAL DEBT SERVICE FUNDS		1,104	688,969	515,264	-	515,264	75%	50%

Attachment: November 2018 Financial and Investment Report (2167 : Accept November 2018 Financial and Investment Report)



City of Morgan Hill
 Year to Date Expenses - Fiscal Year 2018-19
 For the Month and Five Months Ended November 30, 2018
 42% 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
ENTERPRISE FUNDS								
SEWER								
640	SEWER OPERATIONS	516,908	11,311,787	4,089,289	213,115	4,302,405	38%	4,481
641	SEWER CAPITAL EXPANSION	65,540	4,406,573	688,205	429,146	1,117,350	25%	651
642	SEWER RATE STABILIZATION	86	1,027	430	-	430	42%	-
643	SEWER-CAPITAL PROJECTS	347,958	11,033,664	3,018,653	1,344,753	4,363,406	40%	2,071
TOTAL SEWER FUND(S)		930,492	26,753,051	7,796,577	1,987,014	9,783,591	37%	7,211
WATER								
	Water Operations	926,340	12,440,123	4,569,437	914,830	5,484,267	44%	4,261
	Utility Billing	56,593	809,160	313,385	35,984	349,369	43%	301
	Water Conservation	6,738	210,082	38,740	50,000	88,740	42%	31
650	WATER OPERATIONS	989,670	13,459,365	4,921,562	1,000,814	5,922,376	44%	4,601
651	WATER CAPITAL EXPANSION	221,336	3,374,572	1,006,607	1,154,575	2,161,182	64%	281
652	WATER RATE STABILIZATION	28	335	140	-	140	42%	-
653	WATER-CAPITAL PROJECTS	448,111	2,535,148	564,824	222,261	787,085	31%	581
TOTAL WATER FUND(S)		1,659,146	19,369,421	6,493,133	2,377,650	8,870,783	46%	5,481
TOTAL ENTERPRISE FUNDS		2,589,637	46,122,472	14,289,710	4,364,664	18,654,373	40%	12,691
INTERNAL SERVICE FUNDS								
730	INFORMATION SYSTEMS	109,942	2,013,703	613,483	18,361	631,845	31%	851
740	BUILDING MAINTENANCE	287,277	3,376,986	1,208,394	246,139	1,454,533	43%	1,161
741	BUILDING REPLACEMENT	83,221	429,806	225,663	25,295	250,958	58%	201
745	CIP ADMINISTRATION	105,400	1,813,012	535,968	11,152	547,120	30%	571
760	UNEMPLOYMENT	930	10,000	930	-	930	9%	-
770	WORKERS COMPENSATION	2,865	947,795	402,529	-	402,529	42%	831
790	EQUIPMENT REPLACEMENT	-	1,261,025	-	601,107	601,107	48%	221
791	EMPLOYEE BENEFITS FUND	107,904	600,000	373,913	-	373,913	62%	191
793	CORP YARD COMMISSION	-	1,903	1,220	-	1,220	0%	-
795	GEN. LIABILITY INSURANCE	10,194	1,010,346	753,139	-	753,139	75%	571
TOTAL INTERNAL SERVICE FUNDS		707,733	11,464,575	4,115,240	902,055	5,017,294	44%	4,641
REPORT TOTAL		\$ 10,857,082	\$ 180,164,536	\$ 54,043,296	\$ 14,705,482	\$ 68,748,778	38%	\$ 48,531

City of Morgan Hill Fund Activity Summary - Fiscal Year 2018-19 For the Five Months Ended November 30, 2018 42% of Year Complete										
Fund No.	Fund	Fund Balance 06-30-18		Revenues		Expenses		Year to-Date Deficit or Carryover	Ending Fund Balance	
		YTD Actual	% of Budget	YTD Actual	% of Budget	Reserved ¹	Unreserved			
010	GENERAL FUND	\$ 17,604,727	33%	\$ 13,236,801	33%	\$ 15,988,579	37%	\$ (2,751,777)	\$ 3,304,954	\$ 11,547,995
TOTAL GENERAL FUND		\$ 17,604,727	33%	\$ 13,236,801	33%	\$ 15,988,579	37%	\$ (2,751,777)	\$ 3,304,954	\$ 11,547,995
202	STREET MAINTENANCE	58,830	31%	231,401	31%	161,177	34%	70,224	\$ -	\$ 129,054
205	PUBLIC SAFETY/SUPPL. LAW	50,422	66%	65,842	66%	51,534	33%	14,308	-	64,730
206	COMMUNITY DEVELOPMENT	2,001,953	45%	2,179,507	45%	2,164,538	35%	14,969	1,266,138	750,784
207	LONG RANGE PLANNING	1,160,548	46%	339,444	46%	253,918	18%	85,526	573,797	672,277
215 / 216	CDBG	59,981	423	423	15%	2,401	0%	(1,978)	-	58,003
225	ASSET SEIZURE	111,921	2,092	2,092	125%	-	0%	2,092	-	114,013
229	LIGHTING AND LANDSCAPE	157,826	1,016	1,016	1%	84,535	43%	(83,519)	20,808	53,499
230	COMMUNITY FACILITIES DISTRICT	82,203	10,528	10,528	24%	10,680	0%	(151)	-	82,052
232	ENVIRONMENTAL PROGRAMS	243,732	190,381	48%	157,738	39%	32,643	16,310	260,065	
234	MOBILE HOME PK RENT STAB.	43,345	8,814	1333%	170	42%	8,644	-	51,989	
235	SENIOR HOUSING	224,078	1,444	43%	-	0%	1,444	-	225,522	
236	HOUSING MITIGATION	2,714,194	661,995	25%	1,280,542	39%	(618,548)	224,033	1,871,614	
240	EMPLOYEE ASSISTANCE	38,932	9,370	32%	4,390	15%	4,980	-	43,912	
247	ENVIRONMENT REMEDIATION	135,819	879	42%	2,022	0%	(1,142)	807	133,870	
250	COMH-SUCCESSOR AGENCY-MHRDA	(877,559)	864,950	11%	5,886,398	74%	(5,021,447)	7,202,027	(13,101,033)	
255	HOUSING SUCCESSOR AGENCY	4,072,877	34,625	1%	801,879	22%	(767,253)	934,480	2,371,144	
260	PUBLIC ART	111	-	n/a	-	-	-	-	-	111
TOTAL SPECIAL REVENUE FUNDS		\$ 10,279,213	23%	\$ 4,602,711	23%	\$ 10,861,920	45%	\$ (6,259,210)	\$ 10,238,399	\$ (6,218,396)
301	PARK DEV. IMPACT FUND	2,787,306	1,103,678	14%	156,221	2%	947,457	539,609	\$ 3,195,154	
302	PARK MAINTENANCE	4,265,806	341,463	26%	471,304	38%	(129,842)	183,185	3,952,779	
303	LOCAL DRAINAGE	10,405,902	338,431	24%	49,178	9%	289,253	463	10,694,692	
304	LOCAL DRAINAGE/NON-AB1600	1,409,474	92,871	115%	1,206	0%	91,665	-	1,501,139	
306	AGRICULTURE AND OPEN SPACE PRESERV	7,017,877	1,682,468	63%	2,172,439	26%	(489,971)	61,279	6,466,627	
308	STREET CIP	2,333,919	1,479,055	38%	285,660	5%	1,193,395	1,803,099	1,724,215	
309	TRAFFIC IMPACT FUND	3,437,980	1,246,671	7%	4,593,340	22%	(3,346,669)	195,069	(103,758)	
311	POLICE IMPACT FUND	(736,934)	163,980	59%	112,416	49%	51,564	463	(685,832)	
313	FIRE IMPACT FUND	3,906,952	155,766	45%	22,920	13%	132,846	463	4,039,335	
346	PUBLIC FACILITIES NON-AB1600	166,110	131,004	22%	107,184	13%	23,820	463	189,468	
347	PUBLIC FACILITIES IMPACT FUND	520,300	112,719	57%	2,733	3%	109,986	89,687	540,599	
348	LIBRARY IMPACT FUND	2,371,544	427,886	47%	232,769	6%	195,117	-	2,566,661	
350	UNDERGROUNDING	707,205	138,534	302%	425	1%	138,109	29,578	815,736	
355	SCHOOL PEDESTRIAN/TRAFFIC SFY	1,502,442	18,042	3%	17,996	1%	46	137,441	1,365,046	
360	COMM/REC CTR IMPACT FUND	1,113,663	478,015	37%	46,792	0%	431,223	-	1,544,886	
TOTAL CAPITAL PROJECT FUNDS		\$ 41,209,546	20%	\$ 7,910,583	20%	\$ 8,272,583	15%	\$ (362,001)	\$ 3,040,799	\$ 37,806,746
420	CIVIC CENTER DEBT	171,658	124,587	42%	221,934	72%	(97,347)	243	\$ 74,067	
441	POLICE FACILITY BOND DEBT	82,263	187,523	50%	293,330	77%	(105,807)	310	(23,854)	
TOTAL DEBT SERVICE FUNDS		\$ 253,921	\$ 312,109	46%	\$ 515,264	75%	\$ (203,154)	553	\$ 50,213	

City of Morgan Hill Fund Activity Summary - Fiscal Year 2018-19 For the Five Months Ended November 30, 2018 42% of Year Complete									
Fund No.	Fund	Fund Balance 06-30-18	Revenues		Expenses		Year to-Date Deficit or Carryover	Ending Fund Balance	
			YTD Actual	% of Budget	YTD Actual	% of Budget		Reserved ¹	Unreserved

640	SEWER OPERATIONS	\$ 2,901,439	42%	\$ 4,505,964	36%	\$ 4,089,289	36%	\$ 416,675	213,115	3,104,998
641	SEWER IMPACT FUND*	15,556,702	61%	3,023,769	61%	688,205	16%	2,335,564	429,146	17,463,120
642	SEWER RATE STABILIZATION	2,574,831	43%	16,591	43%	430	42%	16,161	-	2,590,992
643	SEWER-CAPITAL PROJECTS	9,316,726	43%	1,197,488	43%	3,018,653	27%	(1,821,165)	1,344,753	6,150,808
650	WATER OPERATIONS	3,409,384	50%	6,902,537	50%	4,921,562	37%	1,980,975	1,000,814	4,389,545
651	WATER IMPACT FUND*	2,680,718	57%	781,107	57%	1,006,607	30%	(225,500)	1,154,575	1,300,642
652	WATER RATE STABILIZATION	514,170	43%	3,550	43%	140	42%	3,410	-	517,580
653	WATER -CAPITAL PROJECT	564,089	46%	1,103,779	46%	564,824	22%	538,954	222,261	880,782
TOTAL ENTERPRISE FUNDS		\$ 37,518,059	49%	\$ 17,534,783	49%	\$ 14,289,710	31%	\$ 3,245,074	\$ 4,364,664	\$ 36,398,469

730	INFORMATION SERVICES	\$ 591,635	42%	\$ 783,267	42%	\$ 613,483	30%	\$ 169,783	18,361	\$ 743,057
740	BUILDING MAINTENANCE	(4,788)	41%	1,369,278	41%	1,208,394	36%	160,884	246,139	(90,043)
741	BUILDING REPLACEMENT	2,081,486	40%	319,737	40%	225,663	53%	94,075	25,295	2,150,266
745	CIP ENGINEERING	62,962	30%	535,934	30%	535,968	30%	(34)	11,152	51,776
760	UNEMPLOYMENT	152,405	45%	1,037	45%	930	9%	107	-	152,512
770	WORKERS COMPENSATION	1,763,179	46%	354,055	46%	402,529	42%	(48,475)	30,000	1,684,704
790	EQUIPMENT REPLACEMENT	4,432,003	42%	451,815	42%	-	-	451,815	601,107	4,282,710
791	EMPLOYEE BENEFITS FUNDS	(364,078)	48%	566,050	48%	373,913	62%	192,137	-	(171,941)
793	CORP YARD COMMISSION	-	0%	1,517	0%	1,220	0%	297	-	297
795	GEN. LIABILITY INSURANCE	1,341,056	42%	425,130	42%	753,139	75%	(328,009)	-	1,013,047
TOTAL INTERNAL SERVICE FUNDS		\$ 10,055,860	41%	\$ 4,807,820	41%	\$ 4,115,240	36%	\$ 692,580	\$ 932,055	\$ 9,816,385

SUMMARY BY FUND TYPE

GENERAL FUND GROUP	\$ 17,604,727	\$ 13,236,801	33%	\$ 15,988,579	37%	\$ (2,751,777)	\$ 3,304,954	\$ 11,547,995
SPECIAL REVENUE GROUP	10,279,213	4,602,711	23%	10,861,920	45%	(6,259,210)	10,238,399	(6,218,396)
DEBT SERVICE GROUP	253,921	312,109	46%	515,264	75%	(203,154)	553	50,213
CAPITAL PROJECTS GROUP	41,209,546	7,910,583	20%	8,272,583	15%	(362,001)	3,040,799	37,806,746
ENTERPRISE GROUP	37,518,059	17,534,783	49%	14,289,710	31%	3,245,074	4,364,664	36,398,469
INTERNAL SERVICE GROUP	10,055,860	4,807,820	41%	4,115,240	36%	692,580	932,055	9,816,385
TOTAL ALL GROUPS	\$ 116,921,326	\$ 48,404,807	33%	\$ 54,043,296	30%	\$ (5,638,489)	\$ 21,881,425	\$ 89,401,413

For Enterprise Funds: Unrestricted fund balance = Fund balance net of fixed assets and long-term liabilities.

*Unreserved fund balance includes bond proceeds reserved for projects listed in bond documents.

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

² Amount restricted for debt service payments and AB1600 capital expansion projects as detailed in the City's five year CIP Plan and bond agreements.



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Scott Creer, Deputy Director of Engineering
APPROVED BY: City Manager

ACCEPT FOURTH STREET & MONTEREY ROAD SIGNALIZATION PROJECT

RECOMMENDATION(S)

1. Accept the Fourth Street & Monterey Road Signalization Project, in the final amount of \$293,582;
2. Authorize the City Engineer to sign the attached Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety

2018 Strategic Priorities

Infrastructure

GUIDING DOCUMENTS

Vision Zero

REPORT NARRATIVE:

On March 15, 2017, City Council awarded a construction contract for the Fourth Street and Monterey Road Signalization Project. The scope of work included the installation of a traffic signal at the intersection of Fourth Street and Monterey Road. The traffic signal was installed as part of the City Council's Downtown pedestrian safety and traffic calming efforts.

The project was awarded to Mike Brown Electric Company for \$306,430 and the project was authorized a 10% contingency of \$30,643. The traffic signal was activated in November of 2017 and the final project cost was \$293,582. Staff has worked with the contractor since the traffic signal was activated to address a variety of "punch list" items on the project. The last of these items was completed in December 2018.

Staff recommends accepting the project as the work is complete and in accordance with the plans and specifications.

COMMUNITY ENGAGEMENT: Inform

Prior to commencement of work, the contractor notified residents and businesses adjacent to the construction work zone. Staff also provided notifications and weekly project updates through the City's website.

ALTERNATIVE ACTIONS:

Not applicable.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

September 16, 2015 - City Council approved the Monterey Road Complete Streets Pedestrian Safety and Traffic Calming Improvements program

April 6, 2016 - City Council received update on Monterey Road Complete Streets Pedestrian Safety and Traffic Calming Improvements program

June 15, 2016 – City Council approved the Fiscal Year 2016-17 thru 2021-22 Capital Improvement Program

July 20, 2016 - City Council received an update on Monterey Road Complete Streets Pedestrian Safety and Traffic Calming Improvements program

February 1, 2017 – City Council rejected all bids for the Fourth Street and Monterey Road Signalization Project and directed staff to rebid the project

March 15, 2017 – City Council awarded the Fourth Street and Monterey Road Signalization Project to Mike Brown Electric Company in the amount of \$306,430.

FISCAL AND RESOURCE IMPACT:

The project was awarded to Mike Brown Electric for \$306,430 with a 10% contingency of \$30,643, totaling \$337,073 authorized for construction. The final construction cost was \$293,582. The remaining funds in the amount of \$43,491 will be unencumbered and returned to the project funding sources (Fund 346 and 355).

CEQA (California Environmental Quality Act):

Categorical Exemption

The activities described in this Staff Report are categorically exempt under CEQA, specifically pursuant to Section 15301(c) of the CEQA (Existing Facilities), as the subject work involves the repair, maintenance or minor alteration of existing City roadway facilities involving negligible or no expansion of use of those facilities.

LINKS/ATTACHMENTS:

1. Project Location Map
2. Notice of Completion
3. Funding Closeout Statement



Attachment: Project Location Map (2159 : Accept Fourth Street & Monterey Road Signalization Project)



CITY OF MORGAN HILL

**Department of Public Works
Engineering and Utilities Division**

G:\R-14\Proj\GIS\John\Scott_4thStSignal.mxd

SITE MAP

**Fourth St. and Monterey Rd.
Traffic Signalization Project**



0 37.5 75 150 225 300
Feet

Record at the Request of
and When Recorded Mail to:

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

Record at No Fee Pursuant to
Government Code Section 27383

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN, pursuant to Civil Code Section 9204, that:

- 1) On March 15, 2017, the City of Morgan Hill, a Municipal Corporation, entered into a contract with Mike Brown Electric Company for the Fourth Street and Monterey Road Signalization Project located at the intersection of Fourth Street and Monterey Road in Morgan Hill, CA.
- 2) The owner of said property is the City of Morgan Hill, a Municipal Corporation, located at 17575 Peak Avenue, Morgan Hill, CA 95037, and is the owner of said property in fee simple.
- 3) The contractor is Mike Brown Electric Company located at 561-A Mercantile Drive, Cotati, CA 94931.
- 4) The surety is "Liberty Mutual Insurance Company".
- 5) The project was completed on December 6, 2018 and accepted by the City Council of the City of Morgan Hill on February 6, 2019.

CITY OF MORGAN HILL, a Municipal Corporation

By _____
Scott Creer
City Engineer

I, the undersigned, declare that I am the City Engineer for the City of Morgan Hill. I have read the forgoing Notice of Completion and know and understand the contents thereof and that the facts stated therein are true and correct. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on _____, at Morgan Hill, California.

Scott Creer
City Engineer

Attachment: Notice of Completion (2159 : Accept Fourth Street & Monterey Road Signalization Project)

CIP Contract Acceptance Funding Closeout Statement

Project:	Fourth St. & Monterey Rd. Signal		
Project No:	502Q16		
Date of Project Award:	15-Mar-17	Project Award Amount:	\$306,430
Funding Source:	f346 (66%), f355 (34%)	Contingency Authorized:	\$30,643
Date of Project Acceptance:	6-Feb-19	Total Authorized:	\$337,073
		Actual Base Contract Spent:	\$293,582

Change Orders		
Description	Date	Council Approval Req'd? (Y/N)
Total C.O.:		\$0

Additional Appropriations		
Source	Amount	Date
None		

		Total Construction Amount (Base Contract plus CO's):	\$293,582
Construction Fund Balance:	\$43,491		

Attachment: Funding Closeout Statement (2159 : Accept Fourth Street & Monterey Road Signalization Project)



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Michelle Bigelow, Deputy City Clerk
APPROVED BY: City Manager

ADOPT ORDINANCE 2295 AMENDING THE MADRONE VILLAGE SHOPPING CENTER PRECISE DEVELOPMENT MASTER PLAN TO ALLOW HOTEL DEVELOPMENT

RECOMMENDATION(S)

Waive the reading, adopt Ordinance No. 2295, 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.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Protecting the Environment
Preserving and Cultivating Public Trust

GUIDING DOCUMENTS

General Plan/Housing Element

REPORT NARRATIVE:

On January 23, 2019, the City Council introduced Ordinance No. 2295 New Series, by the following roll call vote: AYES: Carr, Spring, Martinez Beltran, McKay, Constantine; NOES: None; ABSTAIN: None; ABSENT: None.

Ordinance 2295 will approve an amendment to the Madrone Village Planned Development Master Plan and the Design Guidelines. The Planned Development amendments will allow for the development of two, four story hotels (61 foot maximum height) within the Madrone Village Shopping Center located on northwest corner of the Madrone Parkway and Cochrane Road.

COMMUNITY ENGAGEMENT: Involve/Inform

The proposed project was publicly noticed (mailing to property owners within 300 feet of the project and newspaper legal noticing) for the minimum 10-day period and a sign was posted on the project site pursuant to the Planning Division requirements.

ALTERNATIVE ACTIONS:

None.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

In September 2004, the City Council adopted Ordinance No. 1695 & Resolution 5845, changing the general plan land use designation from Industrial to Commercial and rezoning the property to Planned Development.

April 5, 2006, the City Council adopted Ordinance No. 1764, N.S. approving a Precise Development Master Plan and Development Guidelines for the Madrone Village Shopping Center.

In July 2011, the Planned Development (PD) zoning was amended by Ordinance No. 2018, to include medical offices, dental offices, and commercial recreation (<3,000 sq. ft.) as a permitted use; commercial recreation greater than 3,000 square feet was added as a conditional use.

On December 11, 2018, the Planning Commission considered this application and found the request to be consistent with General Plan, Zoning and Economic Blueprint, and recommended City Council to approve the application.

FISCAL AND RESOURCE IMPACT:

The City development review functions are cost-recovery, with fees collected from applicant to cover cost of services. These fees have been collected.

CEQA (California Environmental Quality Act):

Project.

The City of Morgan Hill contracted with David J. Powers & Associates (DJP&A) to prepare additional environmental review for the proposed project amendment, which includes an Addendum to the Cochrane-TBI Project Expanded IS/MND (2004). The Addendum confirmed that the project, as revised, would not result in any new significant impacts that were not addressed in the Initial Study or would cause any impacts to be substantially greater than were identified in the Initial Study completed in 2004.

LINKS/ATTACHMENTS:

1. Ord. 2295 Madrone Village Masterplan

ORDINANCE NO. 2295, NEW SERIES

AN ORDINANCE OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO A PLANNED DEVELOPMENT MASTER PLAN FOR “MADRONE VILLAGE SHOPPING CENTER” LOCATED ON THE NORTHWEST CORNER OF MADRONE PARKWAY AND COCHRANE ROAD (APN’s 726-33-029, 030 AND 031)

WHEREAS, the City Council at their regular meeting of April 5, 2006, adopted Ordinance 1764 N.S. which approved a PD Master Plan and development standards for the Madrone Village Shopping Center Planned Development;

WHEREAS, TBI and West Coast Property Management, the owners of the property, identified by Assessor Parcel Number(s) 726-33-029, 030 and 031, on the northwest corner of Madrone Parkway and Cochrane Road, are seeking amendment to allow two, four story hotels;

WHEREAS, said proposal requires the adoption of an amendment to the PD Master Plan prior to development on the site;

WHEREAS, said proposal requires the adoption of an amendment to the Madrone Village Shopping Center Development Guidelines prior to development of the hotels.

WHEREAS, findings must be made pursuant to Section 18.114.060 to support a request for an amendment to a PD Master Plan, and any Plan shall be found consistent with such findings;

WHEREAS, such request was considered by the Planning Commission at its regular meeting of December 11, 2018 at which time the Planning Commission recommended approval of Zoning Amendment application AAE2018-0005, amending application ZA 04-11: Cochrane-TBI; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE CITY COUNCIL OF THE OF MORGAN HILL DOES ORDAIN AS FOLLOWS:

SECTION 1. The proposed zoning amendment is consistent with the General Plan. The development plan established by this amended PD Master Plan and amended Development Guidelines will define an orderly and logical development plan and establish uses that are supportive of the surrounding development and future development permitted in the Madrone Business Park.

SECTION 2. The proposed project will not be detrimental to the public welfare, will be in the best interests of the city and will be in keeping with the general intent and spirit of the zoning regulations of the City of Morgan Hill, with the City of Morgan Hill General Plan and with any applicable plans adopted by the city. The zone change is required in order to serve the public convenience, necessity and general welfare as provided in Section 18.114.060 of the Municipal Code.

SECTION 3. The City Council of the City of Morgan Hill hereby finds that, on the basis of the whole record before it, there is no substantial evidence that the project as currently proposed will have a significant effect on the environment beyond what was anticipated in the previously adopted Mitigated Negative Declaration (April 5, 2006) and the project specific Addendum to the Mitigated Negative Declaration prepared, and this finding reflects the Council's independent judgment and analysis; therefore, the City Council approves of the addendum to the Mitigated Negative Declaration. The custodian of the documents or other material which constitute the record shall be the Development Services Department.

SECTION 4. In accordance with Section 18.114.060 (Findings for Approval), the City Council approves the amendments to the Madrone Village master plan and Madrone Village Design Guidelines based on the following findings:

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

In addition to the General Plan Goals and Policies discussed in the December 11, Planning Commission staff report, the proposed amendments allowing for the addition of hotels to the Madrone Village Shopping Center also satisfy the following General Plan Goals and Policies.

GOAL CNF-18 Integrated job-generating centers that offer workers and businesses a range of services to meet their daily needs.

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.

Policy CNF-18.2 Thoughtful Design. Encourage integrated and appropriate commercial uses on lands with a Commercial/Industrial designation that relate to and support surrounding businesses.

GOAL ED-3 A high-quality business community with established roots in Morgan Hill.

Policy ED-3.8 Allow amenities, such as retail, services, restaurants, and lodging, as ancillary uses to support the primary job-generating uses within business park settings to create dynamic working environments.

GOAL ED-4 A vibrant, enhanced, visible, and well promoted tourist industry that draws on Morgan Hill's unique character and variety of amenities.

Policy DE-4.9 Overnight Accommodations. Support the construction of a full range of new lodging facilities to build the local tourism industry, enhancing the City's position as a hub for wine tourism and for visitors attracted to the City's sports facilities.

Policy ED-4.11 Tourism Support Services. Actively promote development of tourist-oriented commercial, industrial, and recreational uses and facilities, including such uses as lodging, meeting and conferenced centers, outdoor restaurants, wine and beer tasting, and farmers 'markets.

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

As described in the analysis above, the proposed amendments have been found to be consistent with the General Plan, and it will not be detrimental to the public interest, health, safety, convenience, or welfare of the City. The proposed change to the existing PD enables the addition of two hotels to the existing shopping center. The addition of the hotel use and their location within the PD would be compatible with the character of adjacent structures and the immediate neighborhood. The proposed hotel use does not conflict with the existing neighborhood but instead provides a use that will serve and support the adjacent commercial and industrial areas as well as the larger Morgan Hill community.

SECTION 5. The City Council hereby approves an amended PD Master Plan, on file at the Development Services Department date stamped November 26, 2018, entitled "Madrone Village" prepared by AE Arbia Architects, ARC Tec Inc, Architects, Kier & Wright Engineers, Sandis Engineering, and KLA Inc, Landscape Architects. The Master Site plan and Landscape Plans are attached as Exhibit A.

SECTION 6. The City Council hereby approves the amended development guidelines "The Madrone Village Shopping Center" as attached as Exhibit B.

THE FORGOING ORDINANCE WAS INTRODUCED AT THE MEETING OF THE CITY COUNCIL HELD ON THE 23rd DAY OF JANUARY 2019, AND WAS FINALLY ADOPTED AT A MEETING OF THE CITY COUNCIL HELD ON THE 6th DAY OF FEBUARY, 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:

RICH CONSTANTINE, Mayor

ATTEST:

DATE:

IRMA TORREZ, City Clerk

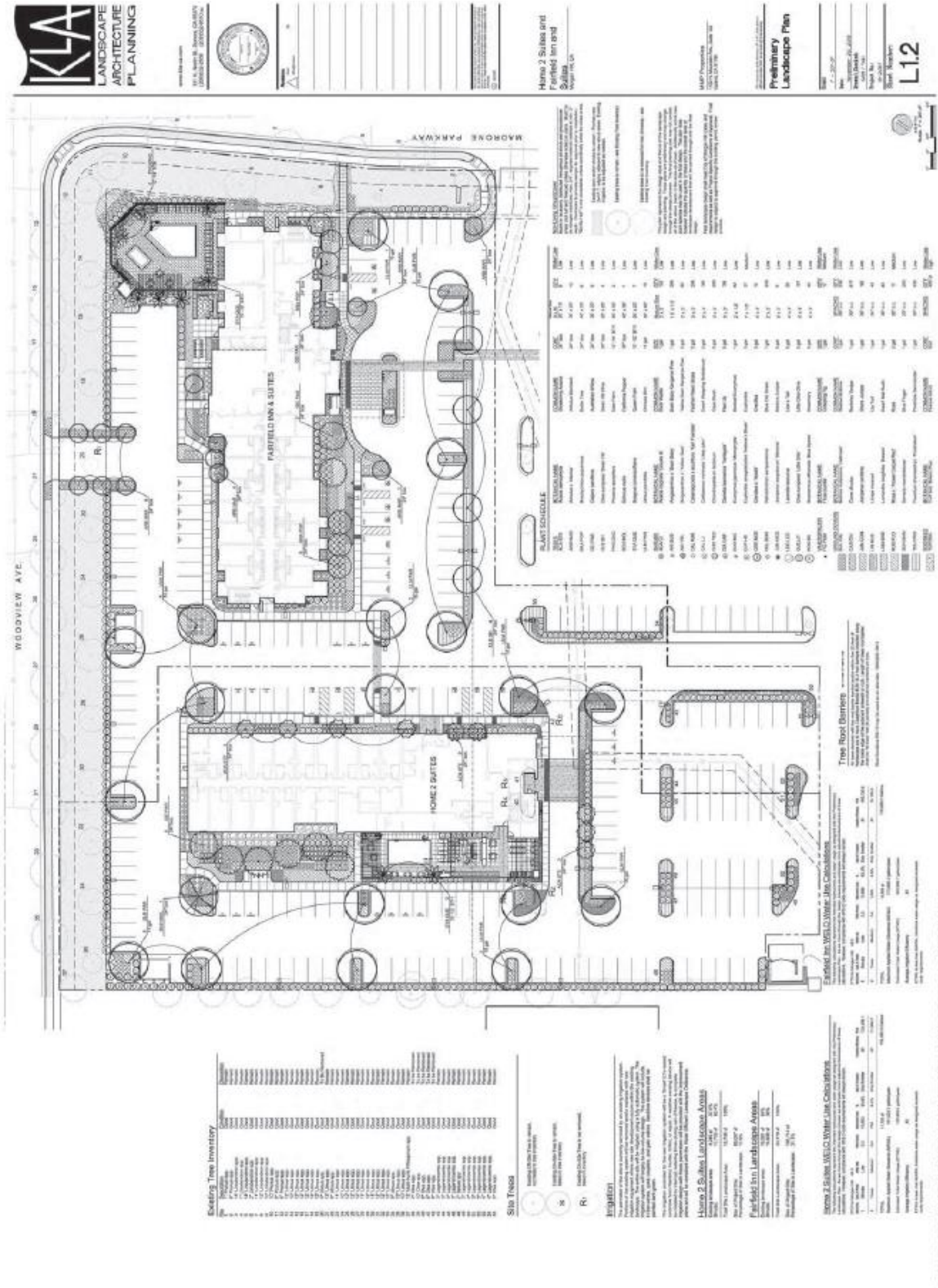
∞ CERTIFICATE OF THE CITY CLERK ∞

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. 2295, New Series adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the 6th day of February 2019.

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

DATE: _____

IRMA TORREZ, City Clerk



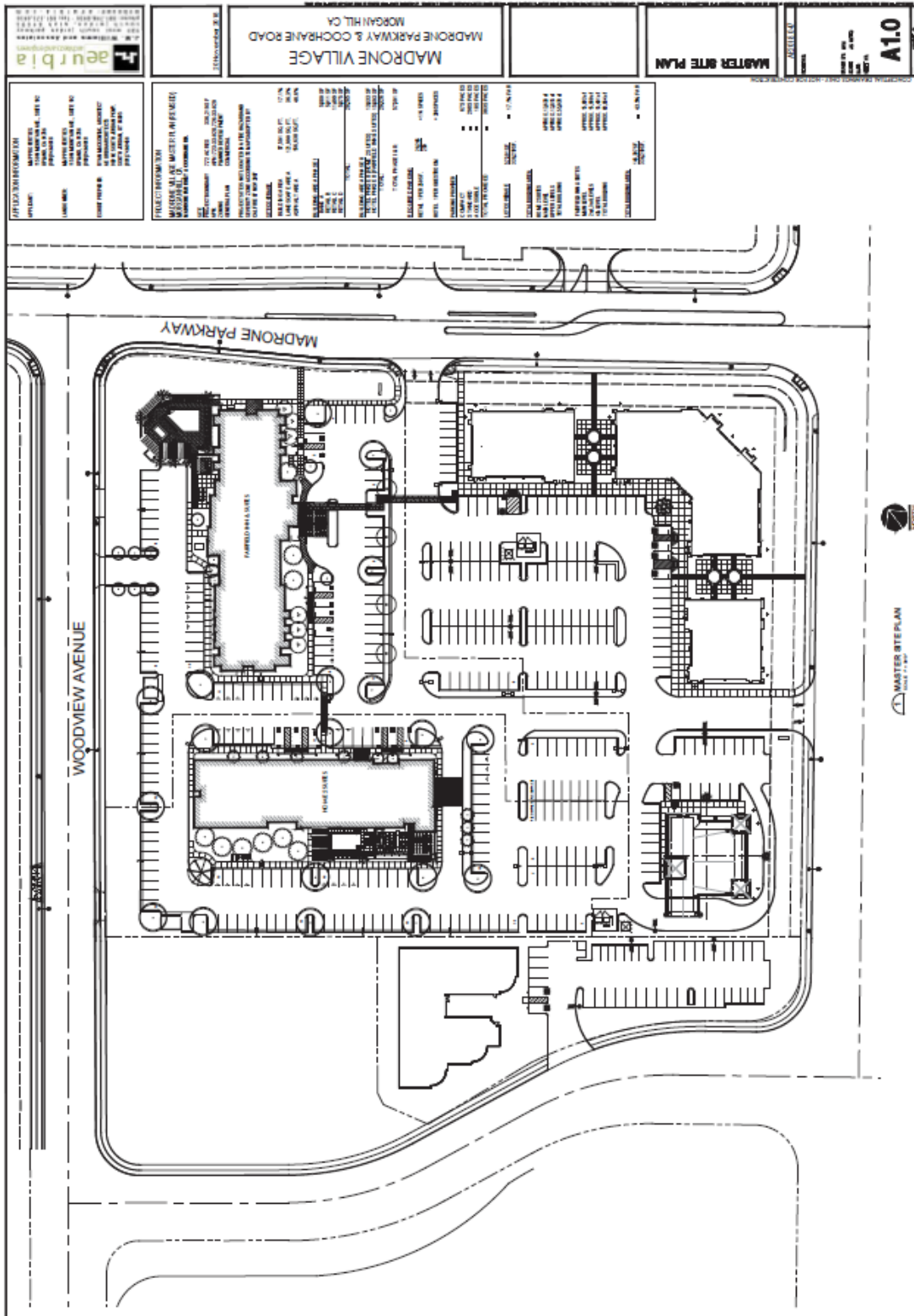


EXHIBIT B

PLANNED UNIT DEVELOPMENT GUIDELINES MADRONE VILLAGE SHOPPING CENTER MORGAN HILL, CA

Description of Project:

Madrone Village Shopping Center

Location of Project:

North West Corner of Madrone Parkway and Cochrane Road, Morgan Hill, California

Introduction to Project:

27,580 square feet retail shopping center consisting of four single-story buildings and two, four-story hotels with a collective total of 206 rooms.

Allowed and Conditional Uses:

Permitted Uses

- Retail Stores
- Restaurants
- Offices and Professional Offices (including medical and dental offices)
- Financial Services
- Personal Services
- Business and Trade Schools
- Specialty Grocery Stores, not to exceed 15,000 sf
- Drug Stores
- Commercial Recreation Uses 15,000 sq. ft. or less in area (exclusive of parking)
- Hotels

Conditional Uses

- Day Care Centers/Nursery Schools
- Commercial Recreation Uses greater than 15,001 sq. ft. in area (exclusive of parking)
- Gasoline Service Stations (including ancillary convenience stores)
- Drive-thru uses
- Grocery Stores exceeding 15,000 sf but less than 50,000 sf
- Any other use which the Planning Commission finds to be of similar nature to the permitted uses and conditional uses specified above

Commercial Development Standards:

The following standards shall apply to all commercial PUDs:

A. Architecture/Site Planning

1. The general aesthetic character of all building exteriors shall be early Mission California theme or of a compatible architectural style as determined by the Community Development Director.
2. The location of all physical improvements shall be consistent with the Development Plan established for the PUD.
3. No building within this PUD Phase I shall exceed 30 feet in height with the exception of specific architectural features (34 feet maximum) except as otherwise authorized by the City Council through the PUD approval process. No building within this PUD Phase II shall exceed 61-feet in height. The 61-foot maximum height includes all architectural features, roof top screening and equipment.
4. Rooflines shall vary in height and shall incorporate a maximum of two varying roof types (e.g., hip, gable).
5. Structures shall incorporate breaks in horizontal planes by stepping or staggering setbacks and recessing windows and entrances, to provide substance and scale.
6. Doors and windows shall be enhanced by use of various sizes and shapes,, and highlighted by the use of accent trim (e.g. molding, pop-out or wood trim). The design shall be complementary to the architectural style of the PUD.
7. All exterior wall elevations visible from and/or facing public roadways shall have architectural treatment.
8. Facade architectural treatment shall be applied to all building elevations with the same degree of detail as the building entrance.
9. No franchise architecture shall be permitted.
10. Buildings situated or near the front setback shall provide public access from the side(s) of the buildings at or near the front setbacks.
11. Building design shall be compatible with the immediate environment and provide harmonious transition between various uses.
12. No mechanical equipment shall be exposed on the wall surface of any building.
13. Mechanical and utility equipment shall be located below the roofline or parapet wall and out of public view. Location within the building or at ground level is preferred to roof-mounting. When such equipment cannot be so located, all roof-mounted mechanical equipment or ductwork which projects vertically above the roof or roof parapet shall be screened by an enclosure which is detailed consistently with the building design.
14. Gutters and downspouts shall be located interior to the wall when facing a roadway frontage. All other gutters and downspouts that cannot be located interior to the wall shall be treated to blend into the facade to which it is attached, unless used as a major design element, in which case the color shall be consistent with the color schemes of the building.
15. Any outdoor storage of goods, materials or equipment shall be limited to 8 feet in height and screened from view of any roadway or adjacent property. The screening shall be designed as an integral part of the building design and site layout. Chain link fencing with wood inserts is not an acceptable manner of screening.

16. Trash enclosures shall be constructed of solid masonry material, consistent with the building on-site, and shall be a minimum 6 ft. in height, with solid view obstructing gates. Trash enclosures shall be located in inconspicuous locations.
17. Fences and walls shall be designed to be compatible with the surrounding landscape and architectural style of the PUD.
18. Buildings shall be placed at the front setback line for at least 35 percent of the street frontage of the PUD, unless infeasible due to the size or configuration of the property.
19. Provisions for connecting driveways and walkways between adjacent properties within the PUD are to be provided.
20. Convenient pedestrian access shall be provided to commercial uses from residential areas within or adjacent to the PUD.

B. Easements

1. Easements for the installation and maintenance of utilities, walkways, roads, shared driveways, parking and drainage facilities shall be recorded as part of any subdivision map or lot line adjustment.

C. Landscaping

- 1 The design and location of all landscaping shall be consistent with the Development Plan established for the PUD.
- 2 The general characteristics of the plant palette for the PUD shall be a combination of year-round color and textural interest. Plants shall be selected on the basis of color combinations, growth patterns, low maintenance and water conservation characteristics. At time of installation, all trees shall have a minimum height of eight feet and minimum crown diameter of three feet.
- 3 All street trees and trees planted within the front setback areas shall have a minimum height of ten feet and minimum crown diameter of four feet.
- 4 A minimum 30-foot wide landscape area (excluding any landscaping in the right of way) shall be provided adjacent to all public streets within the PUD. Encroachment into this area may be permitted where it can be substantiated that provision of the 30-foot area is impracticable or would result in an undue hardship to the development. Encroachment shall only be allowed to the extent necessary and shall not exceed 50 percent of the required landscape width. Where encroachment is allowed, the reduced width shall be mitigated through additional landscape planting or a combination of an earthen berm and screen wall or both. An encroachment into the 30-ft wide Cochrane Road landscape area shall be permitted only to the extent necessary to allow a drive-thru exit lane for the proposed bank. The encroachment shall be mitigated through the existing berm and additional landscaping.
- 5 Landscaping shall be placed adjacent to a minimum of 50% of the perimeter of all buildings.
- 6 Landscaping at the entrance of building shall include box size and/or accent trees with a minimum height of 10 feet and crown width of four feet to create a focal point to help direct people to the building entrances.
- 7 Native oaks and field stones shall be incorporated into the landscape plan of the PUD.

- 8 A minimum of 15% of all parking areas shall be landscaped. Required setback and perimeter planting areas shall not be counted in this area but may include the building perimeter landscaping.
- 9 Canopy-providing trees shall be planted in the parking lot planter islands to produce shade.
- 10 Entrances to the PUD shall be well landscaped and serve as a focal point.
- 11 Shrubs and vine planting shall be provided to screen utilities and trash enclosures.
- 12 All landscape areas provided (with the exception of areas adjacent to public streets) shall have a minimum width of 5 feet. This includes but is not limited to landscaping adjacent to buildings, alongside and rear property lines, and finger planters within parking lots.
12. All parking areas shall be screened from view of public streets by use of the existing berming.
13. Landscaping shall be used to soften the appearance of fences and walls and building elevations which lack fenestration or other architectural detailing.

D. Lighting

- 1 The design of the exterior building lighting and parking lot lighting fixtures shall be compatible with the architectural style of the PUD.
- 2 Parking lot lighting shall be consistent throughout the PUD. The maximum height of the lighting shall be 20 ft. except that lighting standards within 100 ft. of residentially zoned properties shall be limited to a maximum height of 15 ft.
- 3 Lighting for pedestrian pathways shall be reduced in height and scale, to create a more human-scale feeling and atmosphere.
- 4 All lighting shall be shielded and directed in such a manner so as not to directly cast light on neighboring properties. Adjustments to the lighting intensity may be required after commencement of the use.

E. Parking and Loading/Circulation

- 1 Parking shall be screened from public view through the use of berming, hedgerow planting, shrubs, trees, fences or walls, or any combination thereof, provided that no more than 35% of the total screening shall consist of fences or walls. At time of installation, shrub plantings shall be minimum 5-gallon size, trees shall have a minimum height of eight feet and minimum crown diameter of four feet, and berming/fences/walls shall be a minimum 3 ft. in height, as measured from the nearest street curb.
- 2 No angled parking or one-way drive aisles shall be utilized in any parking lot.
- 3 Parking areas shall be designed to include provision for pedestrian walkways for access to building entrances. Walkways that cross traffic lanes shall have special design features such as raised and/or textured pavement, narrowed roadway, or combination thereof. Walkways shall be provided through landscaped areas to protect landscaping from foot traffic damage.
- 4 Reciprocal access and shared parking between properties shall be used, whenever possible.
- 5 Loading areas and docks shall be screened from view by a solid wall. The wall shall be architecturally treated and screened with landscaping. Loading areas shall not be located adjacent to or visible from public streets.

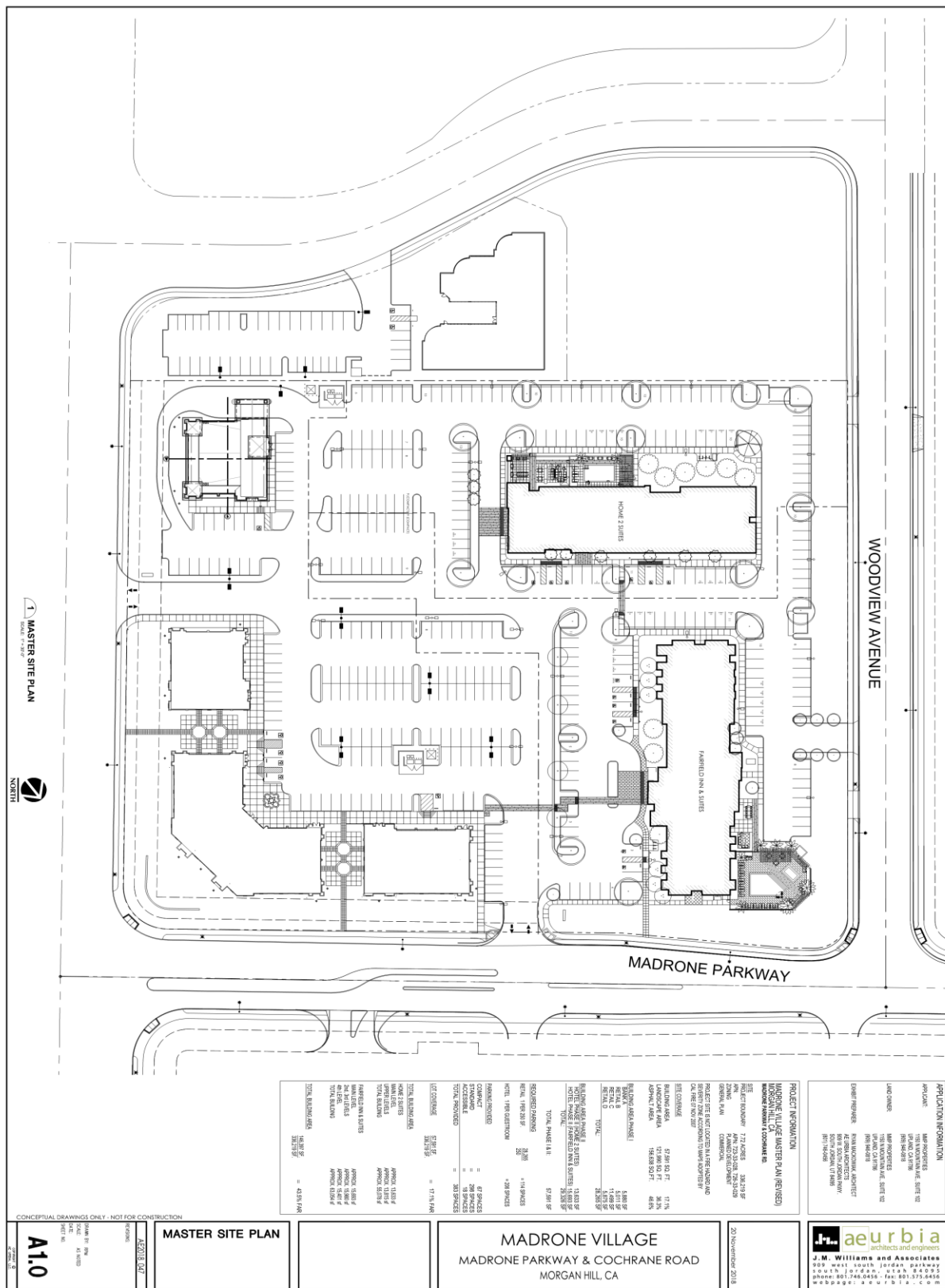
- 6 Truck deliveries shall be limited to 6 a.m. to 9 p.m., Sunday through Saturday.
- 7 Cross access easements and joint-use drive aisles shall be provided throughout the PUD.
- 8 Drive aisles shall allow for complete circulation within the PUD, with sufficient width for emergency vehicles. ~~Dead end drive aisles shall not be allowed.~~
- 9 Shared access easements and driveways shall be used to minimize paved areas and curb cuts.
- 10 Pedestrian access shall be provided between the adjacent properties.

F. Signage/Displays

- 1 PUDs which are, due to their location, eligible for freeway signage shall utilize a single freeway sign consistent with the provisions of the City Sign Ordinance.
- 2 No exterior retail displays shall be allowed.
- 3 A uniform sign program shall be required for all properties and uses within the PUD.
- 4 Signage shall be prohibited on the raised architectural features and shall not extend above the height of the main building elevation.

G. Utilities and Appurtenant Uses/Devises

- 1 The proposed project will discharge storm drainage to existing storm drain laterals that were stubbed to the site when the Business Park was constructed. The storm drain laterals are connected to the detention pond that provides detention for the entire Park.
- 2 All backflow devices, fire risers and check valves shall be screened with landscaping.
- 3 No utility equipment shall be located within the front setback area unless placed within an underground vault. All transformers shall be located interior to the site, outside of the front setback area, and shall be screened with landscape material. * EXCEPTION: If it is determined by P.G. & E. that more than one (1) transformer is required for Buildings 'B, C & D', only one (1) transformer shall be within the parking lot (Building 'C' only).
- 4 Uses within the PUD that utilize shopping carts shall provide indoor storage of the carts and shall provide for collection areas throughout the parking lots.
- 5 Vending machines, rides, newspaper racks or any coin-operated devices shall not be placed on the exterior of any buildings.





CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Michelle Bigelow, Deputy City Clerk
APPROVED BY: City Manager

ADOPT ORDINANCE 2296 ESTABLISHING PROCESS FOR CONTINUITY OF GOVERNMENT IN THE EVENT OF A DISASTER

RECOMMENDATION(S)

Waive the reading, adopt Ordinance No. 2296, 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.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Protecting the Environment
Preserving and Cultivating Public Trust

GUIDING DOCUMENTS

General Plan/Housing Element

REPORT NARRATIVE:

On January 23, 2019, the City Council introduced Ordinance No. 2296 New Series, by the following roll call vote: AYES: Carr, Spring, Martinez Beltran, McKay, Constantine; NOES: None; ABSTAIN: None; ABSENT: None.

The Civil Disaster and Emergency Organization Chapter of the City of Morgan Hill's Municipal Code will be updated to include the appointment and duties of emergency standby council members by adding the section "Continuity of government in the event of disaster." This addition outlines the duties and assignment of the emergency standby council. The current default per California Code states when Council Members are not available during a large-scale event the authority goes to a neighboring municipality's City Council with the largest population. Other jurisdictions within Santa Clara County have adopted similar ordinances for the appointment of emergency standby council members for their Emergency Operations Centers. Staff will bring a report to the City Council with the appointment recommendations prior to the effective date (March 7, 2019) of the ordinance.

COMMUNITY ENGAGEMENT: Inform

The City's Emergency Operations Plan is a public document and is posted on the city's website.

ALTERNATIVE ACTIONS:

Not Applicable.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City's Emergency Operations Plan is reviewed by the Office of Emergency Services each year, with significant changes brought forward to the City Council.

FISCAL AND RESOURCE IMPACT:

No fiscal impact associated with adoption of this proposed ordinance.

CEQA (California Environmental Quality Act):

Not a Project.

This ordinance is not a project as defined in Section 15378 of the State CEQA guidelines as it is an administrative activity of government that will not result in direct or indirect physical changes in the environment.

LINKS/ATTACHMENTS:

1. 2296 Continuity of Government in Disaster

ORDINANCE NO. 2296, NEW SERIES

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF MORGAN HILL
ADDING SECTION 2.44.094 (CONTINUITY OF GOVERNMENT IN THE
EVENT OF A DISASTER) TO CHAPTER 2.44 (CIVIL DISASTER AND
EMERGENCY ORGANIZATION) OF TITLE 2 (ADMINISTRATION AND
PERSONNEL) OF THE MORGAN HILL MUNICIPAL CODE RELATING
TO THE APPOINTMENT AND DUTIES OF EMERGENCY STANDBY
COUNCIL MEMBERS**

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

SECTION 1. Section 2.44. 094 (Continuity of government in the event of disaster) is hereby added to Chapter 2.44 (Emergency Organization and Functions) of Title 2 (Administration and Personnel) of the Morgan Hill Municipal Code is to read as follows:

"(a) At the second council meeting in January each year or as soon thereafter as may be practicable, the City Council shall appoint five (5) emergency standby council members. Emergency standby council members shall be selected from former members of the City Council who agree to serve in that capacity during that year and to reside within the City of Morgan Hill during that year so long as they elect to participate as members of the emergency standby council. If insufficient numbers of former members of the City Council are available or willing to serve, City Council shall select emergency standby council members from current Planning Commissioners.

(b) A member of the emergency standby council shall serve in that capacity from the date of appointment until the appointment of another emergency standby council the following year or until the member notifies the City Clerk in writing that the member has elected to terminate participation in the emergency standby council. Each emergency standby council member shall take the oath of office required for the City Council prior to assuming the position of emergency standby council member.

(c) Each emergency standby council member appointed by the City Council as described in section (a) shall have the duty during the term of that member's appointment to remain informed of the duties of City Council members and the business and affairs of the City of Morgan Hill to the extent necessary to enable participation as a member of the City Council upon appointment in the event of an emergency as provided hereafter.

(d) In the event of the declaration of a state of war emergency, a state of emergency, or a local emergency as those terms are designated in Articles 12, 13, and 14 of Title 2 of the California Government Code and less than a quorum of the City Council is available and a City Council meeting is urgently required, the members of the emergency standby council shall be contacted for service. At that meeting, any City Council members who are unavailable for duty at the time of that meeting as defined by section 8636 of the California Government Code (unavailable such as the member is either killed, missing; or so seriously injured as to be unable to attend meetings and otherwise perform the duties of office), shall be replaced by a member of the emergency

standby council as necessary to reach five members. The order of selection of emergency standby council members shall be determined by Council Policy. The appointment of members of the emergency standby council to fill vacancies created by the unavailability of City Council members at any time during a state of emergency shall be performed by City Council, and additional emergency standby members shall be appointed during the state of emergency as required to maintain a total of five members on the City Council.

(e) Members of the emergency standby council who are appointed to serve as City Council members shall serve in that position until replaced by a member of the City Council who becomes no longer unavailable such that the addition of emergency standby council members is no longer necessary in order to constitute a quorum, until termination of the state of emergency, or until the election or appointment of a new regular City Council member as provided by law."

SECTION 2. Severability. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 3. Effective Date; Posting. This Ordinance shall take effect on March 7, 2019. The City Clerk is hereby directed to publish this Ordinance or a summary thereof pursuant to Government Code Section 36933.

The foregoing Ordinance was introduced at a meeting of the City Council of the City of Morgan Hill held on the 23rd day of January 2019 and was finally adopted at a meeting of said Council on the 6th day of February 2019 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:

RICH CONSTANTINE, Mayor

ATTEST:

DATE:

IRMA TORREZ, City Clerk

□ **CERTIFICATE OF THE CITY CLERK** □

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. 2296, New Series adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the 6th day of February 2019.

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

DATE: _____

IRMA TORREZ, City Clerk



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Keri Russell, Maintenance Services Coordinator
APPROVED BY: City Manager

ADOPT RESOLUTION OF INTENT TO HOLD SPECIAL BALLOT PROCEEDING FOR PARSONS CORNER SUBAREA OF MORGAN HILL LANDSCAPE ASSESSMENT DISTRICT NUMBER 1

RECOMMENDATION(S)

1. Adopt resolution of intent authorizing a special ballot proceeding to detach the Parsons Corner Subarea from the Morgan Hill Landscape Assessment District Number 1 (District); and
2. Approve and authorize the City Manager to execute a Maintenance Agreement with the Parson's Corner Homeowners Association, subject to successful detachment of the Parsons Corner Subarea from the Morgan Hill Landscape Assessment District Number 1 (District).

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Maintaining Fiscal Responsibility

REPORT NARRATIVE:

The purpose of this report is to provide the Council with an opportunity to consider and adopt a resolution of intent, authorizing the special ballot proceeding needed to detach the Parsons Corner Subarea of Morgan Hill Landscape Assessment District Number 1 (District).

The City has been administering the various subareas contained in Morgan Hill Landscape Assessment District Number 1 since the 1990s. Each of these subareas function as a "mini-district" in which the revenues garnered through the annual assessments must only be used to pay the administrative and direct service costs for that subarea. One of these subareas, Parsons Corner, has had a reduction in services over the last several years due to limited revenues and rising costs. The Homeowners Association (HOA) supplements some maintenance to the Common Area.

As a result of Proposition 218, the assessment district cannot be detached without an affirmative vote of the majority of the voting property owners. Over recent meetings, many of the residents in the Parsons Corner Subarea have expressed to the City that they would prefer to vote to detach Parsons Corner and have the HOA solely maintain the Common Area. The Common Area is currently owned by the HOA, which has signed an agreement to take on future maintenance (Attachment No. 2).

Adopting the attached resolution is the first required step for the City to hold the special ballot proceeding needed to detach Parsons Corner. If the Council adopts this resolution, a public hearing and voting will be held on April 3rd.

COMMUNITY ENGAGEMENT: Empower

Staff has had multiple meetings and communications over the year with the Parsons Corner residents and HOA and the proposed detachment is the result of those requests. The proposed action empowers the residents to decide on detachment through a vote and to ultimately take on management of the area themselves.

ALTERNATIVE ACTIONS:

The Council could decline to adopt the resolution which would result in the City continuing to provide limited maintenance to the Common Area at Parsons Corner based on the available revenue.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council levies assessments for the Landscape Assessment District annually and has taken numerous actions in relation to various sub-areas within the District. There have been no recent Council actions specifically for the Parsons Corner Subarea.

FISCAL AND RESOURCE IMPACT:

This detachment of the Parsons Corner Subarea will not result in a significant fiscal impact, as expenses and revenues will be reduced equally within the overall Landscape Assessment District budget. The annual process for the levy of assessments for the District will occur in the coming months. Administering and managing the District is included in the work program of the Community Services Department.

CEQA (California Environmental Quality Act):

Not a Project

The actions in this resolution are fiscal activities which do not directly involve a physical impact on the environment.

LINKS/ATTACHMENTS:

1. Resolution of Intent
2. Maintenance Agreement

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL DECLARING ITS INTENTION AND CALLING AN ASSESSMENT BALLOT PROCEEDING TO SUBMIT TO THE QUALIFIED PROPERTY OWNERS THE QUESTION OF THE PROPOSED DETACHMENT FOR THE PARSONS CORNER SUBAREA OF LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NUMBER 1 BEGINNING JULY 1, 2019

The City Council of the City of Morgan Hill (hereafter referred to as the “City Council”) does resolve as follows:

WHEREAS, the City Council has previously formed Landscape Assessment District No. 1 (District), previously the Fox Hollow/Murphy Springs Landscape Assessment District, to levy and collect assessments pursuant to the provisions of the *Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500)* (hereafter referred to as the “Act”) that provides for the levy and collection of assessments by the County of Santa Clara for the City of Morgan Hill to pay the maintenance and services of all improvements and facilities related thereto; and

WHEREAS, City representatives have met with residents of the Parsons Corner Subarea of Landscape Assessment District No. 1 who have expressed an interest for the Home Owner Association (HOA) to take over the maintenance to the Common Area.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF MORGAN HILL, PURSUANT TO CHAPTER 2, SECTION 22587 OF THE ACT, AS FOLLOWS:

Section 1 Intention: The City Council hereby declares its intention to detach the Parsons Corner Subarea from the Landscaping Assessment District No. 1 including the stoppage of the annual levy and collection. The City Council has determined at this time to call an assessment ballot proceeding therein to authorize the detachment of the Parsons Corner Subarea of the District as further described in Section 5 of this resolution. The City Council finds that the public’s best interest requires such detachment.

Section 2 Calling a special ballot proceeding: Pursuant to Proposition 218, now California Constitutional Articles XIII C and XIII D, (hereafter referred to as the “Proposition 218”) approved by the California voters in November 1996, an assessment ballot proceeding is hereby called on behalf of the Parsons Corner Subarea of the District on the proposition of detaching of Parsons Corner and stopping all collections of the Parsons Corner Subarea of the District.

Section 3 The assessment ballot proceeding for the Parsons Corner Subarea of the District on the proposition of authorizing the detachment, pursuant to Proposition 218 consists of a ballot, included with the mailed notice required by California Government Code Section 53750 *et seq.*, distributed by mail, to the property owners of record within the Parsons Corner Subarea as of the county's last equalized secured property tax assessment roll. Each property owner's vote is weighted by the amount of their proposed assessment and property owners may return the ballot by mail or in person to the City Clerk not later than the conclusion of the **Public Hearing on Wednesday, April 3rd, 2019**. At the Public Hearing, pursuant to Proposition 218 the agency shall tabulate the ballots to determine if a majority protest exists. The ballots shall be weighted according to the proportional financial obligation of the affected property. A majority protest exists if, upon the conclusion of the Public Hearing, ballots submitted in opposition to the detachment exceed the ballots submitted in favor of the detachment.

Section 4 District Boundaries: The boundaries of the Parsons Corner Subarea of the District are described as the boundaries previously defined in the formation documents of the original Parsons Corner Subarea of the District, within the boundaries of the City of Morgan Hill, within the County of Santa Clara, State of California.

Section 5 Description Parsons Corner Subarea Proposed for Detachment: The City has established the Parsons Corner Subarea of the District to provide maintenance to the Common Area. The maintained improvements provided for the property included in the District Subarea by and through the assessments levied annually thereon have included, but are not limited to: turf, shrubs, plants and trees, landscaping, irrigation and drainage systems, graffiti removal, and associated appurtenances within the public right-of-ways or specific easements. Services provided include all necessary service, operations, administration and maintenance required to keep the improvements in a healthy, vigorous and satisfactory condition. The HOA currently also provides maintenance to the Common Area. The HOA desires to provide all future maintenance to the Common Area and to dissolve the assessment district subarea by detaching the Parsons Corner Subarea from the Landscaping Assessment District No. 1.

Section 6 Notice of Public Hearing: Notice is hereby given that a Public Meeting will be held on **Wednesday, April 3rd, 2018 at 7:00 p.m.** or as soon thereafter as feasible in the City Council Chambers, located at 17555 Peak Avenue, Morgan Hill.

Section 7 Notice of Hearing and Ballots: The City Clerk of the City Council shall mail notice of the proposed detachment and of the time and place of the public hearing, as specified in Section 6 hereof, to the record owner of each assessable parcel of property identified in the Engineer's Report within the Parsons Corner Subarea of the District. The notice shall include, in a conspicuous place, thereon, a summary of the procedures applicable to the completion, return and tabulation of the assessment ballots, which will accompany the notice and shall include a statement that the existence of a majority protest will result in not detaching Parsons Corner, and that a majority protest will exist if, upon the conclusion of the hearing, ballots submitted in opposition to the detachment exceed the ballots submitted in favor of the detachment. Each such notice mailed to owners of identified parcels within the Parsons Corner Subarea of the District shall contain a ballot which includes the City's address for receipt of any ballot when completed by any owner receiving such notice whereby each such owner may indicate his or her name, reasonable identification of the parcel and support or position to the proposed assessments.

Section 8 The City Clerk is hereby authorized and directed to give notice of such hearing as provided by law.

Section 9 Parsons Corner has ten residences created by Track Number 8812, in Morgan Hill, California that pay an annual assessment fee into the District. Below is the 2018/2019 assessment roll from the Engineer Report.

Zone	APN	2018/19 Assessment
Parsons Corner	767-48-001	250.00
Parsons Corner	767-48-002	250.00
Parsons Corner	767-48-003	250.00
Parsons Corner	767-48-004	250.00
Parsons Corner	767-48-005	250.00
Parsons Corner	767-48-006	250.00
Parsons Corner	767-48-007	250.00
Parsons Corner	767-48-008	250.00
Parsons Corner	767-48-009	250.00
Parsons Corner	767-48-0010	250.00

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 6th Day of February, 2019 by the following vote.

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

DATE: _____

Rich Constantine, MAYOR

🦋 CERTIFICATION 🦋

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Resolution No. , adopted by the City Council at a Regular Meeting held on February 6, 2019.

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

DATE: _____

IRMA TORREZ, City Clerk

Attachment: Resolution of Intent (2155 : Parsons Corner Resolution of Intent)

MAINTENANCE AGREEMENT

THIS MAINTENANCE AGREEMENT (“**Agreement**”) dated as of this ____ day of _____, 2019 (“**Date of Agreement**”), is entered into by and between the CITY OF MORGAN HILL, a California municipal corporation (“**City**”), and PARSONS CORNER HOMEOWNERS ASSOCIATION, a California Common Interest Development Association (“**HOA**”). City and HOA are sometimes referred to herein individually as a “**Party**” or collectively as the “**Parties**”.

RECITALS

The following Recitals are a substantive part of this Agreement:

A. HOA is the Homeowners Association for the ten residences known as Parsons Corner, created by Tract Number 8812, in Morgan Hill, California.

B. The Parsons Corner subdivision includes a common area designated as Lot 11 in Tract Number 8812, Morgan Hill, California (Common Area).

C. The City has established a landscape assessment District Sub-Area to provide maintenance to the Common Area. The HOA currently also provides maintenance to the Common Area. The HOA desires to provide all future maintenance to the Common Area and to dissolve the assessment district sub area by detaching Parsons Corner from the Fox Hollow/Murphy Springs Lighting and Landscaping Assessment District.

Now, therefore, City and HOA agree as follows:

1. The City shall initiate proceedings to detach Parsons Corner from the Fox Hollow/Murphy Springs Lighting and Landscaping Assessment District by June 30, 2019.
2. If the detachment proceeding is successful, the HOA agrees to immediately assume all responsibility for maintenance of Lot 11. City shall no longer be responsible for any future maintenance of the Common Area.
3. Any remaining funds within the assessment District Sub-Area account at the time of detachment shall be paid to the HOA for future maintenance of the Common Area.
4. HOA declares that it has proceeded as required by law to authorize this transaction.
5. Authority to Execute. Those individuals who are signing this Agreement on behalf of entities represent and warrant that they are, respectively, duly authorized to sign on behalf of the entities and to bind the entities fully to each and all of the obligations set forth in this Agreement.
6. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California. This Agreement was entered into and is to be performed

in the County of Santa Clara. Any action or dispute arising out of this Agreement shall only be brought in Santa Clara County.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

CITY OF MORGAN HILL

By: _____

Christina Turner, City Manager

APPROVED AS TO FORM:

By: _____

Donald Larkin, City Attorney

ATTEST:

By: _____

Irma Torrez, City Clerk

Homeowners Association:

PARSONS CORNER HOMEOWNERS ASSOCIATION

By:

Title: _____

Attachment: Maintenance Agreement (2155 : Parsons Corner Resolution of Intent)



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Michelle Bigelow, Deputy City Clerk
APPROVED BY: City Manager

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

RECOMMENDATION(S)

1. Review and approve the City Council Appointments to Outside Agencies as necessary; and
2. Direct the City Clerk to notify the appropriate agencies of the updated assignments and update the Form 806 as necessary.

COUNCIL PRIORITIES, GOALS & STRATEGIES

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

2018 Strategic Priorities

Community Engagement and Messaging
Economic Development and
Telecommunications
Financial Stewardship
Infrastructure
Regional Initiatives

REPORT NARRATIVE:

The City Council is committed to actively participating in regional committees and agencies as an important way to influence decisions that benefit Morgan Hill. The City Council reviewed and discussed its appointments to outside agencies as a part of the City Council Goal Setting Workshop on January 25th and 26th. The recommended changes are reflected in the attached City Council Appointments to Outside Agencies chart. The Appointments to Outside Agencies chart only includes appointments made by the City Council to outside agencies. It does not include appointments made by other agencies or organizations. The Mayor will make appointments, subject to Council approval.

Highlighted within the chart is the South County Joint Planning Advisory Committee. Council discussed their appointments and the purpose of the committee at the Goal Setting Workshop and advised that a discussion needs to be had in the future as to the purpose and goals of the committee.

Once the appointments are made, the City is required to post the Fair Political Practices Commission (FPPC) Form 806 on its website. The Form 806 lists all the paid appointed

positions to which an official can vote on the City's website including those assignments that do not receive a stipend. Staff requests that Council Members notify the City Clerk's Office immediately when new assignments are made and when there is compensation of \$250.00 or more in a 12-month period.

COMMUNITY ENGAGEMENT: Inform

This report serves to inform the community of the City Council appointments to outside agencies.

ALTERNATIVE ACTIONS:

Not applicable.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council reviewed its appointments to outside agencies at the City Council Goal Setting Workshop on January 25th and 26th. The City Council reviews and confirms the assignments to outside agencies annually.

FISCAL AND RESOURCE IMPACT:

The time necessary to prepare and present this staff report is accommodated in the Council Services & Records Management Operating Budget. The level of City Council and staff resources necessary to actively participate in each outside assignment varies with some requiring a significant amount of time.

CEQA (California Environmental Quality Act):

The preparation of the City Council assignments to outside agencies is an administrative task and as such, is not a project.

LINKS/ATTACHMENTS:

1. Council Member Assignments to Committees 2019 DRAFT

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Countywide	<u>Santa Clara County Library District Joint Powers Authority</u> 1370 Dell Avenue Campbell, CA 95008 Cynthia Rios Garcia, Secretary CRiosGarcia@sccl.org (408) 293-2326, ext. 3090 https://www.sccl.org/About/Governance/JPA-Board-Meetings Tracy Ellenberger, Executive Assistant tellenberger@sccl.org 408-293-2326 x3093	Provide policy direction and governance for the Santa Clara County Library District. Cities of Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Milpitas, Monte Sereno, Morgan Hill & Saratoga.	Meets 4 times per year typically on the 4th Thursday of month; 1:30 - 3:30 pm 1370 Dell Avenue Campbell, CA 95008	(P) Constantine (A) Carr	
Environmental	<u>Santa Clara Valley Habitat Agency Governing Board</u> 535 Alkire Avenue, Suite 100 Morgan Hill, CA 95037 Ed Sullivan, Executive Officer Edmund.sullivan@scv-habitatagency.org (408) 779-7261 https://scv-habitatagency.org/31/Governance-Policies	Serves as governing body for JPA and makes all decisions except those delegated to the Implementation Board Staff.	Quarterly, 3rd Thursday 3:00 pm - 5:00 pm Morgan Hill City Council Chamber 17555 Peak Avenue	(P) Spring (P) Constantine (A) McKay (A) Carr	

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Environmental	<u>Santa Clara Valley Habitat Agency Implementation Board</u> 535 Alkire Avenue, Suite 100 Morgan Hill, CA 95037 Ed Sullivan, Executive Officer Edmund.sullivan@scv-habitatagency.org (408) 779-7261 https://scv-habitatagency.org/31/Governance-Policies	Makes recommendations to the Governing Board regarding fees and budget, appoints executive officers and hiring of other agency personnel, services and equipment, makes decision regarding real property acquisition and makes recommendations to the executive officers regarding grants and other funding.	Bi-Monthly, 3 rd Thursday 3:00 pm - 5:00 pm Morgan Hill City Council Chamber 17555 Peak Avenue	(P) Constantine (A) Spring (A) McKay (P) Carman (A) Little	
Environmental	<u>Silicon Valley Clean Energy Authority</u> 333 W. El Camino Real, Suite 290 Sunnyvale, CA 94087 Andrea Pizano andreap@svcleanenergy.org (408) 721-5301 x.1005 https://www.svcleanenergy.org/board	The JPA created to collectively study, promote, develop, conduct, operate, and manage energy supply and efficiency programs related to the provision of clean power.	2 nd Wednesday of the month 7:00 pm Cupertino City Hall 10350 Torre Ave	(P) Martinez Beltran (A) Eulo	

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Flood Control	<u>Pajaro River Watershed Flood Prevention Authority</u> PO Box 809 Marina, CA 93933 Ana Flores Regional Analysis & Planning Services aflores@ambaq.org (831)883-3750 ext. 300 http://www.pajaroriverwatershed.org	Identify, evaluate, fund and implement environmentally sound flood prevention and control strategies in the Pajaro River Watershed, on an intergovernmental, cooperative basis as required by the Pajaro River Watershed Flood Prevention Authority Act.	Meet bi-monthly 1 st Friday 9:00 am Meeting locations alternate between the Cities of Gilroy, Hollister, Salinas & Watsonville	(P) Spring/Carr (non-voting member)	Chris Ghione, Public Services Director
Flood Control	<u>Santa Clara Valley Water District Elected Officials Quarterly Meeting (Llagas Creek PL 566)</u> 5750 Almaden Expressway San Jose, CA 95118-3686 (mailing address) Michelle King, Clerk of the Board board@valleywater.org (408) 265-2600	Specifically address Llagas Creek flooding and PL 566 legislation.	Quarterly on Fridays 10:00 am Morgan Hill City Hall, Grand Conference Room 17575 Peak Ave	(P) Spring (P) Carr (A) Martinez Beltran	Chris Ghione, Public Services Director

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Housing	<u>Santa Clara County Housing & Community Development Advisory Committee (HCDAC)</u> Office of Supportive Housing 3180 Newberry Drive, Ste 150 San Jose, CA 95118 Tracy Cunningham, Management Analyst Tracy.cunningham@hhs.sccgo.v.org (408) 793-0560	The role of the HCD Advisory Committee is to be the policy-recommending body to the Board of Supervisors on the planning, implementation, monitoring, and evaluation of the Urban County HCD Program. The Committee guides the development of a coordinated housing and community development plan and hears project proposals, reviews staff recommendations, and makes recommendations to the Board of Supervisors for final approval and forwarding to HUD.	As needed 70 West Hedding Street, 1 st Floor Board Chambers	(P) McKay (A) Martinez Beltran (P) Laura Gonzales-Escoto, Citizen Representative	Rebecca Garcia, Housing Manager
Land Use/ Transportation NEEDS TO BE EVALUATED	<u>South County Joint Planning Advisory Committee</u> Santa Clara Co. Planning Office 70 W. Hedding, E Wing, 7 th Floor San José, CA 95110	Cities of Gilroy & Morgan Hill, County of Santa Clara and unincorporated area of San Martin addressing issues re: land use planning of regional significance. Staff coordination rotates between the three sponsoring organizations, Gilroy, Morgan Hill, and Santa Clara County.	Quarterly, 2nd Thursday 7:00 pm	(P) Carr (A) McKay Joseph Mueller, Planning Commissioner Dennis Delisle, Citizen Representative _____, Citizen Representative	Jennifer Carman, Community Development Director Rob Eastwood, County of Santa Clara Kristi Abrams, City of Gilroy

Attachment: Council Member Assignments to Committees 2019 DRAFT (2172 : Outside Appointments)

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Local Partnership	<u>City-School Liaison Committee</u> Morgan Hill Unified School District; 15600 Concord Circle <i>or</i> City of Morgan Hill 17575 Peak Avenue Morgan Hill, CA 95037-4128 Kelly Shriefer, Secretary to the Superintendent, MHUSD shreiferk@mhusd.org (408) 201-6001 Michelle Bigelow, Deputy City Clerk Michelle.bigelow@morganhill.ca.gov (408) 310-4678 http://mhusd.org/board-of-education/cityschool-liaison-committee/	To facilitate communication between the City and School District on issues of common concern.	Every other month, typically on Fridays 8:30 am Meetings alternate between the City of Morgan Hill, City Hall 17575 Peak Ave and the Morgan Hill Unified School District Office 15600 Concord Cir	(P1) Carr (P2) Constantine (A1) Martinez Beltran (A2) McKay	Christina Turner, City Manager David Swing, Police Chief Chris Ghione, Public Services Director

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Local Partnership	<u>South County United for Health Leadership Team</u> County of Santa Clara, Public Health Department Active and Safe Communities Sobrato Center for Nonprofits 1400 Parkmoor Avenue, Suite 120 B San Jose, CA 95126 Alice Kawaguchi, MPH, RD Health Care Program Manager II Alice.Kawaguchi@PHD.sccgov.org (408) 793-2733	South County United for Health is a collaborative effort to create healthier communities where people live, work, learn and play in the cities of Morgan Hill, Gilroy, San Martin, and parts of unincorporated Santa Clara County, also known as South County.	Meets quarterly on Thursdays 10:00 am to noon Morgan Hill Community & Cultural Center 17000 Monterrey Road February 7, 2019 April 4, 2019 August 1, 2019 October 3, 2019	(P) Spring (A) Constantine	
Regional Government	<u>ABAG</u> 375 Beale Street San Francisco Fred Castro, Clerk of the Board fcastro@bayareametro.gov (415) 820-7913 https://abag.ca.gov/overview/ga.html	Council of governments representing Cities & Counties in the Bay Area; a comprehensive planning agency addressing regional social, environmental and economic issues.	Meets annually, usually in April Location varies (Oakland or San Francisco)	(P) Martinez Beltran (A) McKay	(P) Leslie Little, Assistant City Manager for Development Services (A) Jennifer Carman, Community Development Director

Attachment: Council Member Assignments to Committees 2019 DRAFT (2172 : Outside Appointments)

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Regional Government	<u>Cities Association of Santa Clara County Board</u> PO Box 1079 Los Gatos, CA 95031 Andi Jordon, Executive Director andi@citiesassociation.org (408) 766-9534 http://citiesassociation.org/about-us.php	Promotes cooperation, represents the mutual interest, and presents a unified voice for the fifteen cities of Santa Clara County; each city in Santa Clara County appoints the Mayor or a Council Member to the Board of Directors; advocates for positive action to enhance the quality of life for the people of our county.	Monthly 2nd Thursday 7:00 pm 456 W. Olive Ave Sunnyvale	(P) Constantine (A) Spring Mayor Pro Tem is the Alternate	None, unless Morgan Hill serves as President, then City Manager
Regional Government	<u>Cities Association of Santa Clara County Board City Selection Committee</u> PO Box 1079 Los Gatos, CA 95031 Andi Jordan, Executive Director andi@citiesassociation.org (408) 766-9534 http://citiesassociation.org/about-us.php	Committee makes recommendations on appointments to regional and countywide organizations.	Meets as needed before the Cities Association Board Meeting 456 W. Olive Ave Sunnyvale	(P) Constantine (A) Spring Mayor Pro Tem is the Alternate	

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Regional Government	<u>League of California Cities Peninsula Division</u> Seth Miller P.O. Box 5630 San Francisco, CA 94080 sethl_miller@yahoo.com (415) 595-8629 http://www.cacities.org/Member-Engagement/Regional-Divisions/Peninsula	Comprised of the 36 cities from San Francisco to Gilroy, division members work together to enhance the quality of life in our communities, our region and our state.	4 meetings per year: January 30, 2019; 11:30 – 1:30 March 20, 2019; 8:00 – 10:00 May 22, 2019; 11:30 – 1:30 August 28, 2019; 8:00 – 10:00 special meetings added as needed	(P) Martinez Beltran (A) McKay	
Transportation	<u>Caltrain Local Policy Maker Group</u> 1250 San Carlos Avenue San Carlos, CA 94070 (650) 508-6200 Casey Fromson fromsonc@samtrans.com (650) 508-6493 http://www.caltrain.com/projects/plans/CaltrainModernization/Meetings.html	Advisory group, comprised of elected officials and provides a formal venue to facilitate local input and guidance on the Caltrain Modernization Program.	Monthly 4 th Thursday 5:30 pm Edward J. Bacciocco Auditorium, Second Floor 1250 San Carlos Ave	(P) Carr (A) Constantine	Edith Ramirez, Economic Development Director Tiffany Brown, Associate Planner

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Transportation	<u>Comprehensive County Expressway Planning Study Policy Advisory Board</u> Santa Clara County Roads and Airports 101 Skyport Drive San Jose, Ca 95110-1302 Ellen Talbo ellen.talbo01@rda.sccgov.org (408) 573-2462 http://sccgov.ig2.com/citizens/default.aspx?	Provides an elected officials' forum for policy input to the <i>Expressway Plan 2040</i> – a long range plan for the improvement and maintenance of the eight County expressways and the Santa Teresa-Hale Corridor. All areas of need are included: capacity and operational improvements, signal operations, high-occupancy vehicle (HOV) lanes, bicycle and pedestrian improvements, finishing elements, and ongoing operating and maintenance needs and funding strategy recommendations.	As needed 70 West Hedding Street, 1 st Floor Board Chambers	(P) McKay (A) Constantine	Chris Ghione, Public Services Director
Transportation	<u>Santa Clara Valley Transportation Authority (VTA) Policy Advisory Committee (PAC)</u> 3331 North First Street, Building B-1 st Floor San Jose, CA 95134-1927 Steven Flynn Advisory Committee Coordinator Elaine Baltao, Board Secretary Board.secreatary@vta.org (408) 321-5680 http://www.vta.org/get-involved/advisory-committee/policy-advisory-committee-pac	Advises the Authority Board of Directors on policy matters relating to transportation and congestion management. <i>Board Member cannot serve on the PAC.</i> <i>(Note: participation is State-mandated)</i>	Monthly, 2 nd Thursday 4:00 pm VTA River Oaks Campus 1331 N. 1 st Street Room B-104 San Jose	(P) Constantine (A) Martinez Beltran	Chris Ghione, Public Services Director Edith Ramirez, Economic Development Director

Attachment: Council Member Assignments to Committees 2019 DRAFT (2172 : Outside Appointments)

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Transportation	<u>Santa Clara Valley Transportation Authority (VTA) MG - Group 4</u>	Cities of Morgan Hill and Gilroy, advises the PAC (see above) on transportation policy and funding issues.	Tuesday before each Thursday Board meeting, 9:00 am Morgan Hill City Hall 17575 Peak Ave	(P) Carr (A) Constantine	Christina Turner, City Manager Chris Ghione, Public Services Director Edith Ramirez, Economic Development Director
Transportation	<u>Santa Clara Valley Transportation Authority (VTA) Board of Directors</u> 3331 North First Street San Jose, CA 95134-1906 Elaine Baltao, Board Secretary board.secretary@vta.org (408) 321-5680 http://www.vta.org/get-involved/board-of-directors	Reviews issues relating to transportation and congestion management.	Monthly, 1 st Thursday 5:30 pm County Government Center 70 W. Hedding St. San Jose	(P) Carr (A) Marie Blankley (Gilroy) <i>(Alternates between MH and Gilroy every couple years)</i>	Christina Turner, City Manager Chris Ghione, Public Services Director

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Water/Wastewater	<u>Santa Clara Valley Water Commission</u> 5750 Almaden Expressway San Jose, CA 95118-3686 (mailing address) Glenna Brambill gbrambill@valleywater.org (408) 630-2408	Advises the District on water supply, legislative issues and integrated water resource management. <i>(Note: Most issues relate to imported water; Morgan Hill is 100% <u>ground</u> water)</i>	12:00 pm-2:00 pm January 23, 2019 April 10, 2019 July 24, 2019 October 23, 2019 January 22, 2020 Santa Clara Valley Water District Headquarters Building Boardroom 5700 Almaden Expressway, San Jose	(P) Constantine (A) Martinez Beltran	Dan Repp, Deputy Director for Utilities Services <u>or</u> Tony Eulo, Program Administrator <i>(Note: Staff member serves as <u>alternate</u>)</i>
Water/Wastewater	<u>South County Regional Wastewater Authority (SCRWA) Board Meeting</u> 1500 Southside Drive Gilroy, CA 95020 Gina Bonnell Gina.bonnell@ch2m.com Secretary/Clerk of the Board (408) 848-0480 http://www.ci.gilroy.ca.us/561/South-County-Regional-Wastewater-Authority	The South County Regional Wastewater Authority established by Joint Powers Agreement (Cities of Gilroy & Morgan Hill) to provide common authority relating to Joint Wastewater Gilroy/Morgan Hill Sewage Treatment Plant located in Gilroy.	1st Wednesday of the Month 8:00 am 1500 Southside Drive Gilroy	(P1) Carr (P2) Spring (A) Constantine (A) Martinez Beltran (A) McKay	Dan Repp, Deputy Director for Utilities Services <u>or</u> Chris Ghione, Public Services Director Christina Turner, City Manager

Attachment: Council Member Assignments to Committees 2019 DRAFT (2172 : Outside Appointments)

CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Category	AGENCY NAME	PURPOSE	MEETS	DELEGATES (P=Primary) (A=Alternate)	STAFF REP/S (If applicable)
Water/Wastewater	<u>Joint Water Resource Committee</u> 5750 Almaden Expressway San Jose, CA 95118-3686 (mailing address) Garth Hall ghall@valleywater.org (408) 630-2750 http://www.valleywater.org/About/CitiesofGilroyMorganHill.aspx X	Advance South County Water interests. This joint committee is made up of two City Council members each from Morgan Hill and Gilroy, and two Santa Clara Valley Water District (SCVWD) Board members. The members from the two cities will also represent the South County Regional Wastewater Authority (SCRWA). Policy matters to be discussed include recycled water, groundwater, and long-term water resource planning.	Meetings follow SCRWA Board Meetings - 1 st Wednesday of the month 8:30 am (at the request of the committee) 1500 Southside Drive Gilroy	(P1) Carr (P2) Spring (A) Constantine (A) Martinez Beltran (A) McKay	Christina Turner, City Manager Chris Ghione, Public Services Director

LIST OF CITY COUNCIL ADJUNCT COMMITTEES

Mayor Rich Constantine

- Governance, Transparency and Labor Relations Policy Committee for the League of California Cities (Chair)
- City Liaison to the Sister City Committee
- Board Member of the Healthier Kids Foundation
- South County Youth Task Force
- Morgan Hill Chamber of Commerce Board (Mayor is ex-officio member)

Council Member Larry Carr

- Silicon Valley Regional Interoperability Authority (appointment through VTA)
- Capital Program Committee of VTA (Chair)
- Governance & Audit Committee of VTA
- Mobility Partnership Advisory Board for VTA
- Administration & Finance Committee of VTA (Chair)

Council Member John McKay

- Downtown Association

Council Member Yvonne Martinez Beltran

- City Liaison to the Sister City Committee (alternate)

DRAFT



Meeting Minutes City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, January 23, 2019 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 Constantine called the meeting to order at 7:00 p.m.

ROLL CALL ATTENDANCE

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Present	
Rene Spring	Mayor Pro Tem	Present	
Yvonne Martinez Beltran	Council Member	Present	
Larry Carr	Council Member	Present	
John McKay	Council Member	Present	

DECLARATION OF POSTING AGENDA

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

Minutes Acceptance: Minutes of Jan 23, 2019 7:00 PM (CONSENT CALENDAR)

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORTS

Council Member Carr spoke about the new Transit Service Plan. The Valley Transportation Authority (VTA) has a changing financial outlook and the way that service today is being provided is no longer financially sustainable. The VTA Board has had to make some tough choices about how to make the service more sustainable. As a result of that, the Board has asked the VTA staff to develop a new Transit Service Plan, the 2019 New Transit Plan. It would cost less to operate the system while placing a greater emphasis on increasing ridership which is one of the ways that VTA receives its revenue. The Board put together a set of values for the new plan that would build on the current input the VTA receives, while developing the network plan that we live with today. The new plan does propose a number of changes, while at the same time, trying to minimize impacts to the current riders. The Board setup the following parameters for the development of the new plan: reduce service level to try to achieve a net savings of \$14.7 million, which will come from a reduction in both bus and rail services; improved efficiencies, such as ridership versus coverage balance to provide about 90% of service to cover ridership and 10% for coverage; protect service in South County; all local bus services adopted in the new plan will be maintained in South County with no reductions at all, Bus 68 will be improved under the new plan; and express bus services in South County may see a reduction as part of the overall reduction of the express bus program across the County. The specific impacts to South County will be as follows: Express Bus 121 from South County to Lockheed Martin will be eliminating 3 of 9 daily trips in each direction; Express Bus 168 from South County to San Jose Diridon Station will eliminate 2 of 7 daily trips each way; and Bus 68 from the Gilroy Transit Center to the San Jose Diridon Station and back will see a service increase mid-days to 15 minute windows. The VTA will be seeking input and community engagement on the new plan through February and then will analyze that input against what the plan looks at. In April, the VTA standing and advisory committees, which some of the Council Members sit on, will be reviewing the plan and providing input. In May, the Board will be asked to make some decisions on that new service plan, with the idea that it will be implemented by the end of the year, possibly sooner, if BART service actually begins in Santa Clara County prior to the end of the year. VTA is not currently planning to hold a community meeting in South County, he has asked them to reconsider. If the VTA schedules a South County community meeting, we will push that out through all of our communication networks so that people can come and provide input. They do have six other community meetings planned throughout the county. If anyone would like to learn more about the plan, you can check it out on the website: www.vta.org. If there are any community organizations or neighborhood groups that would like to have this presented to them, VTA staff is willing and open to do that.

CITY MANAGER'S REPORT

City Manager Christina Turner shared that the City on behalf of the Mayor, sent a letter to the Attorney General in regard to their consideration of blocking the sale of the Saint Louise and O'Connor hospitals and the DePaul Health Center. Blocking the sale would likely result in the complete closure of these facilities as there are no other bidders. Rebuilding the healthcare industry and providing additional healthcare access has been a priority of the Council and as such, was incorporated in our Economic Blueprint and 2016 General Plan. The County has committed to maintaining and growing healthcare services offered at the three facilities. The letter urged the Attorney General to cease actions blocking the sale.

She announced that the City Council will be holding its Annual Goal Setting Workshop this Friday and Saturday, here in the Council Chamber from 9:00 a.m. to around 5:00 p.m. each day. The Council will review and discuss the following; Council procedures and protocols, Council appointments to outside agencies, 2018 accomplishments, 2018 priorities and the workplan, priorities of our partner agencies, and the Council will establish the 2019 and 2020 priorities. In addition to that, the Council will spend some time talking about fiscal sustainability, agricultural preservation, cannabis, traffic and vision zero,

homelessness, and affordable housing, although these may end up being discussed at individual workshops or as items for future Council meetings.

She concluded by speaking to the evening's supplements and presentations.

CITY ATTORNEY'S REPORT

None.

OTHER REPORTS

Council Member McKay thanked the City and staff for giving him the opportunity to attend the League of California Cities New Mayor and Council Academy last week. He felt that it was very productive and useful.

PRESENTATIONS

YAC PRESENTATION ASSET #7 - COMMUNITY VALUES YOUTH

RECOGNITIONS

STEM Winners - Santa Clara Valley Science and Engineering Fair Association

PUBLIC COMMENT

The public comment was opened at 7:29 p.m. The following people were called to speak:

Rick Putano

Yvonne Randolph

Kathleen Giubileo

Rocke Garcia

Brad Krouskup

There being no further requests to speak, the public comment was closed.

ADOPTION OF AGENDA

MOTION:

Adopting the agenda as posted.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

CONSENT CALENDAR

MOTION:

Approving consent calendar items 1 through 3 and 6 through 14.

Council Member Martinez Beltran recused herself on item 13.

RESULT: APPROVED [UNANIMOUS]
MOVER: Rene Spring, Mayor Pro Tem
SECONDER: Larry Carr, Council Member
AYES: Constantine, Spring, Martinez Beltran, Carr, McKay

1. APPROVE PURCHASE OF POLICE VEHICLE

Recommendation:

1. Accept \$59,324 in insurance proceeds for the 2012 Police Chevy Tahoe (#142), from York Insurance;
2. Authorize the salvage of 2012 Chevy Tahoe Patrol #142 (vin# 9099);
3. Adopt resolution amending the City's Fiscal Year (FY) 2018-19 adopted budget to appropriate \$70,987 in the Equipment Replacement Fund (790) for the purchase of a 2019 Chevy Tahoe, including build-out; and
4. Authorize the City Manager to approve a purchase order for \$70,987 with Priority 1 Public Safety Equipment Installation Inc.

2. APPROVE PURCHASE OF A VACTOR HYDRO EXCAVATOR

Recommendation:

1. Approve purchase of a Vactor Hydro Excavator from Owen Equipment Company in the amount of \$451,541 through a Sourcwell cooperative bid contract; and
2. Authorize the City Manager to approve a purchase order for \$451,541 with Owen Equipment Company.

3. APPROVE PURCHASE OF A NEW BACKHOE

Recommendation:

1. Approve purchase of a new John Deere 410L backhoe loader from Pape Machinery in the amount of \$129,481 through a Sourcwell cooperative bid contract;
2. Authorize the City Manager to approve a purchase order for \$129,481 with Pape Machinery;
3. Declare the 2000 Backhoe to be surplus; and
4. Authorize the disposal of equipment in accordance with Section 3.04.400 of the City of Morgan Hill Municipal Code.

4. ITEM PULLED FOR DISCUSSION

5. ITEM PULLED FOR DISCUSSION

6. AWARD CONTRACT TO AIR EXCHANGE INC. FOR THE INSTALLATION OF SOURCE CAPTURE EXHAUST SYSTEMS UNDER FEMA ASSISTANCE TO FIREFIGHTERS GRANT 2017

Recommendation:

Adopt resolution:

1. Awarding bid to Air Exchange Inc. for the installation of source capture exhaust systems and authorize the City Manager to execute all necessary agreements subject to City Attorney review; and
2. Amending the Fiscal Year (FY) 2018-19 adopted budget to appropriate \$51,812 from the General Fund (010) to fully fund the grant related expenditures.

7. ACCEPT MONTEREY ROAD PRESERVATION PROJECT

Recommendation:

1. Accept as complete, the Monterey Road Preservation Project, in the final amount of \$2,417,154;
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.

8. RESOLUTION AUTHORIZING SANTA CLARA VALLEY WATER DISTRICT SAFE, CLEAN WATER GRANT APPLICATION

Recommendation:

Adopt resolution approving the following actions:

1. Authorizing staff to prepare and submit a Safe, Clean Water and Natural Flood Protection Program Grant Application to the Santa Clara Valley Water District for the Madrone Channel Trail Project; and
2. Authorizing the City Manager to negotiate and execute the Safe, Clean Water grant agreement and other documents, reports, forms and agreements related to the performance of the identified projects.

9. APPROVE APPOINTMENT OF NEIL BERMAN TO THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY'S (VTA) BICYCLE AND PEDESTRIAN ADVISORY COMMITTEE (BPAC)

Recommendation:

Direct the City Clerk's Office to send correspondence to the VTA requesting the appointment of Parks and Recreation Commissioner Neil Berman as the City of Morgan Hill's representative to the BPAC.

10. ACCEPT OCTOBER 2018 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

11. ACCEPT ELEVENTH SEMI-ANNUAL REPORT ON POST-ISSUANCE COMPLIANCE FOR TAX ADVANTAGED BONDS

Recommendation:

Receive and accept report.

12. ACCEPT UPDATE ON IMPLEMENTATION OF DEVELOPMENT SERVICES REVIEW - ZUCKER SYSTEMS

Recommendation:

Accept Report.

13. ADOPT ORDINANCE 2294 APPROVING DEVELOPMENT AGREEMENT APPLICATION DA2018-0002: E. DUNNE-YOUNG FOR THE FIRST 20 UNITS OF A 46-UNIT, THREE STORY, MULTI-FAMILY RESIDENTIAL CONDOMINIUM PROJECT PROPOSED ON A 3.5 ACRE PARCEL LOCATED ON THE NORTH SIDE OF E. DUNNE AVENUE,

ADJACENT TO THE NORTH SIDE OF THE MORGAN HILL KINDER CARE LEARNING CENTER AT 605 E. DUNNE AVENUE

Recommendation:

Waive the reading, adopt Ordinance No. 2294, 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. APPROVE THE DECEMBER 19, 2018 MEETING MINUTES

Recommendation:

Approve Minutes.

ITEMS PULLED FOR DISCUSSION

4. APPROVE AGREEMENT WITH JEFFCO PAINTING AND COATING, INC. FOR WELL SITES AND BOOSTER STATIONS PAINTING

Recommendation:

Approve and authorize the City Manager to execute and administer a three-year agreement with Jeffco Painting & Coating, Inc. in the amount of \$120,000, for annual painting of well sites and booster stations.

Deputy Director for Utilities Dan Repp provided the report and answered questions.

MOTION:

Approving the recommended actions.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Mayor Pro Tem
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

5. APPROVE IMPACT FEE FREEZE AGREEMENTS WITH TBI-MISSION WEST II, LLC FOR THE DEVELOPMENT OF TWO HOTELS AND A NEW CARPENTERS' TRAINING FACILITY BUILDING IN THE MADRONE BUSINESS PARK

Recommendation:

1. Approve an Impact Fee Freeze Agreement with the TBI-Mission West II, LLC (Toeniskoetter Development) for the development of a 55,000 s.f. training center building on 4.92 acres on Madrone Parkway identified by Assessor Parcel Number 726-35-028;
2. Approve an Impact Fee Freeze Agreement with TBI-Mission West II, LLC (Toeniskoetter Development) for the construction of Two Upper Mid-Scale Hotels on 4.41 acres on Cochrane Road identified by Assessor Parcel Number 726-33-029; and
3. Authorize the City Manager to execute and administer the Impact Fee Freeze Agreements.

MOTION:

Moving item 5 to follow item 15

RESULT:	MOVED [UNANIMOUS]
MOVER:	Yvonne Martinez Beltran, Council Member
SECONDER:	Rene Spring, Mayor Pro Tem
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

The meeting was recessed at 8:02 p.m.

The meeting was reconvened at 8:09 p.m.

PUBLIC HEARING

15. INTRODUCE ORDINANCE AMENDING THE MADRONE VILLAGE SHOPPING CENTER PRECISE DEVELOPMENT MASTER PLAN TO ALLOW HOTEL DEVELOPMENT

Recommendation:

1. Open/close public hearing;
2. Waive the first and second reading of Zoning Amendment Ordinance; and
3. Introduce Ordinance amending the PD zoning.

Senior Planner Terry Linder, Assistant City Manager Leslie Little, Economic Development Director Edith Ramirez, Economic Development Manager John Lang, and Community Development Director Jennifer Carman provided the report.

The public hearing was opened at 8:56 p.m. The following people were called to speak:

Brad Krouskup
James Chung
Asit Panwala
Rogg Collins
Gary Hansen
Rick Kent
Brittney Sherman
Dick Oliver
Alex Kennet
Andrew Firestone
Steve Pace
Jigish Shah

There being no further requests to speak, the public hearing was closed.

MOTION:

Waiving the first and second reading of the ordinance eliminating the square footage limitation on grocery stores.

RESULT:	WAIVED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

MOTION:

Introducing the ordinance.

RESULT:	INTRODUCED [UNANIMOUS]
MOVER:	Rich Constantine, Mayor
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

The meeting was recessed at 10:06 p.m.

The meeting was reconvened at 10:15 p.m.

OTHER BUSINESS

5. APPROVE IMPACT FEE FREEZE AGREEMENTS WITH TBI-MISSION WEST II, LLC FOR THE DEVELOPMENT OF TWO HOTELS AND A NEW CARPENTERS' TRAINING FACILITY BUILDING IN THE MADRONE BUSINESS PARK

Recommendation:

1. Approve an Impact Fee Freeze Agreement with the TBI-Mission West II, LLC (Toeniskoetter Development) for the development of a 55,000 s.f. training center building on 4.92 acres on Madrone Parkway identified by Assessor Parcel Number 726-35-028;
2. Approve an Impact Fee Freeze Agreement with TBI-Mission West II, LLC (Toeniskoetter Development) for the construction of Two Upper Mid-Scale Hotels on 4.41 acres on Cochrane Road identified by Assessor Parcel Number 726-33-029; and
3. Authorize the City Manager to execute and administer the Impact Fee Freeze Agreements.

Economic Development Manager John Lang provided a report.

The public comment was opened at 10:37 p.m.

Brad Krouskup was called to speak.

There being no further requests to speak, the public comment was closed.

MOTION:

Approving an Impact Fee Freeze Agreement with the TBI-Mission West II, LLC (Toeniskoetter Development) for the development of a 55,000 s.f. training center building on 4.92 acres on Madrone Parkway identified by Assessor Parcel Number 726-35-028 and Authorizing the City Manager to execute and administer the Impact Fee Freeze Agreements.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Yvonne Martinez Beltran, Council Member
SECONDER:	Larry Carr, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

MOTION:

Approving an Impact Fee Freeze Agreement with TBI-Mission West II, LLC (Toeniskoetter Development) for the construction of Two Upper Mid-Scale Hotels on 4.41 acres on Cochrane Road identified by Assessor Parcel Number 726-33-029 and Authorizing the City Manager to execute and administer the Impact Fee Freeze Agreements.

RESULT: APPROVED [4 TO 1]
MOVER: Larry Carr, Council Member
SECONDER: Rene Spring, Mayor Pro Tem
AYES: Constantine, Spring, Carr, McKay
NAYS: Martinez Beltran

MOTION:

Extending the meeting until 11:45 p.m.

RESULT: EXTENDED [UNANIMOUS]
MOVER: John McKay, Council Member
SECONDER: Yvonne Martinez Beltran, Council Member
AYES: Constantine, Spring, Martinez Beltran, Carr, McKay

PUBLIC HEARING

16. ADOPT A RESOLUTION DECLARING THE RESULTS OF THE MAJORITY PROTEST PROCEEDINGS AND ESTABLISHING THE MORGAN HILL TOURISM BUSINESS IMPROVEMENT DISTRICT (MHTBID)

Recommendation:

1. Open/close the public hearing;
2. Ratify the amendments to the Management District Plan;
3. Declare the results of majority protest proceedings; and
4. Adopt resolution establishing the Morgan Hill Tourism Business Improvement District (MHTBID).

Economic Development Director Edith Ramirez provided the report.

The public hearing was opened at 11:05 p.m.

There being no requests to speak, the public hearing was closed.

MOTION:

Approving the recommended actions.

RESULT: ADOPTED [UNANIMOUS]
MOVER: Yvonne Martinez Beltran, Council Member
SECONDER: Rene Spring, Mayor Pro Tem
AYES: Constantine, Spring, Martinez Beltran, Carr, McKay

OTHER BUSINESS

17. INTRODUCE ORDINANCE ESTABLISHING PROCESS FOR CONTINUITY OF GOVERNMENT IN THE EVENT OF A DISASTER

Recommendation:

1. Accept the Morgan Hill City Council Emergency Procedures;
2. Open/Close public hearing;
3. Waive first and second reading of the ordinance; and
4. Introduce ordinance establishing a process to maintain continuity of government in the event of a disaster relating to the appointment and duties of an emergency standby council.

Emergency Operations Coordinator Jennifer Ponce provided the report.

The public comment was opened at 11:15 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:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

MOTION:

Introducing the ordinance.

RESULT:	INTRODUCED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	John McKay, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

18. PROVIDE DIRECTION REGARDING THE ADOPTION OF A LOBBYIST REGISTRATION ORDINANCE

Recommendation:

Direct the City Attorney to prepare an ordinance requiring registration of paid lobbyists.

MOTION:

Continuing the item to February 6, 2019 City Council Meeting.

RESULT:	CONTINUED TO A FUTURE MEETING [UNANIMOUS]
MOVER:	John McKay, Council Member
SECONDER:	Yvonne Martinez Beltran, Council Member
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

19. RECEIVE CAPITAL IMPROVEMENT PROJECT UPDATE

Recommendation:

Receive an update on City Capital Improvement Projects.

The public comment was opened at 11:20 p.m.

Doug Muirhead was called to speak.

There being no further request to speak, the public comment was closed.

MOTION:

Continuing the item to the February 6, 2019 City Council Meeting.

RESULT:	CONTINUED TO A FUTURE MEETING [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Mayor Pro Tem
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

FUTURE COUNCIL INITIATED AGENDA ITEMS

None.

CLOSED SESSION

City Attorney Donald Larkin announced the closed session item.

OPPORTUNITY FOR PUBLIC COMMENT

The public comment was opened at 11:24 p.m.

There being no requests to speak, the public comment was closed.

ADJOURN TO CLOSED SESSION

The meeting adjourned to closed session at 11:24 p.m.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Authority: Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4)

Number of Cases: One (1)

RECONVENE

The meeting reconvened at 11:37 p.m.

CLOSED SESSION ANNOUNCEMENT

City Attorney Donald Larkin announced that the City Council unanimously authorized the City Attorney to join an amicus brief prepared by Santa Clara County in the case of *City and County of San Francisco v. Matthew G Whittaker et al.*, United States District Court, Northern District of California Case No. 3:18-cv-05169-WHO.

ADJOURNMENT

There being no further business, the meeting adjourned at 11:38 p.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk

DRAFT



Meeting Minutes City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Friday, January 25, 2019 9:00 am

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

CITY COUNCIL ANNUAL GOAL SETTING WORKSHOP

A Special Meeting of the City Council was called Friday, January 25, 2019 at 9:00 a.m. and Saturday, January 26, 2019 for the purpose of conducting the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine called the workshop to order at 9:01 a.m.

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow called the roll.

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Present	
Rene Spring	Mayor Pro Tem	Present	
Yvonne Martinez Beltran	Council Member	Present	
Larry Carr	Council Member	Present	
John McKay	Council Member	Present	

DECLARATION OF POSTING OF AGENDA

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

Minutes Acceptance: Minutes of Jan 25, 2019 9:00 AM (CONSENT CALENDAR)

PUBLIC COMMENT

The public comment was opened at 9:01 a.m.

There being no requests to speak, the public comment was closed.

ADOPTION OF AGENDA

MOTION:

Adopting the agenda.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Larry Carr, Council Member
SECONDER:	Rene Spring, Mayor Pro Tem
AYES:	Constantine, Spring, Martinez Beltran, Carr, McKay

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review goals and accomplishments of 2018;
2. Discuss possible goals for 2019 - 2020 in the areas of City responsibility; and
3. Establish process and schedule for subsequent adoption of goals for 2019 - 2020.

City Manager Christina Turner facilitated the Goal Setting Workshop.

The public comment was opened at 10:26 a.m. The following people were called to speak:

Kathy Sullivan

Connie Ludewig

Mike

There being no further requests to speak, the public comment was closed.

The public comment was opened at 11:05 a.m.

Brian Sullivan was called to speak.

There being no further requests to speak, the public comment was closed.

The workshop recessed at 11:07 a.m. and reconvened at 11:16 a.m.

The workshop recessed for lunch at 12:30 p.m. and reconvened at 1:00 p.m.

The public comment was opened at 2:29 p.m.

Kathy Sullivan was called to speak.

There being no further requests to speak, the public comment was closed.

The workshop recessed at 2:35 p.m. and reconvened at 2:42 p.m.

The public comment was opened at 3:31 p.m.

Brian Sullivan was called to speak.

There being no further requests to speak, the public comment was closed.

The public comment was opened at 4:14 p.m. The following people were called to speak:

John Horner

Brian Sullivan

There being no further requests to speak, the public comment was closed.

The workshop recessed at 4:20 p.m. and reconvened at 4:27 p.m.

The public comment was opened at 5:07 p.m.

Doug Muirhead was called to speak.

There being no further requests to speak, the public comment was closed.

ADJOURNMENT TO SATURDAY, JANUARY 26, 2019 AT 9:00 AM

The workshop adjourned at 5:11 p.m. to Saturday, January 26, 2019 at 9:00 a.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk

Minutes Acceptance: Minutes of Jan 25, 2019 9:00 AM (CONSENT CALENDAR)

DRAFT



Meeting Minutes City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Saturday, January 26, 2019 9:00 am

Council Chamber
17555 Peak Avenue, Morgan Hill, CA 95037

CITY COUNCIL ANNUAL GOAL SETTING WORKSHOP

A Special Meeting of the City Council was called Friday, January 25, 2019 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 26, 2019 for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine called the meeting to order at 9:01 a.m.

ROLL CALL ATTENDANCE

Attendee Name	Title	Status	Arrived
Rich Constantine	Mayor	Present	
Rene Spring	Mayor Pro Tem	Present	
Yvonne Martinez Beltran	Council Member	Present	
Larry Carr	Council Member	Present	
John McKay	Council Member	Present	

PUBLIC COMMENT

The public comment was opened at 9:03 a.m. The following people were called to speak:

Kathy Sullivan

Bill Briggs

Tom McMahon

Ryan Leary

There being no further requests to speak, the public comment was closed.

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review goals and accomplishments of 2018;
2. Discuss possible goals for 2019 - 2020 in the areas of City responsibility; and
3. Establish process and schedule for subsequent adoption of goals for 2019 - 2020.

City Manager Christina Turner facilitated the workshop.

The workshop recessed at 10:30 a.m. and reconvened at 10:45 a.m.

The public comment was opened at 10:45 a.m. The following people were called to speak:

Yvonne Randolph

John Horner

There being no further requests to speak, the public comment was closed.

The workshop recessed for lunch at 12:32 p.m. and reconvened at 12:45 p.m.

The public comment was opened at 1:28 p.m. The following people were called to speak:

John Horner

Doug Muirhead

Yvonne Randolph

Brian Sullivan

There being no further requests to speak, the public comment was closed.

The workshop recessed at 1:54 p.m. and reconvened at 2:00 p.m.

The public comment was opened at 2:31 p.m. The following people were called to speak:

Malisha Kumar

Tom McMahon

Ryan Leary

There being no further requests to speak, the public comment was closed.

The public comment was opened at 3:36 p.m. The following people were called to speak:

Doug Muirhead

Jim Sergi

Brian Sullivan

There being no further requests to speak, the public comment was closed.

ADJOURNMENT

There being no further business, the workshop was adjourned at 4:03 p.m.

MINUTES PREPARED BY:

Michelle Bigelow, Deputy City Clerk

Minutes Acceptance: Minutes of Jan 26, 2019 9:00 AM (CONSENT CALENDAR)



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Tiffany Brown, Associate Planner

APPROVED BY: Deny the General Plan Amendment and Zoning Amendment

ADOPT GENERAL PLAN AMENDMENT TO CHANGE THE GENERAL PLAN LAND USE DESIGNATION ON AN 8.34 ACRE SITE LOCATED NORTH OF EAST DUNNE AVENUE AND SADDLEBACK DRIVE (APN NO. 728-02-002) FROM RESIDENTIAL ESTATE TO RESIDENTIAL DETACHED LOW AND ADOPT ZONING AMENDMENT ORDINANCE TO CHANGE THE ZONING CLASSIFICATION FOR THE PARCEL FROM RESIDENTIAL ESTATE ONE-ACRE TO RESIDENTIAL DETACHED LOW DENSITY (RDL-20,000)

RECOMMENDATION(S)

1. Open and close public hearing;
2. Adopt resolution approving the General Plan Amendment and approving a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for the project;
3. Waive first and second reading of Zoning Amendment Ordinance; and
4. Introduce Zoning Amendment Ordinance.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Diversity and Inclusiveness

2018 Strategic Priorities

Infrastructure

GUIDING DOCUMENTS

General Plan/Housing Element

POLICY CONSIDERATION:

Is the proposed General Plan Amendment consistent with the goals and policies of the General Plan?

REPORT NARRATIVE:

The property owner is requesting a General Plan Amendment to change the current General Plan land use designation from Residential Estate to Residential Detached Low and a corresponding Zoning Amendment to change the zoning classification from Residential Estate one acre to Residential Detached Low Density (RDL-20,000) on an 8.34-acre site located north of Sorrel Way and Saddleback Drive. A letter of the applicant's request has been provided (Attachment 3).

Planning Commission Summary

On September 25, 2018, the Planning Commission held a public hearing to consider the General Plan and Zoning Amendments (Attachment 4). The initial request was to increase the density from Residential Estate minimum one-acre lots to Residential Detached Low 12,000 square foot lots.

The Planning Commission received a significant amount of public comment, with concerns expressed regarding **traffic**, **water and infrastructure supply**, and **existing wildlife**. A summary of each topic is provided below:

- **Traffic**

The initial proposal would have allowed up to 17 homes on the project site without road and project site constraint deductions. There were several comments pertaining to additional vehicular trips and the need for a traffic signal at Saddleback Drive at the East Dunne Avenue intersection.

According to the City of Morgan Hill and Santa Clara Valley Transportation Authority Transportation Impact Analysis Guidelines, a Transportation Impact Analysis (TIA) is needed when a project generates 100 or more new peak hour (AM and/or PM peak hour) trips. Based on the trip generation rates for single-family units, 18 dwelling units would not generate over 100 peak hour trips and the proposed amendments would not conflict with the adopted plan, ordinance, or policy related to the effectiveness of the circulation system.

The City takes into consideration the Level of Service (LOS) and accident reports at local intersections when determining the need for a traffic signal or stop sign. A review of the Morgan Hill 2035 General Plan EIR shows the levels of service at intersections within the project area along East Dunne Avenue at LOS C under both existing conditions and the 2035 General Plan buildout condition. The project would generate a minimal amount of additional traffic and the local intersections would continue to meet the City's minimum acceptable level of service standard for unsignalized intersections.

A review of reported crash incidents on East Dunne Avenue between Sorrel Way and Magnolia Way (provided by Morgan Hill Police Department) indicated that there were three accidents recorded in the past five years. Based on the City's review, it was determined that no new traffic signals or stop signs were warranted for the Sorrel Way/East Dunne Avenue, Saddleback Drive/East Dunne Avenue, and Magnolia Way/East Dunne Avenue intersections.

- **Water and infrastructure supply**

Comments that additional housing would deplete the water and infrastructure supply were made. The Engineering Division reviewed the project and determined that the addition of approximately 18 dwelling units would not substantially increase water demands and would not result in significant impacts to water supplies, or other service systems such as the wastewater treatment facilities, or the landfill serving the City. Future development would incrementally

increase demand on public services, including schools. New projects mitigate impacts by paying school impact fees prior to issuance of a building permit pursuant to California Government Code Section 65996 and therefore would not substantially degrade existing school facilities nor result in the need for new permanent facilities to be constructed.

- **Property constraints and existing wildlife**

There is an existing creek that runs west to east through the property, a fault line at the east edge of the site, and wildlife and biological features on site. There was concern from the neighborhood that as many as 22 lots would be built on the site however, these property constraints would not allow more than the 17 lots originally discussed in the initial proposal.

The Commission was told that a complete project level environmental review would be completed in compliance with the California Environmental Quality Act (CEQA) when a specific development project is proposed for the site.

The Commission also discussed **property constraints, the General Plan feathering policy, and the proposed increased density**. A summary of each topic is provided below:

- **Increased density, residential transitions, and feathering**

The Commission discussed General Plan Policies CNF 9.1 Density Feathering and CNF 11.3 Appropriate Residential Transitions when considering the surrounding neighborhood and appropriate density for the site. There are natural constraints on the project site, in addition to the street requirements that would limit the possible subdivision. It was estimated that approximately 12 lots could be developed and the reason for the initial request for 12,000 square foot lots was to allow some of the lots to vary in size based on the location of the creek and other site constraints.

The Commission discussed the possibility of a Planned Development to restrict the number of lots that could be built to achieve the applicant's future project proposal, and expressed that 20,000 square foot minimum lots would be preferred and they would consider that to be consistent with the General Plan Density Feathering and Residential Transitions policies and the site would then be suitable in design shape and size to amend the zoning. New changes to state housing law require a local jurisdiction to permit at least the minimum density designated by the General Plan. If not, the jurisdiction is required to identify where that density can be added to another property to compensate for lost density. Under current land use conditions, the applicant must be able to achieve 8 units; however, due to specific property constraints (described above and in the initial study) that exist on the property, it is likely that only seven lots would be developable. If the proposed General Plan and Zoning Amendments are approved, the technical permitted density is 18 units; however, due to the aforementioned property constraints, it is likely that only 12 lots could be developed.

The Planning Commission recommended denial of both the General Plan and Zoning Amendments as initially proposed. The applicant's request has since been amended to request minimum 20,000 square foot lots based on the comments received from the Planning Commission. The revised project has been forwarded to the City Council for consideration.

COMMUNITY ENGAGEMENT: Inform and Involve

The draft Initial Study was circulated for public review for 30 days, from June 20, 2018 through July 19, 2018. A total of 21 comment letters were received by the City during the Initial Study public review period and response to comments were provided (Attachments 6 and 7).

The Morgan Hill community was informed about the Planning Commission meeting through public notification including site signage, newspaper notice, and direct mail to property owners within 300 feet of the project.

Lastly, the community was informed about the City Council meeting through public notification including site signage, newspaper notice, and direct mail to property owners within 300 feet of the project. Staff recommended the applicant meet with the adjacent neighborhood regarding the revised proposal prior to the City Council meeting. The applicant reached out to the community through the Home Owners Association (HOA) to set up a meeting on the 4th of February to discuss the new project proposal. The community declined the invitation and informed the events coordinator that they will not be attending the meeting (Attachment 11).

ALTERNATIVE ACTIONS:

In addition to denial of the Zoning Amendment or General Plan Amendment, the City Council could direct staff to make changes to the requested General Plan and Zoning designations.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

On September 25, 2018, the Commission recommended denial (unanimous) of the General Plan Amendment in that the project as proposed with 12,000 square foot lots would not be consistent with General Plan Policies CNF 9.1 Density Feathering and CNF 11.3 Appropriate Residential Transitions. In addition, the Commission recommended denial (unanimous) of the Zoning Amendment stating that with the physical site constraints, the 12,000 square foot lots would not be suitable for the area (Attachment 5).

On September 25, 2018, the Commission did recommend approval (unanimous) of the Mitigated Negative Declaration, supporting a less intense project (20,000 square foot lots). The project has been revised to reflect this recommendation.

FISCAL AND RESOURCE IMPACT:

The City development review functions are cost-recovery, with fees collected from applicants to cover cost of service. These fees have been collected.

California Environmental Quality Act (CEQA):

An Initial Study was prepared for the project by David J. Powers pursuant to the California Environmental Quality (CEQA) (Attachment 6). The Initial Study included a program-level analysis and evaluated the reasonably foreseeable indirect environmental effects that would result from the General Plan Amendment and rezone, given that no specific development is proposed that would lead to direct physical changes to the environment.

With implementation of mitigation measures and standard measures in accordance with the City's General Plan and Municipal Code, and other applicable plans, policies, regulation, and ordinances, future development allowed with the General Plan Amendment and rezone would not result in significant geology and soils, hazards and hazardous materials, hydrology and water quality, or public services impacts and would not contribute to cumulative impacts to these resources. The project would not impact agricultural and forestry resources or mineral resources; therefore, it would not contribute to a significant cumulative impact on these resources. The Initial Study considered the anticipated effects of future residential development allowed by the General Plan and Zoning amendments and concluded that the proposed amendments would not result in any significant unavoidable environmental impacts. A Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program have been prepared for the project (Attachments 8 and 9).

LINKS/ATTACHMENTS:

1. General Plan Amendment Resolution
2. Zoning Amendment Ordinance
3. Applicant's Letter of Intent
4. September 25, 2018 Planning Commission Packet (web link)
5. Planning Commission Resolutions- Recommendations
6. Initial Study (web link)
7. Responce to Comments on Initial Study
8. Draft Mitigated Neg Dec
9. 2275 East Dunne MMRP - 9.19.18
10. Response to 20000 sq ft rezoning request (letter from public)
11. Community Meeting Request to connect with Heritage Greens HOA board
12. Zoning comments (letter from public)
13. Opposition to GPA2018-0001_ZA2018-0001_EA2018-0001_ E. DUNNE-ROSS (letter from public)

RESOLUTION NO. XXX**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A GENERAL PLAN AMENDMENT GPA2018-0001 TO AMEND THE GENERAL PLAN LAND USE MAP ON AN 8.34 ACRE PARCEL LOCATED AT 2275 EAST DUNNE AVENUE (APN 728-02-002)**

WHEREAS, project applicant Alex Ross proposes to amend the General Plan land use designation from Residential Estate to Residential Detached Low on an 8.34 acre parcel located at 2275 East Dunne Avenue, identified by Assessor Parcel Number(s) 728-02-002;

WHEREAS, such request with the applicant's expressed intent to develop 12,000 square foot minimum lots was considered by the Planning Commission at its regular meeting of September 25, 2018, at which time the Planning Commission recommended denial of the General Plan Amendment application, GPA2018-0001: E. Dunne-Ross;

WHEREAS, the Planning Commission reviewed the General Plan Amendment in conjunction with the applicant's request to develop 12,000 square foot minimum lots and found it to be inconsistent with the 2035 General Plan, specifically Policies CNF 9.1 Density Feathering and CNG 11.3 Appropriate Residential Transitions,

WHEREAS, the Commission had further discussion and recommended the applicant pursue the 20,000 square foot lot minimum in order meet consistency with the 2035 General, specifically Policies CNF 9.1 Density Feathering and CNG 11.3 Appropriate Residential Transitions,

WHEREAS, the applicant amended the application to request to develop 20,000 square foot minimum lots as expressed in the Zoning Ordinance Amendment No. ZA2018-0001;

WHEREAS, a program level Initial Study/Mitigated Negative Declaration was prepared pursuant to the State California Environmental Quality Act (CEQA);

WHEREAS, such program level Initial Study/Mitigated Negative Declaration was considered by the Planning Commission at its regular meeting of September 25, 2018, at which time the Planning Commission recommended approval of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, with further review at the project level required for future development;

WHEREAS, Council has independently reviewed and analyzed the Initial Study/Mitigated Negative Declaration and other information in the record and has considered the information contained therein, prior to acting upon the Project;

WHEREAS, the Initial Study/Mitigated Negative Declaration represents the independent judgment and analysis of the City as lead agency for the Project; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORGAN HILL THAT:

SECTION 1. The City Council of the City of Morgan Hill hereby adopts the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for the Project. The Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program are: (1) on file in the Community Development Department, Planning Division, located at 17575 Peak Avenue, Morgan Hill CA 95037 and (2) available for inspection by any interested person.

SECTION 2. The proposed General Plan Amendment is found to be consistent with the General Plan, specifically with respect to policy CNF-9.1 Density Feathering from High to Low Densities and policy CNF-11.3 Appropriate Residential Transitions of the Morgan Hill 2035 General Plan.

SECTION 3. The City Council of the City of Morgan Hill hereby adopts the amendment to the General Plan land-use map as described in the attached Exhibit A, and by this reference incorporated herein.

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 6th day of February 2019 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED:

ATTEST:

RICH CONSTANTINE, Mayor

IRMA TORREZ, City Clerk

City of Morgan Hill
Resolution No.
Page 3 of 4

❧ CERTIFICATION ❧

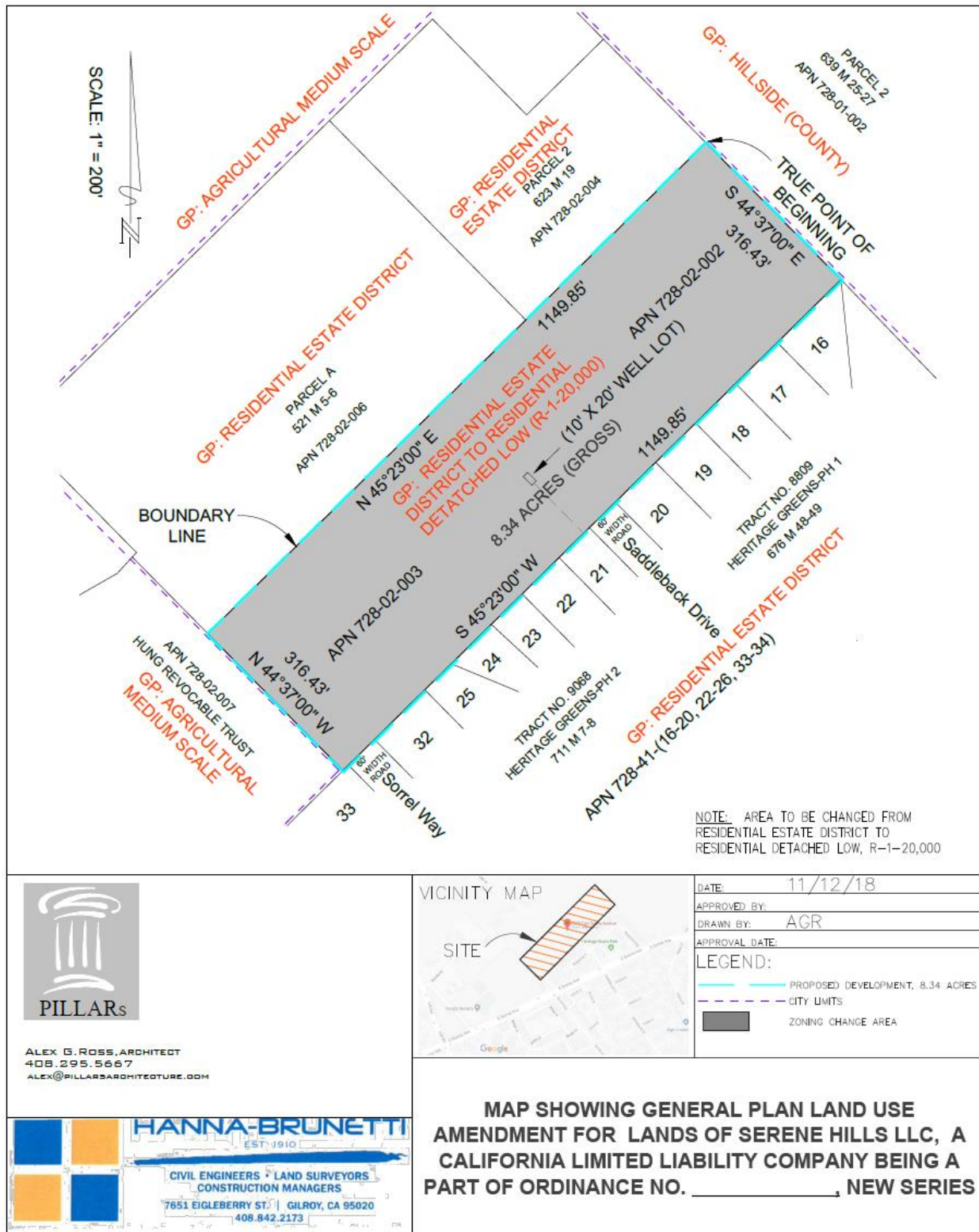
I, **IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA**, do hereby certify that the foregoing is a true and correct copy of Resolution No. _____, adopted by the City Council of the City of Morgan Hill, California at its regular meeting held on the 6th day of February, 2019.

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

DATE: _____

IRMA TORREZ, City Clerk

EXHIBIT "A"



ORDINANCE NO. XXXX, NEW SERIES**AN ORDINANCE OF THE CITY OF MORGAN HILL
APPROVING A ZONING AMENDMENT ZA2018-0001 TO
AMEND THE ZONING FROM RESIDENTIAL ESTATE
ONE-ACRE LOTS TO RESIDENTIAL DETACHED LOW
20,000 SQUARE FOOT LOTS ON AN 8.34 ACRE LOT
LOCATED AT 2275 EAST DUNNE AVENUE (APN 728-02-
002)**

WHEREAS, project applicant Alex Ross proposes to amend the zoning from Residential Estate one-acre to Residential Detached Low 20,000 square foot lot minimum for an 8.34 acre parcel located at 2275 East Dunne Avenue, identified by Assessor Parcel Number(s) 728-02-002;

WHEREAS, a request to amend the zoning from Residential Estate minimum one-acre lots to Residential Detached Low 12,000 square foot lots was considered by the Planning Commission at its regular meeting of September 25, 2018 at which time the Planning Commission recommended denial of the Zoning Amendment application pursuant to the Zoning Ordinance findings required by Morgan Hill Municipal Code section 18.114.060.

WHEREAS, the Planning Commission identified the specific findings that could not be made: 1) General Plan consistency, specifically Policy CNF 9.1 Density Feathering and CNG 11.3 Appropriate Residential Transitions, and 2) The site's physical constraints to be unsuitable for the proposed density in design location, shape, and size for the 12,000 square foot lot minimum.

WHEREAS, the Commission had further discussion and recommended the applicant pursue the 20,000 square foot lot minimum in order meet consistency with the Zoning Ordinance findings required by Morgan Hill Municipal Code section 18.114.060.

WHEREAS, the applicant changed the zoning amendment request to Residential Detached Low 20,000 square foot lot to meet the Zoning Ordinance findings required by Morgan Hill Municipal Code section 18.114.060.

WHEREAS, a program level Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program were prepared for the project pursuant to the California Environmental Quality Act;

WHEREAS, such program level Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program was considered by the Planning Commission at its regular meeting of September 25, 2018, at which time the Planning Commission recommended approval of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program;

WHEREAS, amending the zoning amendment application to request RDL-20,000 does not affect the conclusions of the program-level environmental analysis; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES ORDAIN AS FOLLOWS:

SECTION 1. The proposed Zoning Amendment is consistent with the General Plan as provided by Government Code Section 65860.

The project as proposed with 20,000 square foot lot minimum is consistent with the 2035 General Plan, specifically Policies CNF-9.1 and CNF 11.3.

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

SECTION 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 as proposed with 20,000 square foot lot minimum is consistent in that the zoning amendment would allow for acceptable transition in lot size and density between adjacent residential areas.

SECTION 4. The City Council of the City of Morgan Hill hereby finds that, on the basis of the whole record before it, there is no substantial evidence that the project was currently proposed will have a significant effect on the environment beyond what was anticipated in the Initial Study and the Mitigated Negative Declaration, and this finding reflects the City Council's independent judgement and analysis. The custodian of the documents or other material which constitute the record shall be the Development Services Department.

SECTION 5. Severability: If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.

SECTION 6. Effective Date; Publication. This ordinance shall take effect thirty (30) days after the date of its adoption. The City Clerk is hereby directed to publish this ordinance or a summary thereof pursuant to 36933 of the Government Code.

THE FOREGOING ORDINANCE WAS INTRODUCED AT A MEETING OF THE CITY COUNCIL HELD ON THE 6TH DAY OF FEBRUARY 2019, AND SAID ORDINANCE WAS DULY PASSED AND ADOPTED ON THE ____ DAY OF _____,

2019 IN ACCORDANCE WITH LAW BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED:

RICH CONSTANTINE, Mayor

ATTEST:

DATE:_____

~ CERTIFICATION ~

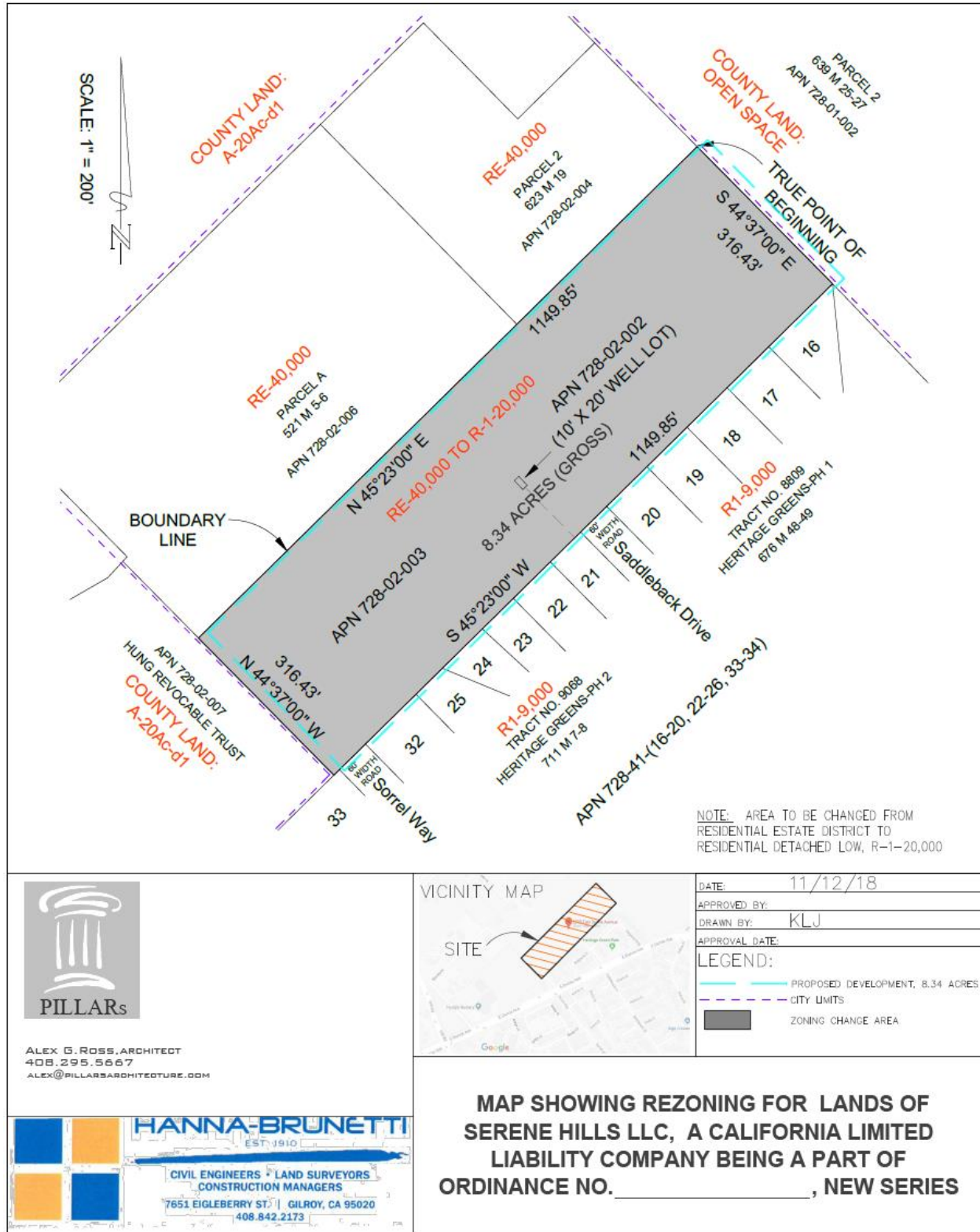
I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. _____ New Series, adopted by the City Council of the City of Morgan Hill, California at its regular meeting held on the _____ day of February, 2019.

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

DATE:_____

IRMA TORREZ, City Clerk

EXHIBIT "A"





Serene Hills LLC

2275 E Dunne Ave, Morgan Hill, CA 95037

From

Viji Mani
Serene Hills LLC
2275 E Dunne Ave, Morgan Hill, CA

To

CITY OF MORGAN HILL

Re: 2275 E Dunne Ave, Morgan Hill, CA. GPA2018-0001,ZA2018-0001 & EA2018-0001

We request amendment to the above petition as follows:

GPA2018-001: General Plan amendment to change the current General Plan land use designation from Residential Estate to Residential Detached Low - **Application remains the same**

ZA2018-001: Zoning Amendment to change the current zoning classification from Residential Estate one acre to Residential Detached Low Density minimum 20,000 square foot lots (RDL-20,000)

**Request Application change from RE 1 to RDL-12000
to RE 1 to RDL-20000**

- Our intent is to compete this year with a plan that proposes a total of 12 lots. The plan will have a centrally located east-west public drive with six lots backing the south boundary and six lots backing the north boundary. The 20K sq ft lots allow for tree lined streets that will retain detached sidewalks with 7.5 ft wide pathways
- Our intent is to propose in this MS application, a commitment that all six homes to the south will be single level homes with oversized rear yards to insure privacy to the existing residences to the south.
- We will include in the site plan design an intersection with a central roundabout that will control traffic speed.
- Our intent is not to maximize the density but a perfect transition from RDM-7000 lots to RE 1 lots, that we are sandwiched in between. Our proposal of maximum of 12 lots would yield 1.5 units per acre.

Should you have any questions please feel free to contact me @ (408)396-2706 or manisviji@yahoo.com.

Best Regards

Viji Mani

RESOLUTION NO. 18-28

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING DENIAL OF ZONING AMENDMENT ZA2018-0001 TO AMEND THE ZONING FROM RESIDENTIAL ESTATE ONE-ACRE LOTS TO RESIDENTIAL DETACHED LOW 12,000 SQUARE FOOT LOTS ON AN 8.34 ACRE LOT LOCATED AT 2275 EAST DUNNE AVENUE (APN 728-02-002)

WHEREAS, project applicant Alex Ross proposes to amend the zoning from Residential Estate one-acre to Residential Detached Low 12,000 for an 8.34 acre parcel located at 2275 East Dunne Avenue, identified by Assessor Parcel Number(s) 728-02-002;

WHEREAS, such request was considered by the Planning Commission at its regular meeting of September 25, 2018 at which time the Planning Commission recommended denial of the Zoning Amendment application, ZA2018-0001: East Dunne - Ross;

WHEREAS, the Zoning Amendment was reviewed and found to be inconsistent with the 2035 General Plan and that the Zoning Ordinance findings required by Morgan Hill Municipal Code section 18.114.060 could not be made;

WHEREAS, a program level Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program was prepared for the project pursuant to the California Environmental Quality Act;

WHEREAS, such program level Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program was considered by the Planning Commission at its regular meeting of September 25, 2018, at which time the Planning Commission recommended approval of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

SECTION 1. The proposed Zoning Amendment is inconsistent with the General Plan as provided by Government Code Section 65860.

The project is inconsistent with the 2035 General Plan, specifically Policies CNF-9.1 and CNF 11.3. Planning Commission discussed further feathering by utilizing a PD to allow for both 12,000 square foot lots and 20,000 square foot lots, or to require 20,000 square foot lots only. Additionally, the

Planning Commission did not find that the zoning amendment would allow for acceptable transition in lot size and density between adjacent residential areas.

SECTION 2. The proposed amendment will be detrimental to the public interest, health, safety, convenience, or welfare of the City.

The amendment was determined by Planning Commission to be detrimental to the public interest, health, safety, convenience, or welfare of the City.

SECTION 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.

Planning Commission determined that the propose site is not physically suitable and that the development would not comply with General Plan at the proposed density.

SECTION 4. The Planning Commission hereby recommends denial of a Zoning Amendment, as described in the attached Exhibit "A", and by this reference incorporated herein.

DENIED ON THIS 25th DAY OF SEPTEMBER 2018, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	MCKAY, MARTINEZ-BELTRAN, DOWNEY, TANDA, MUELLER, MUNOZ-MORRIS
NOES:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	HABIB

ATTEST:


JENNA LUNA, Deputy City Clerk

APPROVED:

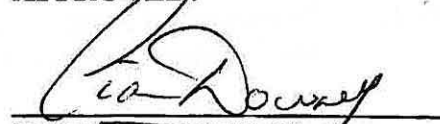
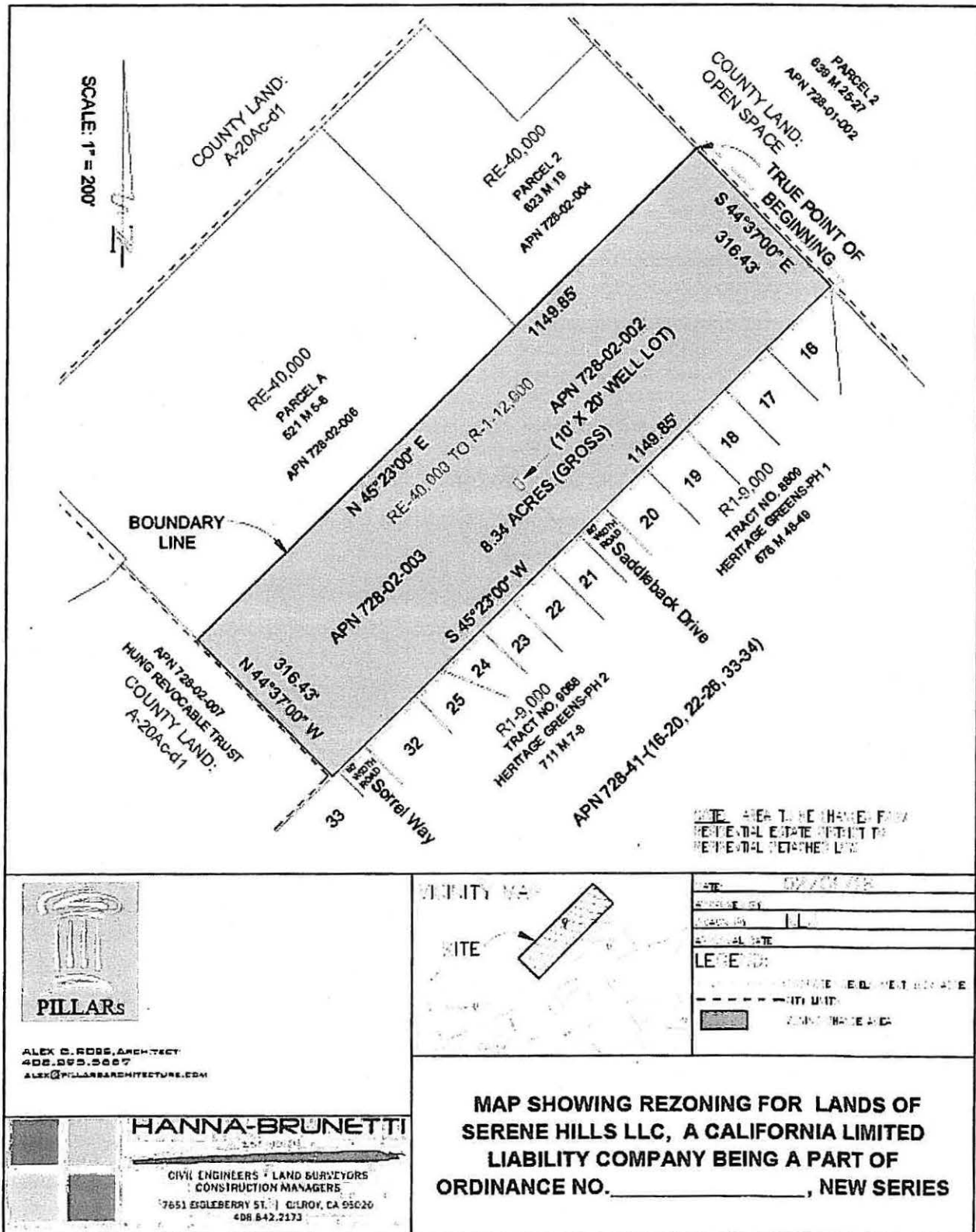

LIAM DOWNEY, Chair

EXHIBIT "A"



RESOLUTION NO. 18-29

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING DENIAL OF GENERAL PLAN AMENDMENT GPA2018- 0001 TO AMEND THE GENERAL PLAN LAND USE MAP ON AN 8.34 ACRE PARCEL LOCATED AT 2275 EAST DUNNE AVENUE (APN 728-02-002)

WHEREAS, project applicant Alex Ross proposes to amend the General Plan land use designation from Residential Estate to Residential Detached Low on an 8.34 acre parcel located at 2275 East Dunne Avenue, identified by Assessor Parcel Number(s) 728-02-002;

WHEREAS, such request was considered by the Planning Commission at its regular meeting of September 25, 2018, at which time the Planning Commission recommended denial of the General Plan Amendment application, GPA2018-0001: E. Dunne-Ross;

WHEREAS, the proposed General Plan Amendment was reviewed and found to be inconsistent with the 2035 General Plan;

WHEREAS, a program level Initial Study/Mitigated Negative Declaration was prepared pursuant to the State California Environmental Quality Act (CEQA);

WHEREAS, such program level Initial Study/Mitigated Negative Declaration was considered by the Planning Commission at its regular meeting of September 25, 2018, at which time the Planning Commission recommended approval of the Mitigated Negative Declaration and Mitigation Monitoring and reporting Program, with further review at the project level required for future development; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

**NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES
RESOLVE AS FOLLOWS:**

SECTION 1. The proposed General Plan Amendment is found to be inconsistent with the General Plan, specifically with respect to policy CNF-9.1 Density Feathering from High to Low Densities and policy CNF-11.3 Appropriate Residential Transitions of the Morgan Hill 2035 General Plan.

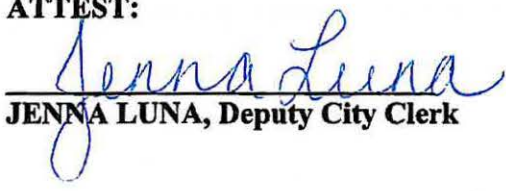
SECTION 2. The Planning Commission recommends that the City Council deny the General Plan Amendment as described in the attached Exhibit "A", and by this reference incorporated herein.

**DENIED THIS 25th DAY OF SEPTEMBER 2018, AT A REGULAR MEETING OF
THE PLANNING COMMISSION BY THE FOLLOWING VOTE:**

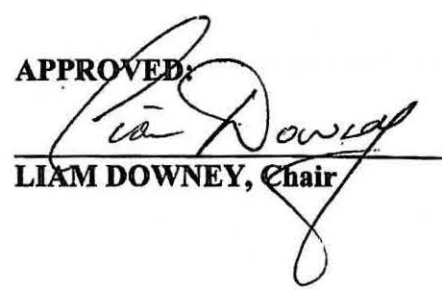
City of Morgan Hill
Resolution No. 18-29
Page 2 of 3

AYES:	COMMISSIONERS:	MCKAY, TANDA, DOWNEY, MARTINEZ- BELTRAN, MUELLER, MUNOZ-MORRIS
NOES:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	HABIB

ATTEST:


JENNA LUNA, Deputy City Clerk

APPROVED:


LIAM DOWNEY, Chair

RESOLUTION NO. 18-30

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING CITY COUNCIL ADOPTION OF THE MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM THAT WERE PREPARED IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT FOR THE EAST DUNNE – ROSS PROJECT LOCATED AT 2275 EAST DUNNE (APN 728-02-002)

WHEREAS, prior to the adoption of this Resolution, the Planning Division of the City of Morgan Hill prepared an Initial Study and a Mitigated Negative Declaration for the East Dunne – Ross Project (Planning File No's. GPA2018-0001, ZA2018-0001, and EA2018-0001) in accordance with the requirements of the California Environmental Quality Act of 1970, as amended ("CEQA"), and state and local guidelines implementing CEQA; and

WHEREAS, the East Dunne - Ross Project ("Project") analyzed under the Initial Study/Mitigated Negative Declaration consisted of the request to amend the General Plan land use designation and Zoning on an 8.34 acre parcel from Residential Estate to Residential Detached Low and Residential Estate 1 acre to Residential Detached Low Density 12,000 square foot lots for the project site located at 2275 East Dunne Avenue (APN: 728-02-002); and

WHEREAS, this Mitigated Negative Declaration is a program level document, and further project level environmental review would be required for a future development project. The standard mitigation measures will be considered at the time of review for the future development project. If the future development project will involve preparation of an Initial Study/Mitigated Negative declaration 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 environment effects to a less-than-significant level; 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

WHEREAS, the City of Morgan Hill is the lead agency on the Project, and the City Council is the decision-making body for the proposed Project; and

WHEREAS, the Planning Commission has reviewed and considered the Initial Study/Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program for the Project; and

WHEREAS, the Initial Study/Mitigated Negative Declaration and the 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 Project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 89.5 of the California Department of Fish and Game Code.

NOW THEREFORE BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL AS FOLLOWS:

SECTION 1. THAT THE PLANNING COMMISSION does hereby make the following findings:

- (1) It has independently reviewed and analyzed the Initial Study/Mitigated Negative Declaration and other information in the record and has considered the information contained therein, prior to acting upon the Project;
- (2) The Initial Study/Mitigated Negative Declaration prepared for the Project has been completed in compliance with CEQA and consistent with state and local guidelines implementing CEQA; and
- (3) The Initial Study/Mitigated Negative Declaration represents the independent judgment and analysis of the City as lead agency for the Project. The Community Development Director of the Community Development Department at 17575 Peak Avenue, Morgan Hill, California 95037, is the custodian of documents and records of proceedings on which this decision is based.

SECTION 2. THAT THE PLANNING COMMISSION does hereby recommend the adoption of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for the Project. The Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program are: (1) on file in the Community Development Department, Planning Division, located at 15575 Peak Avenue, Morgan Hill CA 95037 and (2) available for inspection by any interested person.

PASSED AND ADOPTED THIS 25th DAY OF SEPTEMBER 2018, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES:	COMMISSIONERS:	MCKAY, MUNOZ-MORRIS, DOWNEY, MARTINEZ-BELTRAN, MUELLER, TANDA
NOES:	COMMISSIONERS:	NONE
ABSTAIN:	COMMISSIONERS:	NONE
ABSENT:	COMMISSIONERS:	HABIB

City of Morgan Hill
Resolution No. 18-30
Page 3 of 3

ATTEST:



JENNA LUNA, Deputy City Clerk

APPROVED:



LIAM DOWNEY, Chair

David J. Powers & Associates, Inc.
 Environmental Consultants & Planners
 1871 The Alameda - Suite 200
 San Jose, California 95126

(408) 248-3500
 Fax (408) 248-9641

M E M O R A N D U M

TO: Tiffany Brown, Associate Planner, City of Morgan Hill

FROM: Akoni Danielsen, Principal Project Manager

DATE: August 27, 2018

SUBJECT: 2275 East Dunne General Plan Amendment & Rezone,
 Responses to Public Comments on the Initial Study for adoption of a Mitigated
 Negative Declaration

I. Introduction

This memorandum addresses the issues raised in public comments received by the City of Morgan Hill on the Initial Study for a Draft Mitigated Negative Declaration (MND) prepared for the proposed “2275 East Dunne General Plan Amendment and Rezone” project.

II. Background

The City is considering a General Plan Amendment to change the land use designation and rezone of the 8.34-acre project site located on 2275 East Dunne Avenue in the City of Morgan Hill.

An Initial Study was prepared for the project pursuant to the California Environmental Quality (CEQA). The Initial Study included a program-level analysis and evaluated the reasonably foreseeable *indirect* environmental effects that would result from the General Plan Amendment and rezone, given that no specific development is proposed that would lead to *direct* physical changes to the environment. The Initial Study considered the anticipated effects of future residential development allowed by the General Plan amendment and rezone, and concluded that the proposed General Plan amendment and rezone would not result in any significant unavoidable environmental impacts, and only potential mitigation measures to be implemented by the future development was

identified. Since there is no proposed specific development at this time, future development shall be subject to project-specific environmental review.

The draft Initial Study was circulated for public review for 30 days, from June 20, 2018 through July 19, 2018. A total of 21 comment letters were received from 20 individuals, these letters are attached to this memorandum. This memo summarizes the environmental issues raised in the public comments and provides responses.

III. CEQA Requirements for Adoption of a Mitigated Negative Declaration

A Mitigated Negative Declaration (MND) is a statement by a public agency that a non-exempt project will not result in significant unavoidable environmental impacts. Adoption of an MND is appropriate when the lead agency determines that the administrative record contains no *substantial evidence* of a reasonable possibility of a significant unavoidable environmental impact. Conversely, if the lead agency identifies substantial evidence in support of a fair argument that a project may result in a significant environmental impact which cannot be mitigated or avoided, an EIR must be prepared. The lead agency is not allowed to weigh conflicting evidence or expert opinion, but must resolve all doubts in favor of preparation of an EIR if substantial evidence has been provided of a reasonable possibility of a significant effect.

Under CEQA, “substantial evidence” means enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached.

Substantial evidence includes facts, reasonable assumptions predicated upon facts, and expert opinion supported by facts. Argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly erroneous or inaccurate, or evidence of social or economic impacts which do not contribute to or are not caused by physical impacts on the environment does not constitute substantial evidence. (CEQA Guidelines §15384). Based on the findings presented in the Initial Study, it is concluded that all potential impacts identified in the Initial Study can be mitigated to a less than significant level and therefore, an EIR is not required, and the GPA and rezoning project qualifies for an MND.

IV. CEQA Requirements for Responding to Public Comments on a Negative Declaration

CEQA Guidelines Sections §15073, 15073.5, and 15074 provide direction on the public review of a draft MND, when a draft MND must be recirculated for additional public review, and the process for consideration and adoption of an MND, respectively. In contrast with the more exhaustive EIR public review process requirements (per CEQA Guidelines Section §15088) that mandate the lead agency must provide written responses to comments received involving environmental issues, written responses are not mandated for public comments received on a draft MND. No specific requirements are placed on a lead agency as to how to address issues raised in public comments received on the draft MND, other than to be vigilant for the presence of substantial evidence in support of a fair argument the project at issue may result in a significant impact, as discussed in the preceding section.

V. Responses to Issues Raised in Public Comments Received on Draft Negative Declaration

The 21 comment letters received by the City during the Initial Study public review period are attached. The comments fall into several categories or issue themes.

a. *Opposition to the Proposed General Plan Amendment and Rezone*

A number of comments expressed opposition to the proposed General Plan Amendment to change the land use designation onsite from *Residential Estate (one dwelling unit/acre)* to *Residential Detached Low (four dwelling units/acre)* and rezoning from *Residential Estate - one acre* to *Residential Detached Low Density 12,000-square foot* in order to allow up to 25 residential units onsite, and that the existing land use designation and zoning should remain as is. The opposition was reasoned with a range of environmental concerns to local neighborhoods at Heritage Greens, Jackson Oaks, Holiday Lakes Estates, and residents on Rosetta Drive, Shafter Avenue, and Shafer Court, touching on many of the issue topics presented in the Initial Study, such as: aesthetics, air quality, geology, biology, hydrology/water quality, public services, noise and vibration, traffic/transportation, utilities and service systems.

Discussion a: The comments state opinions that the City Council should not change the General Plan land use and zoning of the site. The comment also indicates the proposed General Plan amendment and rezone would allow 25 units. As described in *Section 3.5 Development Assumptions for the Environmental Review* of the Initial Study, a maximum of 30 residential units/lots (363,290-square foot site divided by 12,000-square foot lots) could theoretically be considered based on the site of the site. However, this density is unlikely due to the requirements for land to be devoted for roads, right-of-way, and setbacks, etc. For the purpose of the Initial Study, development of 75 percent of the maximum possible development was used to derive the reasonable foreseeable development potential of the proposed project site under the proposed General Plan designation. This would allow development of approximately 22 dwelling units onsite, based on site acreage, for the proposed General Plan amendment and rezone.

Topics of concern associated with the project's impact on the environment are further discussed below with references to the appropriate sections of the Initial Study.

b. *Change in Visual Character*

Comments expressed concerns that future development onsite would block adjacent residences' views of the Morgan Hill foothills, the visual character of the existing neighborhood, and the area's rural character.

Discussion b: As discussed in *Section 4.1 Aesthetics* of the Initial Study, the project site is surrounded by rural residential uses with large lots to the north, east and west, and a one- to two-story single-family subdivision to the south/southeast. Views from the project site are

limited to its surrounding area, and the site is not located near a scenic vista, nor along a state scenic highway. Future development of up to 22 single-family dwelling units would not obstruct public view of a scenic vista or designated scenic resources. The existing visual character of the area is suburban. Future development of up to 22 single-family dwelling units would be similar in character and mass/height to the existing development south/southeast of the site, and the design would be subject to review and approval by the City to ensure it meets local design and aesthetic standards.

For these reasons, the IS accurately discloses the likely visual change that will result from the future residential development, and the comments do not provide substantial evidence in support of a fair argument that the project would result in a significant visual impact.

c. Air Quality and Noise During Construction and Operation

A comment expressed concerns regarding air quality and noise impacts on to nearby residents during construction and operation of the future development allowed under the proposed General Plan amendment and rezone, producing excessive noise, dust, dirt, and fumes.

Discussion c: As discussed in *Section 4.3 Air Quality* of the Initial Study, the project site is adjacent to residential uses, which are categorized as sensitive receptors. As required by the City and Bay Area Air Quality Management District (BAAQMD), future development shall be required to implement all Basic Construction Mitigation Measures listed in Table 8-2 of the BAAQMD CEQA Air Quality Guidelines as part of the project design during construction period (see page 20 of the Initial Study for the complete measures), which would reduce dust and other particulate matter impacts to a less than significant level.

Construction of future development would require the use of diesel equipment (e.g., generators, excavators, dozers, grader, etc.). The exhaust from diesel equipment contains diesel particulate matter, which is a known toxic air contaminant. Since no specific development is proposed at this time, construction related impacts would be addressed during future project-level environmental review, along with effective mitigation measures (e.g., use of alternative fuel construction equipment), to reduce potential health risks to a less than significant level, if necessary.

Regarding noise, based on the General Plan land use compatibility guidelines for community noise environments, low density single-family residential development is allowed in areas with ambient noise levels up to 60 A-weighted decibel (dBA) community noise equivalent level (CNEL), and is conditionally allowed in areas with noise levels up to 70 dBA CNEL. Noise levels in the project area are expected to be at or below 60 dBA CNEL in year 2035. As discussed in *Section 4.12 Noise and Vibration* of the Initial Study, typically small residential, commercial, or office construction projects do not generate significant noise and vibration when standard construction noise control measures are enforced at the project site and when the duration of the noise generating construction period is limited to one

construction season (typically one year) or less. The Initial Study identified standard measure SM NOI-1 (see page 28 of the Initial Study) to be considered at the time future development is proposed, which requires implementation of standard construction noise suppression measures (to be reviewed and approved by the City) during construction activities to reduce noise levels to a less than significant level.

d. Impacts to Open Space, Wildlife Displacement and Tree Removal

Several comments were made that future development under the proposed General Plan amendment and rezone would displace wildlife in the area, including deer, coyote, opossum, cranes, red tailed hawk and white-tailed kites, turkeys, peacocks, frogs, toads, lizards, and snakes known to appear on the project site/area and populate around the drainage that passes from the hill to the east and through the site, and concerns that oak trees will be removed.

Discussion d: As discussed in *Section 4.4 Biological Resources* of the Initial Study, the proposed project site is located in the Santa Clara Valley Habitat Plan (SCVHP) study area. SCVHP is a habitat conservation program intended to promote the recovery of endangered species and enhance ecological diversity and function, while accommodating planned growth in approximately 500,000 acres of southern Santa Clara County. The Habitat Plan identifies and preserves land that provides important habitat for endangered and threatened species. The subject site is not identified for conservation as part of the SCVHP, nor are covered species likely to be present on the site.

The land preservation program is intended to provide mitigation for the environmental impacts of planned development, public infrastructure operations, and maintenance activities, as well as to enhance the long-term viability of endangered species. Projects covered by the SCVHP are required to submit an application to Santa Clara Habitat Agency to verify the land cover type of the site. The 8.34-acre site is mapped as Rural Residential land cover. No special status wildlife species are recorded in the project area. As discussed throughout the Initial Study, there is an existing drainage that passes through the site. The drainage does not appear to be a sensitive habitat, however the Initial Study identified standard measure SM BIO-1 that requires a land cover verification be conducted by a qualified biologist at the time a specific development (i.e. subdivision) is proposed and undergoing project-level CEQA review, to verify if the drainage is a Category 2 stream,¹ in which a wetland delineation would be required, and SM BIO-2 which requires a completion of a nesting bird preconstruction survey if construction takes place during the avian nesting season (see page 26 and 27 of Initial Study). Future development would also be subject to paying all applicable SCVHP fees to reduce its biological resources impacts to a less than significant

¹ Category 2 stream is a stream type that may not have sufficient flow to support covered and riparian habitat. These streams include all ephemeral streams and some intermittent stream reaches. These reaches provide minimum support of water-quality functions and primary breeding habitat for covered species. Source: Santa Clara Valley Habitat Agency. *Santa Clara Valley Habitat Plan*. August 2012.

level. The comment mentions a number of common wildlife species (e.g. deer, turkeys, coyote, lizards, etc.) that are seen in the vicinity of the site; these species would be displaced from the site upon future development, but would instead utilize abundantly available habitat nearby in the east foothills.

There are approximately six existing trees onsite, some of which appear to be Eucalyptus and Oak trees, and may be defined as “protected trees” pursuant to Section 12.32.020 (G) of the City’s Municipal Code. No special status plant species are recorded in the project area. As identified in the Initial Study, standard measure SM BIO-3 requires future development to submit a tree removal permit application and replace removed trees at the ratio determined by the trees species and size (see page 28 of the Initial Study). The precise number of trees to be removed will be determined at the time a specific subdivision project is filed with the City.

e. Environmental Impact Study on Existing Drainage Onsite Flooding from Existing Pond and Drainage Off-Site

Multiple comments raised concerns with the existing drainage on the project site, and the implications of developing the site and redirecting the drainage pattern, creating potential flooding. A comment requested that an “environmental impact study” be conducted to evaluate this issue.

Discussion e: As discussed in *Section 4.4 Biological Resources*, *4.6 Geology and Soils*, and *Section 4.9 Hydrology and Water Quality* of the Initial Study, there is an existing drainage feature that passes through the site from the northeast to the southwest of the site. As part of the Initial Study, an Initial Geotechnical Investigation was prepared to evaluate potential geologic hazards and impacts to the project site and its surrounding area with development of approximately 22 single-family dwelling units allowed under the proposed General Plan amendment and rezone. The Initial Study supplemented by the geotechnical investigation concluded that future development, with incorporation of standard measures SM HYD-1 to adequately reduce and convey stormwater runoff (see page 44 of the Initial Study) and SM GEO-2 to prepare a design-level geotechnical investigation to include a debris flow analysis (see page 35 of the Initial Study). Implementation of these standard measures would ensure future development would not result in off-site flooding through changing the drainage pattern onsite. Future project-level environmental review of a specific subdivision project will confirm that the proposed subdivision conforms with applicable hydrology and drainage requirements of the City and Santa Clara Valley Water District identified in the current Initial Study.

f. Increase in Traffic and Traffic Safety

Various comments were made related to increased traffic and safety concerns due to project cars using area streets, including Sorrel Way, Saddleback Drive, Magnolia Way, and Hill Road between East Dunne Avenue and East Main Avenue. Comments also requested that a traffic study be prepared

to look at impacts to the local neighborhoods at Heritage Greens, Jackson Oaks, and Holiday Lakes Estates, and closing off access to East Dunne Avenue from Magnolia Street.

Discussion: As discussed in Section 4.16 *Transportation/Traffic* of the Initial Study, the City of Morgan Hill and Santa Clara Valley Transportation Authority's Transportation Impact Analysis guidelines require a Transportation Impact Analysis (TIA) be prepared when a project generates 100 or more new peak hour (AM and/or PM peak hour) trips. The AM and PM peak hours are between 7 AM to 9AM and 4 to 6 PM, respectively. Based on the trip generation rates for single-family units, 22 dwelling units would generate approximately 17 AM peak hour trips (four inbound, 13 outbound) and 22 PM peak hour trips (14 inbound, eight outbound).² For these reasons, it is concluded future development onsite allowed under the proposed General Plan amendment and rezone would not result in significant traffic impacts at the local intersections, including those listed above. Therefore, a TIA is not warranted to study the need for traffic signals or roadway improvements at these nearby intersections. As discussed in *Section 3.0 Project Description* of the Initial Study, future development allowed under the proposed General Plan amendment and rezone would require additional right-of-way for future site access and circulation, including the following:

- Extend either Sorrel Way or Saddleback Drive to the north;
- Connect dead ends of Sorrel Way and Saddleback Drive to form a loop; and
- Widen right-of-way width of Sorrel Way and/or Saddleback Drive to 60 feet to allow for detached sidewalk with a five-foot landscape strip.

The design of these improvements would be reviewed by the City for consistency with the City's design standards during the subdivision phase, the design of which would also be reviewed by Morgan Hill Fire Department and Department of Public Works to ensure adequate emergency access.

Aside from when a project is proposed, the City typically looks at making improvements to roadway segments/intersections that is or is projected to perform below the City's level of service standard. A review of the Morgan Hill 2035 General Plan EIR shows the levels of service at intersections within the project area along East Dunne Avenue are estimated at LOS C under both existing conditions and under 2035 General Plan buildout condition. The project would generate a small amount of additional traffic and the local intersections would continue to meet the City's minimum acceptable level of service standard of LOS D for unsignalized intersections. The City also reviews accident reports at local intersections when determining the need for a traffic signal or stop sign. A review of reported crash incidents on East Dunne Avenue between Sorrel Way and Magnolia Way, provided by Morgan Hill Police Department, shows there were three accidents recorded in the past five years. Based on the City's review, it is determined that no new traffic signals or stop signs are warranted for the Sorrel Way/East Dunne, Saddleback Drive/East Dunne, and Magnolia Way/East Dunne intersections. In addition, future development allowed under the proposed General

² Institute of Transportation Engineers. *Trip Generation Manual, 10th Edition*. Land Use (210). September 2017.
 2275 E. Dunne Avenue General Plan Amendment & Rezone 7 Responses to Initial Study Comments
 City of Morgan Hill August 2018

Plan amendment and rezone would not use Magnolia Way as a direct access point and therefore, would not be subject to making improvements to that intersection, including closing off Magnolia Way.

g. Strain on Resources and Infrastructure

Various comments were made with general concerns with increasing strain on existing resources and infrastructure, including utilities (i.e., water), and public services (i.e., school) demands.

Discussion: As discussed in *Section 4.13 Population and Housing* and *Section 4.17 Utilities and Service Systems* in the Initial Study, residential development within the City of Morgan Hill is controlled by the Residential Development Control System (RDCS). Morgan Hill's RDCS process meters the amount of residential development occurring within the City in any given year, typically up to 215 units annually, to ensure the rate of development does not outstrip the availability of public services and infrastructure to serve the City's residents. By metering residential growth, the RDCS is a tool for the City to ensure infrastructure, including new water supply facilities have adequate capacity before development is approved. Future development allowed under the proposed General Plan amendment and rezone would require an award of RDCS allotments prior to processing entitlements for a project at the site. RDCS competition standards give points to projects that do not require off-site extension of utility lines and/or projects that do not require water improvements beyond minimum requirements. Future development of approximately 22 dwelling units onsite, if granted the allotments by RDCS, would not substantially increase water demand onsite, and would not result in significant impacts to water supplies, or other service systems such as the wastewater treatment facilities, or landfill serving the City.

As discussed in *Section 4.14 Public Services* of the Initial Study, future development allowed under the proposed General Plan amendment and rezone would incrementally increase demand on public services, including schools. Using the Morgan Hill Unified School District's student generation rates per unit for housing, the addition of 22 single-family residences would generate approximately 11 students.³ Future development onsite would be required to pay a school impact fee prior to issuance of a building permit, in accordance with the state law (California Government Code Section 65996). Fees are assessed based upon the square footage of the new development, therefore, would not substantially degrade existing school facilities nor result in the need for new permanent facilities to be constructed.

³ Morgan Hill Unified School District. Demographic Study 2014-2015. March 2015

The estimated student generation rate of 0.465 for new residences within the Morgan Hill Unified School District.

2275 E. Dunne Avenue General Plan Amendment & Rezone 8
City of Morgan Hill

Responses to Initial Study Comments

August 2018

VI. Conclusion

Based on the foregoing, none of the comments received on the draft Initial Study warrants recirculation to provide for additional public review, nor do the comments introduce substantial evidence in support of a fair argument that the proposed General Plan Amendment and rezone may result in a significant impact to the environment. Therefore, the Initial Study/MND is eligible for consideration and adoption by the City Council as part of its deliberations involving the proposed General Plan amendment and rezone.



COMMUNITY DEVELOPMENT DEPARTMENT, PLANNING DIVISION

17575 Peak Avenue Morgan Hill CA 95037 (408) 779-7247 Fax (408) 779-7236
Website Address: www.morgan-hill.ca.gov

DRAFT MITIGATED NEGATIVE DECLARATION

I. DESCRIPTION OF PROJECT:

Application #s: GPA2018-0001, ZA2018-0001, EA2018-0001

APN: 728-02-002 and -003

Project Title: 2275 East Dunne General Plan Amendment and Rezone

Project Location: The 8.34-acre project site is located at the base of the eastern foothills of Morgan Hill on 2275 E. Dunne Avenue, north of Sorrel Way, in the City of Morgan Hill.

Project Proponent: Pillars Architecture Design, Alex Ross, 12 South First Street, #808, San José, CA 95113

Project Description: The 8.34-acre project site is located on 2275 East Dunne Avenue, north of Sorrel Way in the City of Morgan Hill. The project proposes a General Plan Amendment (GPA) to change the land use designation from Residential Estate to Residential Detached Low, and a rezoning from Residential Estate one acre (RE-1) to Residential Detached Low Density 12,000-square foot lot (RDL-12,000) in order to allow future subdivision(s) and residential uses on minimum 12,000-square foot lots. The analysis of this GPA and rezone assumes future development of 22 residential dwelling units on this site.

II. DETERMINATION

In accordance with the City of Morgan Hill procedures for compliance with the California Environmental Quality Act (CEQA), the City has completed an Initial Study to determine whether the proposed project may have a significant adverse effect on the environment. On the basis of that study, the City makes the following determination:

- Although the project, as proposed, could have had a significant effect on the environment, there will not be a significant effect in this case because mitigation measures are included in the project, and, therefore, this **MITIGATED NEGATIVE DECLARATION** has been prepared.

III. CONDITIONS (Mitigation and Standard Measures):

A. Air Quality

Standard Measure to be Considered at the Time of Future Development

SM AIR-1: The following *Basic Construction Mitigation Measures* listed in Table 8-2 of the *BAAQMD CEQA Air Quality Guidelines* will be implemented during construction to reduce dust and other particulate matter impacts:

- During any construction period ground disturbance, the project contractor shall implement the following Best Management Practices (BMPs):
 - Exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
 - Haul trucks transporting soil, sand, or other loose material off-site shall be covered.
 - Visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
 - Vehicle speeds on unpaved roads shall be limited to 15 mph.
 - Roadways, driveways, and sidewalks to be paved shall be completed as soon as possible after grading to minimize dirt and soil exposure. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
 - Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
 - Construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
 - Post a publicly visible sign with the telephone numbers and contact information for the project construction manager and the Lead Agency regarding dust complaints. This construction manager shall respond and take corrective action within 48 hours.
 - The BAAQMD phone number shall also be visible to ensure compliance with applicable regulations.

B. Biological Resources

Standard Measures to be Considered at the Time of Future Development

SM BIO-1: If project staging and construction is anticipated to take place during the avian nesting season (February 1st – August 31st), a nesting bird preconstruction survey shall be conducted by a qualified biologist to insure that nesting birds are not located within or adjacent to the project site. This survey shall be completed not more than 14 days prior to the start of any staging or construction activity. If nesting activity is observed during the preconstruction survey, the qualified biologist will coordinate with the California Department of Fish and Wildlife (CDFW) to establish appropriate buffers, monitoring,

and/or construction phasing measures to avoid any impacts to nesting birds. The results of the preconstruction survey should be valid for 14 days.

SM BIO-2: Future development onsite shall submit a SCVHP application form and retain a qualified biologist to field verify the project site's land cover type and potential watercourses or drainage features using the *Criteria to Verify or Identify a Watercourse as a Stream* method as outlined in the Habitat Plan.

SM BIO-3: As required by the City's Tree Removal Controls, a tree removal permit is required from the Community Development Director, which includes the description of the tree replacement program and identification of any conditions imposed by the City.

C. *Cultural Resources*

Standard Measure to be Considered at the Time of Future Development

SM CUL-1: The following standard permit condition would apply to future development of the project site to reduce and avoid impacts to unknown subsurface cultural resources.

- In the event any prehistoric or significant historic era cultural materials¹ are encountered during subsurface construction, all construction within a radius of 50 feet of the find shall be halted, the Director of the Community Development Department would be notified, and an archaeologist shall be retained to examine the find to make appropriate recommendations.
- If human remains are discovered, the Santa Clara County Coroner shall be notified. The Coroner shall determine whether or not the remains were Native American. If the Coroner determines that the remains are not subject to his authority, he shall notify the Native American Heritage Commission, who shall identify the Most Likely Descendant (MLD) of the deceased Native American.
- If the Director of the Community Development Department finds that the cultural resource find is not a significant resource, work shall resume only after the submittal of a preliminary report and after provisions for reburial and ongoing monitoring are accepted. Provisions for identifying descendants of a deceased Native American and for reburial shall follow the protocol set forth in the CEQA Guidelines. If the site is found to be a significant archaeological site, a mitigation program shall be prepared and submitted to the Director of the Community Development Department for consideration and approval, in conformance with the protocol set forth in the CEQA Guidelines. **(Less than Significant Impact)**

D. *Geology and Soils*

Standard Measures to be Considered at the Time of Future Development

SM GEO-1: As required pursuant to General Plan Policy SSI-1.1, SSI-1.2, and SSI-2.1, future residential development shall prepare a design-level geotechnical investigation which shall include trenching in order to locate the fault zone and establish a "no build" zone. The

¹ Significant cultural materials includes but are not limited to: aboriginal human remains, chipped stone; ground stone; shell and bone artifacts; concentrations of fire-cracked rock; ash and charcoal; shell; bone; and historic features such as privies or building foundations.

study shall be completed and submitted to the City for review as part of the tentative subdivision map review process. All recommendations in the design-level geotechnical investigation shall be implemented by the project, which shall include standard engineering and seismic safety design techniques. Future development shall also meet the requirements of applicable Building and Fire Code.

- SM GEO-2:** As part of the design-level geotechnical investigation required for future development onsite, the investigation shall include a debris flow analysis to evaluate the potential for debris flow. In the event debris flow hazard is identified, engineering measures would be implemented to reduce the hazard. Examples of engineering measures could include a combination of walls (deflection wall or catchment wall) and/or catchment basin and debris grate/catch basin.
- SM GEO-3:** Future development shall implement recommendations in the design-level geotechnical report prepared for the project, which shall include design and engineering measures to avoid and reduce adverse effects of expansive soils to future development onsite. Recommendations to address the undocumented fills shall also be implemented, which shall include removing all fills identified within the building areas and to a lateral distance of at least five feet beyond the building footprint or to a lateral distance equal to fill depth below the perimeter footing, whichever is greater.

E. Hazards and Hazardous Materials

Mitigation Measure to be Considered at the Time of Future Development

- Impact HAZ-1:** The surficial soil onsite may contain elevated levels of organochlorine pesticide. **(Significant Impact)**

Mitigation Measure: Implementation of the following mitigation measures to reduce impacts from contaminated soil (if present) would reduce potentially significant human health hazards to a less than significant level.

- MM HAZ-1:** As required by General Plan Policy SSI-4.16, during future environmental review when a development project is proposed, a Phase I Environmental Site Assessment (ESA) shall be prepared for the site in order to determine whether there are potential hazards associated with the historic agricultural use of the site. If the Phase I ESA recommends soil testing in order to define contamination, Phase II soil investigations shall be completed to document the concentrations of any hazardous contaminants in the soil. Recommendations of the Phase II for any required soil remediation shall be implemented by the project. **(Less Than Significant Impact with Mitigation)**

F. Hydrology and Water Quality

Standard Measure to be Considered at the Time of Future Development

SM HYD-1: In accordance with the City of Morgan Hill Standard Conditions of Approval and the General National Pollutant Discharge Elimination System (NPDES) Storm Water Permit for Construction Activities, future development projects will prepare a SWPPP and an ECP. The plans will be submitted to the Director of Public Works and Central Coast Regional Water Quality Control Board (RWQCB) for review and approval, prior to issuance of a building permit. The ECP and SWPPP will demonstrate how the project will eliminate or reduce non-stormwater discharges into the stormwater system, how discharges into the stormwater system will be monitored, and what BMPs will be implemented by the project to avoid

water quality impacts during construction (e.g., street sweeping, fiber rolls, temporary cover and/or permanent cover) and post-construction periods. In conformance with existing policies, programs, and with implementation of BMPs, the project will not result in significant impacts to water quality or water discharge requirements. **(Less Than Significant Impact)**

G. Noise

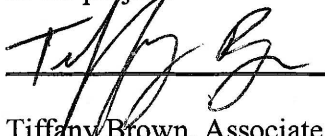
Standard Measure to be Considered at the Time of Future Development

SM NOI-1: The following standard construction noise suppression measures would be implemented during the construction activities to reduce noise levels:

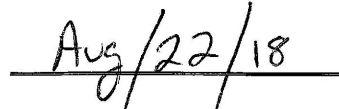
- Construction activities shall be limited to the hours between 7:00 a.m. and 8:00 p.m., Monday through Friday, and between the hours of 9:00 a.m. and 6:00 p.m. on Saturdays. No construction activities should occur on Sundays or federal holidays (Consistent with Section 8.28.040 of the Morgan Hill Municipal Code).
- Equip all internal combustion engine driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment.
- Locate stationary noise generating equipment (e.g. rock crushers, compressors) as far as possible from adjacent residential receptors.
- Acoustically shield stationary equipment located near residential receptors with temporary noise barriers or recycled demolition materials.
- Utilize "quiet" air compressors and other stationary noise sources where technology exists.
- The contractor shall prepare a detailed construction plan identifying the 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.

III. FINDING

The City of Morgan Hill Community Development Services Department hereby finds that the proposed project could have a significant effect on the environment; however, there would not be a significant effect in this case because mitigation measures summarized above and described in the initial study are included in the project.



Tiffany Brown, Associate Planner
Community Development Services
City of Morgan Hill



Date

MITIGATION MONITORING AND REPORTING PROGRAM

2275 East Dunne Avenue General Plan Amendment & Rezone

File Nos. GPA2018-0001, ZA2018-0001, EA2018-0001



September 2018

P R E F A C E

Section 21081.6 of the California Environmental Quality Act (CEQA) requires a Lead Agency to adopt a Mitigation Monitoring and Reporting Program 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.

On _____, the City Council adopted the Mitigated Negative Declaration for the 2275 East Dunne General Plan Amendment & Rezone project (File Nos. GPA2018-0001, ZA2018-0001, EA2018-0001). The Initial Study concluded that the implementation of the project could result in significant impacts on the environment and mitigation measures will be incorporated into the proposed project at the time of future development. This Mitigation Monitoring and Reporting Program addresses those measures in terms of how and when they will be implemented.

This document does *not* discuss those subjects for which the Initial Study concluded that the impacts from implementation of the project would be less than significant.

**MITIGATION MONITORING AND REPORTING PROGRAM
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE**

Impact	Mitigation and Avoidance Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
Hazardous Materials				
Impact HAZ-1: The surficial soil onsite may contain elevated levels of organochlorine pesticide.	MM HAZ – 1.1: As required by General Plan Policy SSI-4.16, during future environmental review when a development project is proposed, a Phase I Environmental Site Assessment (ESA) shall be prepared for the site in order to determine whether there are potential hazards associated with the historic agricultural use of the site. If the Phase I ESA recommends soil testing in order to define contamination, Phase II soil investigations shall be completed to document the concentrations of any hazardous contaminants in the soil. Recommendations of the Phase II for any required soil remediation shall be implemented by the project.	Community Development Director	Review and approval of Phase I Environmental Site Assessment and Phase II Soil Investigation (if necessary) by City staff.	During future environmental review when a development project is proposed, prior to issuance of a tentative map.

STANDARD MEASURES
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE

Standard Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
Air Quality			
SM AIR-1: The following <i>Basic Construction Mitigation Measures</i> listed in Table 8-2 of the <i>BAAQMD CEQA Air Quality Guidelines</i> will be implemented during construction to reduce dust and other particulate matter impacts: • During any construction period ground disturbance, the project contractor shall implement the following Best Management Practices (BMPs): ○ Exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day. ○ Haul trucks transporting soil, sand, or other loose material off-site shall be covered. ○ Visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited. ○ Vehicle speeds on unpaved roads shall be limited to 15 mph. ○ Roadways, driveways, and sidewalks to be paved shall be completed as soon as possible after grading to minimize dirt and soil exposure. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used. ○ Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points. ○ Construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper	Community Development Director	Incorporation of required measures on all project construction documents, contracts, and plans.	To be implemented during construction.

STANDARD MEASURES
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE

Standard Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
condition prior to operation. - Post a publicly visible sign with the telephone numbers and contact information for the project construction manager and the Lead Agency regarding dust complaints. This construction manager shall respond and take corrective action within 48 hours. - The BAAQMD phone number shall also be visible to ensure compliance with applicable regulations.			
Biological Resources			
SM BIO-1: If project staging and construction is anticipated to take place during the avian nesting season (February 1st – August 31st), a nesting bird preconstruction survey shall be conducted by a qualified biologist to ensure that nesting birds are not located within or adjacent to the project site. This survey shall be completed not more than 14 days prior to the start of any staging or construction activity. If nesting activity is observed during the preconstruction survey, the qualified biologist will coordinate with the California Department of Fish and Wildlife (CDFW) to establish appropriate buffers, monitoring, and/or construction phasing measures to avoid any impacts to nesting birds. The results of the preconstruction survey should be valid for 14 days.	Community Development Director	Incorporation of required measures on all project construction documents, contracts, and plans. If project construction activities, including tree removal, start during the nesting season, then a report prepared by a qualified biologist and summarizing the findings of the nesting bird survey(s) shall be submitted to the Community Development Director for review and approval.	Prior to issuance of a Grading Permit.

STANDARD MEASURES
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE

Standard Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
SM BIO-2: Future development onsite shall submit a SCVHP application form and retain a qualified biologist to field verify the project site's land cover type and potential watercourses or drainage features using the <i>Criteria to Verify or Identify a Watercourse as a Stream</i> method as outlined in the Habitat Plan.	Santa Clara Valley Habitat Agency, and Community Development Director	Review and approval of SCVHP application form by Santa Clara Valley Habitat Agency and City staff.	Prior to issuance of a Grading Permit.
SM BIO-3: As required by the City's Tree Removal Controls, a tree removal permit is required from the Community Development Director, which includes the description of the tree replacement program and identification of any conditions imposed by the City.	Community Development Director	Review and approval of a tree survey by City staff. Incorporation of required measures on all project construction documents, contracts, and plans.	Prior to issuance of a Grading Permit.
Cultural Resources			
SM CUL-1: The following standard permit condition would apply to future development of the project site to reduce and avoid impacts to unknown subsurface cultural resources. - In the event any prehistoric or significant historic era cultural materials¹ are encountered during subsurface construction, all construction within a radius of 50 feet of the find shall be halted, the Director of the Community Development Department would be notified, and an archaeologist shall be retained to examine the find to make appropriate recommendations. - If human remains are discovered, the Santa Clara County Coroner shall be notified. The Coroner shall determine whether or not the remains were Native American. If the Coroner determines that the remains are not subject to his	Community Development Director	Incorporation of required measures on all project construction documents, contracts, and plans.	Prior to issuance of a Grading Permit.

¹ Significant cultural materials includes but are not limited to: aboriginal human remains, chipped stone; ground stone; shell and bone artifacts; concentrations of fire-cracked rock; ash and charcoal; shell; bone; and historic features such as privies or building foundations.

STANDARD MEASURES
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE

Standard Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
authority, he shall notify the Native American Heritage Commission, who shall identify the Most Likely Descendant (MLD) of the deceased Native American. If the Director of the Community Development Department finds that the cultural resource find is not a significant resource, work shall resume only after the submittal of a preliminary report and after provisions for reburial and ongoing monitoring are accepted. Provisions for identifying descendants of a deceased Native American and for reburial shall follow the protocol set forth in the CEQA Guidelines. If the site is found to be a significant archaeological site, a mitigation program shall be prepared and submitted to the Director of the Community Development Department for consideration and approval, in conformance with the protocol set forth in the CEQA Guidelines.			
Geology and Soils			
SM GEO-1: As required pursuant to General Plan Policy SSI-1.1, SSI-1.2, and SSI-2.1, future residential development shall prepare a design-level geotechnical investigation which shall include trenching in order to locate the fault zone and establish a “no build” zone. The study shall be completed and submitted to the City for review as part of the tentative subdivision map review process. All recommendations in the design-level geotechnical investigation shall be implemented by the project, which shall include standard engineering and seismic safety design techniques. Future development shall also meet the requirements of applicable Building and Fire Code.	Public Works Director	Review and approval of design-level geotechnical investigation by City staff. Incorporation of required measures on all project construction documents, contracts, and plans.	During future environmental review when a development project is proposed, prior to issuance of a tentative map.
SM GEO-2: As part of the design-level geotechnical investigation required for future development onsite, the investigation shall include a debris flow analysis to evaluate the potential for debris flow. In the event debris flow hazard is identified, engineering measures would be implemented to reduce the hazard. Examples of engineering measures could include a combination of walls (deflection wall or catchment wall) and/or catchment basin and debris grate/catch basin.	Public Works Director	Review and approval of design-level geotechnical investigation by City staff. Incorporation of required measures on all project construction documents, contracts, and plans.	During future environmental review when a development project is proposed, prior to issuance of a tentative map.

STANDARD MEASURES
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE

Standard Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
SM GEO-3: Future development shall implement recommendations in the design-level geotechnical report prepared for the project, which shall include design and engineering measures to avoid and reduce adverse effects of expansive soils to future development onsite. Recommendations to address the undocumented fills shall also be implemented, which shall include removing all fills identified within the building areas and to a lateral distance of at least five feet beyond the building footprint or to a lateral distance equal to fill depth below the perimeter footing, whichever is greater.	Public Works Director	Review and approval of design-level geotechnical investigation by City staff. Incorporation of required measures on all project construction documents, contracts, and plans.	Prior to issuance of a Grading Permit.
Hydrology and Water Quality			
SM HYD-1: In accordance with the City of Morgan Hill Standard Conditions of Approval and the General National Pollutant Discharge Elimination System (NPDES) Storm Water Permit for Construction Activities, future development projects will prepare a SWPPP and an ECP. The plans will be submitted to the Director of Public Works and Central Coast Regional Water Quality Control Board (RWQCB) for review and approval, prior to issuance of a building permit. The ECP and SWPPP will demonstrate how the project will eliminate or reduce non-stormwater discharges into the stormwater system, how discharges into the stormwater system will be monitored, and what BMPs will be implemented by the project to avoid water quality impacts during construction (e.g., street sweeping, fiber rolls, temporary cover and/or permanent cover) and post-construction periods. In conformance with existing policies, programs, and with implementation of BMPs, the project will not result in significant impacts to water quality or water discharge requirements.	Community Development Director	Incorporation of required measures on all project construction documents, contracts, and plans.	Prior to issuance of a Grading Permit or a building permit.
Noise and Vibration			
SM NOI-1: The following standard construction noise suppression measures would be implemented during the construction activities to reduce noise levels: Construction activities shall be limited to the hours between 7:00 a.m. and 8:00 p.m., Monday through Friday, and between the hours of 9:00 a.m. and 6:00 p.m.	Community Development Director	Incorporation of required measures on all project construction documents, contracts, and plans.	To be implemented during the construction activities.

STANDARD MEASURES
2275 EAST DUNNE AVENUE GENERAL PLAN AMENDMENT & REZONE

Standard Measures	Responsibility for Monitoring Compliance	Method of Compliance	Timing of Compliance
on Saturdays. No construction activities should occur on Sundays or federal holidays (Consistent with Section 8.28.040 of the Morgan Hill Municipal Code). • Equip all internal combustion engine driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment. • Locate stationary noise generating equipment (e.g. rock crushers, compressors) as far as possible from adjacent residential receptors. • Acoustically shield stationary equipment located near residential receptors with temporary noise barriers or recycled demolition materials. • Utilize "quiet" air compressors and other stationary noise sources where technology exists. • The contractor shall prepare a detailed construction plan identifying the 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.			

SOURCE: City of Morgan Hill. *2275 East Dunne Avenue General Plan Amendment & Rezone*. June 2018.

Dr. Anthony Colaprete
2415 Magnolia Ct
Morgan Hill, CA 95037
408-644-3360

Morgan Hill City Council
CC: Ms. Irma Torrez, City Clerk

January 29, 2019

City Council Members,

This letter is in response to the notice of public hearing regarding the rezoning request for the lot at East Dunne-Ross (GPA2018-0001/ZA2018-0001/EA2018-0001). The developer's request to rezone the one-acre lots to 20,000 sq. ft. lots, rather than the original 12,000 sq. ft. lots, does not sufficiently address the principle concerns presented to the Planning Commission which resulted in an unanimous vote to recommend against the rezoning.

The original rezoning request was to change from 1 acre lots (or 40,000 square feet) to 12,000 square foot lots. The original Environmental Assessment assumed 22 units being built (using a 75% maximum development land use). In an initial letter from the developer's architect 17 units were considered. At the public hearing before the Planning Commission the developer confirmed a number of units being planned somewhere around 14 to 17, but insisted the smaller zoning lot size (the 12,000 sq. ft.) was necessary to maximize their planning flexibility. Moving to a 20,000 square foot lot is consistent with the original 14 to 17 units (there are approximately 18 20,000 sq. ft. lots in 8.34 acres). Ignoring the insistence by the developer that the 12,000 sq. ft. lots were necessary to maintaining planning flexibility, this suggests the developer is planning for approximately the same number of units and, thus, still raises one of the principal concerns of the community and planning commission that the "feathering" requirement for city growth is not being met. The community to the south-east of the lot in question has 9000 sq. ft. lots, with approximately 30 homes. To the west, north and north-east of the property in question is farm land (south west and north-west) and open space (to the north east). The existing community and the planning commission were concerned that 14-17 additional units would not "feather" into the adjacent properties and add significant congestion. This is exasperated given the fact that it is possible (and even likely given observations detailed below) that the north-eastern portion of the property will not be suitable for building giving an identified fault and significant water shed flow. Thus, these 14 to 17 units will need to be constructed on the lower portion of the property; packing in these units as close as possible within the 20,000 sq. ft. lot constraints (this could have significant impact on the necessary land use for utilities, such as road ways, sidewalks, easements, etc.).

There were several concerns presented to the planning commission (in writing and orally). Three primary concerns were: (1) the lack of feathering (as mentioned above), (2) an increase in traffic at the intersection of E. Dunne and Saddleback (the primary street that serves the Heritage Greens and Jackson Oaks communities, and (3) significant environmental considerations given the ephemeral stream that

runs through the property (emanating from the open space to the north-east) which acts as a conduit for significant wildlife movement.

- (1) The lack of feathering was addressed above. Moving from 12,000 sq. ft. zoning to 20,000 sq. ft. zoning does not necessary address this concern given the same number of units could be developed as originally proposed. Certainly a significant number more units than the current 1-acre lot zoning would provide for can be accommodated (and is likely being planned for). The developer's originally insisted that the smaller zoning size was required to allow for flexibility in their planning. This was the reason they asked for the smaller lot size despite saying they only planned for 14 to 17 units, consistent with 20,000 to 25,000 sq. ft. lot sizes. It is unclear why this "flexibility requirement" has gone away. It suggests to this resident that the developer was trying to lead the community and planning commission away from its plans to fit in as many units as possible and to do so required smaller lots. When this was recommended against by the planning commission they have changed their story.

It was noted by the Planning Commission that during the most recent Morgan Hill General Planning exercise this lot would have been considered for rezoning to meet the goals of the General Plan, however it was left at the 1-acre lot size. The question was raised as to why if it was appropriate to leave the zoning as-is in the General Plan, is it appropriate (or necessary) to rezone it now. There isn't a clear answer except that the developer wants to fit as many units as possible into the property (despite the General Plan).

As an exercise to better qualify the level of "feathering" the 20,000 sq. ft. and 1-acre lots would provide I generated a set of appropriately sized lots on a satellite image of the property. While a maximum number of 18 lots can fit into the property, this number was reduced to 13 (assumes a 75% maximum land use). These lots were then filled with imagery of home properties copied from the surrounding area (and presumed roadways connecting to Saddleback and Sorrel). Figure 1 shows the new neighborhood and its relative density of housing compared to the surrounding lands. While qualitative, the density of housing assuming the 13 lots still generates a sharp gradient (lack of feathering) moving in any direction other than toward Heritage Greens.

This same exercise was done for 1-acre lot zoning (Figure 2). Again assuming a 75% maximum land use results in approximately 7 units. The housing density gradient is much more gradual as it moves from the south-east toward the open space and farm lands to the north and west. This appears to have a much better feathering.

- (2) There is already a lot of traffic along E. Dunne, with commuters traveling to Holliday Estates, Jackson Oaks and Heritage Greens. The intersection at E. Dunne and Saddleback does not have a light and traffic coming down from Holliday Estates is typically moving very fast. Children from Heritage Greens that attend Jackson Elementary use these cross walks, as do a great number of people (pedestrians and cyclists) who walk/ride up Thomas Grade. It is already a busy area and

at times dangerous (there has been at least one crash fatality there in the last couple years, and three crashes in the last five years). Any units added to the property in question will predominantly use Saddleback to access E. Dunne, adding to this congestion, both in terms of cars and pedestrians.

- (3) There is a considerable amount of uncertainty regarding the environmental impact a development with more than approximately 8 units (the current zoning) will have on the surrounding area, including the nursery to the south-west, the farms to the north-west, the open space to the north-east and the community of Heritage Greens to the south-east. A significant rain catchment is located up the gulch to the north-east of the property (Figure 3). An ephemeral pond is located there which feeds a stream that includes hydrophilic flora and fauna (i.e., it is more than just “rain runoff”). This stream runs into the property in question and flows across its entire length. This stream **is identified** as a “creek” on the 2009 Santa Clara Valley Water District Creek and Watershed Map. During the rainy season this stream is generally filled with water, or saturated all the way down to the south-west side of the property where the water empties into Tennant Creek. The amount of water drainage from the gulch off site and directly into this property is much more significant than simple “runoff” (as described in the Environmental Impact Initial Assessment) and the gulch and stream itself act as a thoroughfare for all sorts of wildlife, including deer, coyotes, bobcats and an occasional cougar. While the environmental assessment study noted that trained biologists would need to be consulted regarding the possibility of nesting birds, it did also acknowledge that any wild life would be dislocated, possible to the “to the east”. We have seen on occasion deer and coyotes coming into the Heritage Greens from the north-west via this property, sometimes reaching E. Dunne, which can cause a danger to wildlife and people alike. Adding 14+ homes to the base of this gulch will drive more of this wild life directly into E. Dunne.

Lastly, there is a fault identified at the north side of this property (Figure 4). Its exact location is poorly known. It appears developers have performed two trenching activities in the last several years to help localize the fault, one just to the north-east of the property and one inside the property along the north-west boundary (Figure 1, left panels, locations marked “A” and “B”). In both these locations large subsidence fissures have since formed following the last rain storm (early January) (Figure 5). The fissure to the north-east runs more than 50 feet, while the one inside the property runs nearly 200 feet, and extends beyond (to the south) of the original trenching activity. These fissures are approximately 1-3 feet deep and 3-4 feet across (see photos). This subsidence is indicative of the soils on the north portion of the property to being prone to movement (landslides) and general surface failure associate with water flow associated with the stream and fault. This possibility was also noted in the initial environmental study, but these subsidence fissures were not present at the time of a site inspection for the study (although significant landslides are evident just before the gulch spills into the property, but were apparently missed by the persons doing the inspection for such land forms). While in some cases proper engineering can accommodate these issues, it seems likely that the useable portion of the lot for building is the southern 2/3rds, thus increasing the housing density.

There are other more personal concerns, including the fact that many (most) of the residents in Heritage Greens with homes along the property purchased their homes with the understanding that the lot was zoned for residential estates (1-acre lots). Increasing the housing density by a factor of 2 (or more) will negatively impact these homes, from impacting views, increased noise and traffic and night light pollution. These negative impacts were not anticipated when we purchased our homes and will likely decrease the value of our homes. It isn't a matter of a "not in my back yard" stance, rather it is a change in the expectations and understanding of the City's plans when we decided to purchase where we did.

Thank you for considering my concerns regarding this request for rezoning.

Sincerely,



Dr. Anthony Colaprete

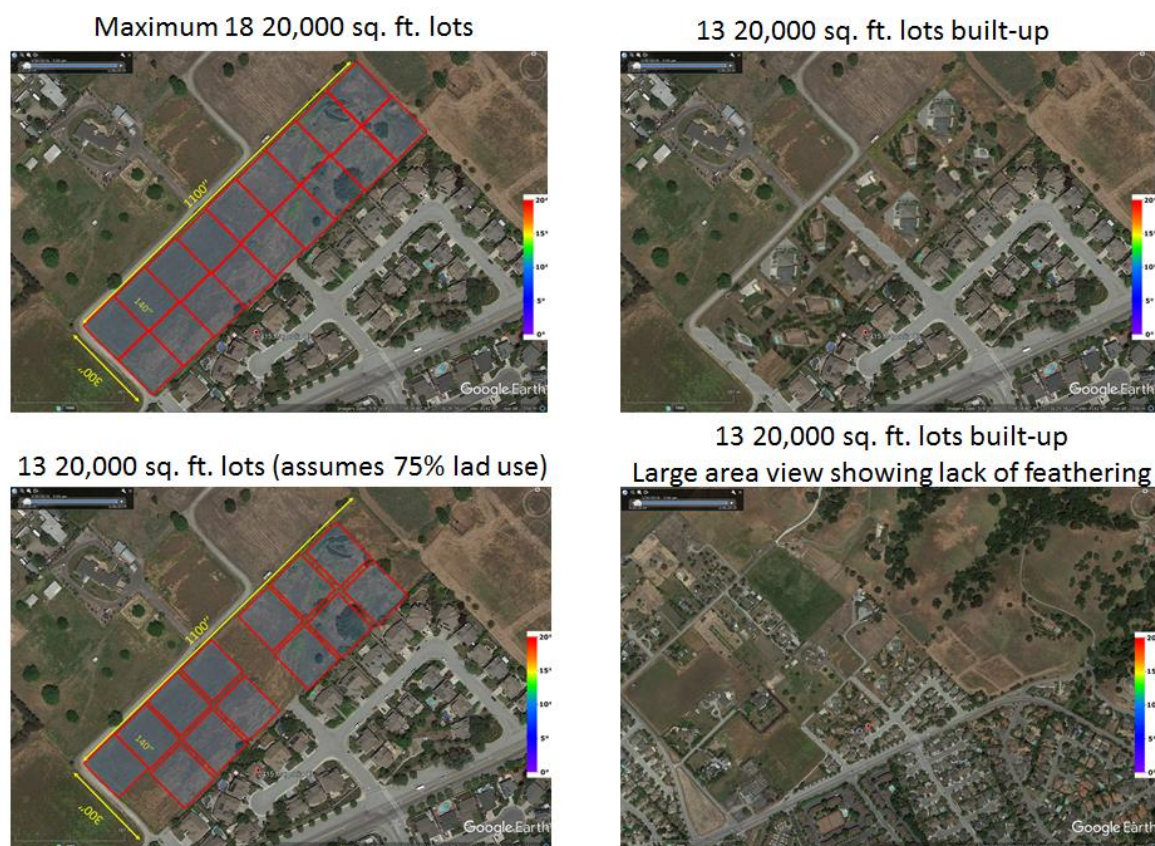


Figure 1 As an excessive to evaluate "feathering" associated with potential 20,000 sq. ft. lot sizes appropriately sized lots we overlaid on a satellite image of the property (upper right panel). The maximum number of lots was reduced to 13 after assuming a 75% maximum land use (lower left panel). Within each lot home imagery was placed to represent what the potential build up would look like (upper right and lower right panels).



Figure 2 The same exercise as shown in Figure 1 was repeated using 1-acre lot sizes (also assuming a 75% maximum land use). Panels above show the modeled development and demonstrates a much better “feathering” between the housing to the south-east and the open space and farm lands to the west and north-west.



Figure 3 Aerial views of the property in question. Upper left panel shows view of the north-eastern part of the property from the north west (looking south east). Lower left panel shows the northernmost property line, looking from the west, with open space to the left (north east). Right panel shows the gulch that runs from the pond at the top of the gulch (view is from the south looking north, taken to the left of the farthest left arrow in the lower-left panel). The white arrows (upper left panel) and black arrows (lower right panel) show the stream that cuts through the property. The two trenching areas mentioned in the text are indicated by “A” and “B” in the left two panels. The newly formed subsidence fissures at these locations are shown in figure 3.

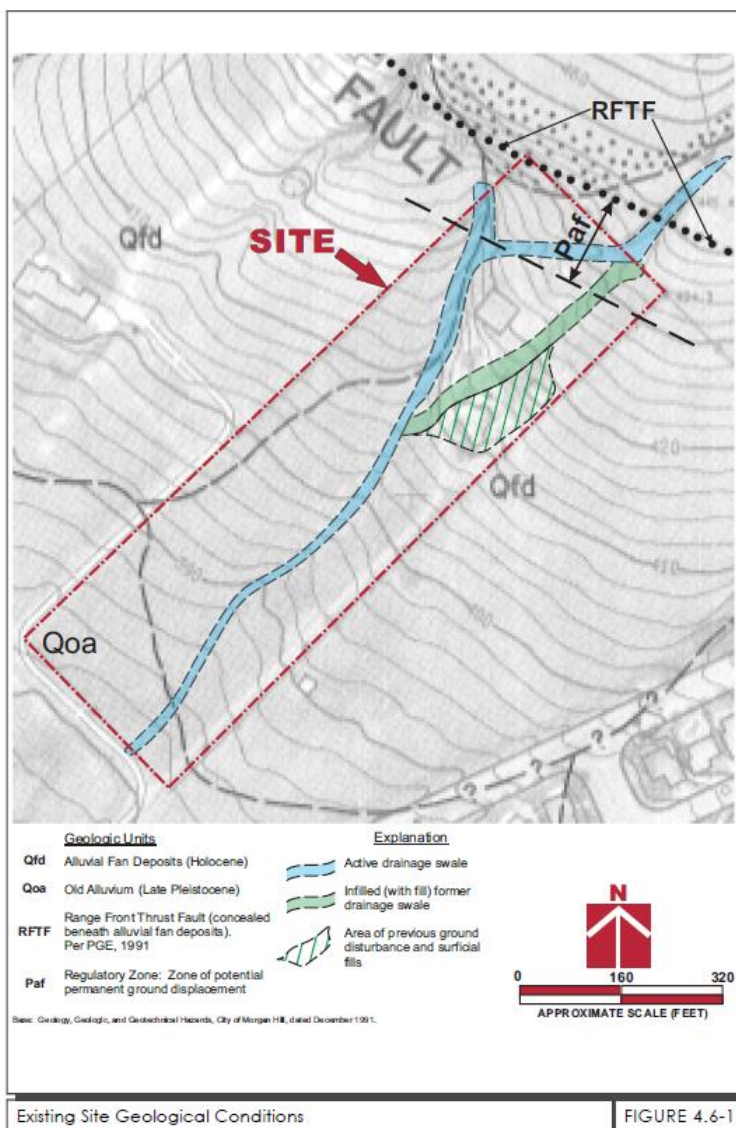


Figure 4. Geologic survey map taken from the Environmental Assessment Initial Report. The approximate location of the fault line and potential ground displacement zone are indicated.



Figure 5. Photos taken of subsidence fissures forming in areas of fault localization trenching (location indicated in Figure 1). This subsidence occurred during the rain storm in early January, 2019. The fissures extend been 50 and 200 feet, are not limited to excavation location (i.e., extend beyond area of trenching) and are between 1-3 feet deep and 3-4 feet across.

Michelle Bigelow

From: Viji Mani <manisviji@yahoo.com>
Sent: Thursday, January 31, 2019 2:34 PM
To: Tiffany Brown; Vincent Burgos; Gina Paolini; Jennifer Carman
Subject: Fw: Request to connect with Heritage Greens HOA board

Warning: this message is from an external user and should be treated with caution.

Hi Tiffany

As planned I had reached out to the neighbors via their HOA.
 I just got an email from them stating that they do not want to meet.
 So they are not attending the meeting.

Jose Garcia, Events coordinator from the City office had responded as follows:
 I wanted to confirm the convenience of the neighbors for that date/time.
 Now that they do not want to meet, I guess I'll have to cancel the meeting.
 Please include this email as part of your report.
 Just so the council can see that we have made an attempt to meet with the neighbors & they refused to.

Thanks

-Viji
 (408)396-2706
 =====

Hi Viji,

Thank you for your interest in the Morgan Hill Community and Cultural Center. The Diana Murphy is available until 6:30pm on Monday, February 4. The room can accommodate a maximum of 20-25 guests depending on how you configure the tables and chairs.

To proceed with a reservation, please complete the attached room request form and submit this via email, fax, or in person at the CCC Welcome Desk. The cost for the room is \$28.00/hr.

Please don't hesitate to contact us at 408-782-0008 if you have any further questions or concerns.

Best Regards,

Attachment: Community Meeting Request to connect with Heritage Greens HOA board (2158 : General Plan Amendment and Zoning

Jose Garcia

Events Coordinator

City of Morgan Hill

Community and Cultural Center

17000 Monterey Road, Morgan Hill, CA 95037

=====

----- Forwarded Message -----

From: Nayelly Barba <nayelly@atobpropertymanagement.com>

To: Viji Mani <manisviji@yahoo.com>

Cc: Vincent Burgos <vrburgos@hotmail.com>

Sent: Thursday, January 31, 2019, 1:22:54 PM PST

Subject: RE: Request to connect with Heritage Greens HOA board

Hi,

The board responded just now, at this point they would not like to proceed with the meeting therefore will not be attending.

Sorry for the inconvenience.

Thank you,

Nayelly Barba | Nayelly@atobpropertymanagement.com

Property Manager

BRE LICENSE# 01968648

1975 Hamilton Avenue, Suite 32, San Jose CA., 95125

Office: 408.626.4800 Ext. 1004 | Fax: 408.626.9384



Website: <https://www.atobpropertymanagement.com>

From: Viji Mani <manisviji@yahoo.com>
Sent: Thursday, January 31, 2019 1:20 PM
To: Nayelly Barba <nayelly@atobpropertymanagement.com>
Cc: Vincent Burgos <vrburgos@hotmail.com>
Subject: Re: Request to connect with Heritage Greens HOA board

Hello Nayelly

If the board members want meet at a coffee shop during lunch on Monday that would work for us as well. Please let me know by tomorrow so I'll cancel the meeting room reservation.

Thanks

Viji

[Sent from Yahoo Mail for iPhone](#)

On Thursday, January 31, 2019, 9:12 AM, Nayelly Barba <nayelly@atobpropertymanagement.com> wrote:

Hi Viji,

Thanks for reaching out,

I have spoken to the board and the would be interested in seeing what your proposal is.

Maybe a meeting would be good but not sure what you schedule is like if it would fit their schedule.

Thank you,

Nayelly Barba | Nayelly@atobpropertymanagement.com

Property Manager

BRE LICENSE# 01968648

1975 Hamilton Avenue, Suite 32, San Jose CA., 95125

Attachment: Community Meeting Request to connect with Heritage Greens HOA board (2158 : General Plan Amendment and Zoning

Office: 408.626.4800 Ext. 1004 | Fax: 408.626.9384



Website: <https://www.atobpropertymanagement.com>

From: Viji Mani <manisviji@yahoo.com>
Sent: Monday, January 28, 2019 11:13 AM
To: Nayelly Barba <nayelly@atobpropertymanagement.com>
Cc: Vincent Burgos <vrburgos@hotmail.com>
Subject: Request to connect with Heritage Greens HOA board

Dear Nayelly

Thanks for taking my call this morning.

As I had mentioned over the phone, I'm one of the owners of 2275 E Dunne Ave, Morgan Hill, CA - the property North of Heritage Greens community in Morgan Hill

I want to reach out the Board of Heritage Greens HOA, to announce our community meeting planned for Monday Feb 4th. This is to share the information about the changes we have made to our GP Amendment & Rezoning application.

Could you please connect me with the board, so I can share the information with them?

Best Regards

-Viji

(408)396-2706

Attachment: Community Meeting Request to connect with Heritage Greens HOA board (2158 : General Plan Amendment and Zoning

1/27/19

Planning Department
City of Morgan Hill
17575 Peak Ave.
Morgan Hill CA. 95037

Cameron Shearer
2435 Magnolia Ct.
Morgan Hill CA 95037

RE: Re-Zoning Proposal for 2275 E. Dunne Ave. (Parcel 728-02-002)

To Whom it May Concern,

I would like to comment on the proposed zoning change for 2275 E. Dunne Ave. My concerns are as follows:

1. The majority of us who own homes on the north side of Magnolia Ct. and Magnolia Wy. bought our homes with the knowledge that the empty lot behind us was zoned for estate sized lots. I understood of course that the property may eventually be developed, but I was satisfied that the "estate" zoning designation would ensure that future development would not lower my property value or damage our enjoyment of our backyard. The fact that the city is now trying to change that designation is unfair. Changing the rules "in the middle of the game" is not fair to the current property owners.
2. Although the proposal states that there would be a "less than significant" impact to the views from our homes, I beg to differ. Everyone who comes to our house remarks on the view of the mountains, the sunset views to the north, and the open view of the valley. My wife and I constantly make use of our backyard to enjoy the view, as do all of our neighbors. Eight homes would not significantly impact the enjoyment of our property, twenty-two would. The density of the development makes all the difference in the world when it comes to "views".
3. There is one of California's biggest natural gas transmission lines bisecting that property. After the San Bruno disaster PG&E has stated that they would monitor enforcement of residential development near these high pressure lines. They also stated that these lines should no longer be paved over, but should be covered with loose dirt and small vegetation. After San Bruno common sense dictates that we should pay attention to these recommendations. Building eight houses on this property will allow for way more flexibility in working around the pipeline. With twenty-two houses there is basically only one design possible (it would mimic Magnolia). This design would require paving over the line and/or putting houses on top of it. I question the wisdom, and legality, of this plan.

I understand the current political climate. People are clamoring for more development and higher density projects. However, the needs of the current property owners shouldn't be ignored. The change from eight houses to twenty-two is substantial. It will effect our views and in turn effect our property

values. All of the real estate agents that have seen our backyard have remarked that the view is a major selling point of the house, and in fact it was one of the reasons we purchased the property in the first place. The gas transmission line safety issue should also not be ignored. I can't see a design solution that would not put houses or at least asphalt over the line. I understood when I bought my property it might be developed. My issue is not with development, my issue is with the density change. It is simply not fair to change the rules mid-game. I respectfully request that you consider keeping the current zoning designation for the property.

Thank you for taking the time to consider my comments.

Respectfully,

Cameron and Sarah Shearer
(Cambruin@outlook.com)

From: [Michelle Bigelow](#)
To: [Michelle Bigelow](#)
Subject: FW: Opposition to GPA2018-0001/ZA2018-0001/EA2018-0001: E. DUNNE-ROSS
Date: Thursday, January 31, 2019 3:28:12 PM

From: Nick van der Zweep <nzweep@gmail.com>
Sent: Thursday, January 31, 2019 3:11 PM
To: Tiffany Brown <Tiffany.Brown@morganhill.ca.gov>; CityClerk <clerk@morganhill.ca.gov>
Subject: Opposition to GPA2018-0001/ZA2018-0001/EA2018-0001: E. DUNNE-ROSS
 January 31, 2019

RE: GPA2018-0001/ZA2018-0001/EA2018-0001: E. DUNNE-ROSS

Attention to:

City of Morgan Hill Development Services Center
 Irma Torrez, MMC, Elected City Clerk c/o cityclerk@morganhill.ca.gov
 Michelle Bigelow, CMC, Council Services and Records Manager/Deputy City Clerk
 City of Morgan Hill Planning Department c/o Tiffany.Brown@morganhill.ca.gov

We live adjacent to the area being assessed for plan amendment.

We strongly oppose the proposed General Plan Amendment to change the land use designation from Residential Estate to Residential Detached Low and the proposed Zoning amendment to amend the zoning classification from Residential Estate one acre to Residential Detached Low Density (RDL-20,000) on a 8.34 acre site. The property is identified by identified by Assessor Parcel Number 728-02-002 and 003 located north of Sorrel Way and Saddleback Drive.

We believe this large increase in the number of homes will significantly increase traffic and safety issues that would flow through Sorrell and Saddleback, increase strain on resources and infrastructure, and produce excessive dust, dirt, fumes, noise, etc for us both during and after the construction. We normally keep our windows open and do not use our A/C much which means excessive dirt and pollutants will make their way inside our home as well. Plus there is certainly wildlife that will be negatively affected. For instance we see lots deer, coyotes, hawks, peacocks and more on the property. There are also a fair number of frogs, toads, lizards, snakes, etc as well. We seasonally hear a LOT of frogs and all small ponds are always full of tadpoles each year.

When we purchased our home back in 1998 we did so knowing the land was designated for one acre lots and expected this to remain so moving forward.

I urge the City Council and Planning Commission to deny the proposed General Plan Amendment at the public hearing tentatively scheduled for February 6, 2019.

Thank you.

Nick and Jacquie

Nick and Jacquie van der Zweep
2505 Magnolia Way
Morgan Hill, CA 95037



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: John Baty, Principal Planner/Development Services

APPROVED BY: City Manager

ADOPT ZONING AMENDMENT FOR APPROXIMATELY 8.55 ACRES OF PROPERTY LOCATED ON THE NORTHEAST CORNER OF MONTEREY ROAD AND BURNETT AVENUE (APN NO. 725-01-018, -032, AND -033) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX/PLANNED DEVELOPMENT (PD) COMBINING DISTRICT TO ESTABLISH A BLOCK-LEVEL MASTER PLAN (BLMP) FOR MONTEREY ROAD CORRIDOR BLOCK ONE.

RECOMMENDATION(S)

1. Open/close public hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0001: Monterey Corridor Block One; and
3. Introduce Zoning Amendment ZA2019-0001: Monterey Corridor Block One

COUNCIL PRIORITIES, GOALS & STRATEGIES

GUIDING DOCUMENTS

General Plan/Housing Element

REPORT NARRATIVE:

This is a City initiated Zoning Amendment for approximately 8.55 acres of property located on the northeast corner of Monterey Road and Burnett Avenue from the Planned Unit Development (PUD) and Service Commercial (CS) Zoning Districts to the Mixed Use Flex/Planned Development (PD) Combining District to establish a Block-Level Master Plan (BLMP) for Monterey Road Corridor Block One.

Steps in the BLMP and PD Master Plan Process

1. **BLMP.** If approved, the BLMP would establish basic expectations and specific requirements for future development of the block and would fulfill the General Plan requirement that a BLMP be approved before residential (or mixed use) could be developed. An approved BLMP is the first step in a process that will allow an applicant for a project with residential units in Block One to compete in the Residential Development Control System (RDSCS).
2. **Preliminary Plan Review.** Following approval of the BLMP, a Block One applicant would submit a Preliminary Plan Review to receive feedback from the Planning

Commission and City Council regarding how their specific proposal is or is not consistent with the BLMP. If the Commission and Council find the Preliminary Plan Review consistent with the BLMP, and consistent with the General Plan and Zoning Code, the applicant would be allowed to continue to compete in the RDCS.

3. **PD Master Plan.** After the RDCS competition, if the applicant is awarded allotments, the applicant would submit for a Zoning Amendment to establish a PD Master Plan for the entire block. The PD Master Plan will provide specific details for the applicant's proposed project and demonstrate how their project will integrate with future development on any remaining portions of the block.

Attached (Attachment No. 2), is a tentative schedule illustrating how the proposed BLMP, Preliminary Plan Review/PD Master Plan process could progress in parallel with the current RDCS schedule.

Consistent with City Council's prior direction, the two applicants with proposed projects in Blocks One and Four are aware of and understand the risks involved in pursuing RDCS allotments in the current competition given the uncertainty about whether or not the BLMP for their block would be adopted and, if the BLMP is adopted, whether or not their Preliminary Plan Review will be found consistent with the BLMP. The applicants also understand the timing challenges associated with processing their Preliminary Plan Reviews in parallel with their RDCS competition submittals.

Zoning Amendment Findings

As with all Zoning Amendments, the amendment to establish the BLMP and the subsequent amendment to establish the PD Master Plan require both Planning Commission and City Council hearings and findings of consistency with the Zoning Ordinance and General Plan.

The City may approve a Zoning Amendment only if the following findings are made:

- a. The proposed amendment is consistent with the General Plan and any applicable specific plan as provided by Government Code Section 65860.
- b. The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.
- c. The proposed amendment is internally consistent with other applicable provisions of the Zoning Code.

The proposed amendment is consistent with the Mixed Use Flex General Plan Land Use designation in that the BLMP incorporates the allowed uses and builds-upon the development standards of the conventional MU-F Mixed Use Flex Zoning District.

To help achieve the General Plan vision of transforming Block One into part of a walkable and bicycle friendly mixed-use corridor, the BLMP provides additional land use regulations consistent with the General Plan Urban Form Policies, by highlighting the

requirements for density feathering, building placement/design, and provision of public gathering places.

For Block One, which is located at the northern most end of the Monterey Corridor adjacent to the City of San Jose Coyote Greenbelt, development standards are included in the BLMP to address the following specific feedback received from stakeholder workshops, Planning Commission, and City Council meetings.

- Accommodate the extension/realignment of Tilton Avenue with Burnett Avenue
- Preserve historic building at corner of Monterey Road and Burnett Avenue (currently Josephine's Bakery)
- Achieve consistency with the General Plan Policy regarding density feathering
- Address potential shifting east of Monterey Road to accommodate future High Speed Rail
- Provide adequate buffer to Coyote Greenbelt and Monterey Road

Planning Commission Recommendation

On January 22, 2019, the Planning Commission held a study session and public hearing on the proposed Zoning Amendment.

The Commission evaluated the draft guidelines and standards for the BLMP Ordinance, which are illustrated in a diagrammatic map of Block One within Exhibit A (Attachment No. 2) and described in text, within Exhibit B (Attachment No. 3).

The Commission voted 5-0 to adopt a resolution (Attachment No. 5) recommending the City Council consider the Addendum to the Morgan Hill 2035 EIR for the Zoning Code Update in accordance with CEQA and approve, with two modifications, the proposed Zoning Amendment to establish a BLMP for Monterey Road Corridor Block One.

The Commission recommend the following two changes to the Draft Ordinance Exhibit B: Block-Level Master Plan Land Use Regulation – Block One:

- A. In Section **I. Land Use Regulations**, sub-section **D. General Specifications**, add item, 11. Incorporate design feature(s) that reflect project's location at a northern entrance to the City.
- B. In Section **II. Subsequent Approvals**, sub-section **A. Zoning Amendment/PD Master Plan**, clarify that the PD Master Plan must include a plan for the future development of the entire block by modifying the last sentence to read, "The PD Master Plan shall be consistent with the approved BLMP PD and must plan for the future development and integration of all parts of the block."

Exhibit B to the attached Draft Ordinance has been modified to include Planning Commission's recommended changes.

COMMUNITY ENGAGEMENT: Inform and Consult

The proposed project was publicly noticed (mailing to property owners within 300 feet of the project and newspaper legal noticing) for the minimum 10-day period.

On September 25, 2018, a publicly noticed visioning and goal setting workshop was held at the beginning of the Monterey Corridor Block-Level Master Plan project. Community stakeholders provided feedback that facilitated the crafting of guiding principles for development of a Block-Level Master Plan.

ALTERNATIVE ACTIONS:

Not applicable

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

July 25, 2018 – City Council approved consultant agreement with Lisa Wise Consulting for preparation of a Monterey Corridor Block-Level Master Plan.

September 25, 2018 – Visioning and Goal Setting Workshop for community stakeholders.

October 17 and 24, 2018 – Joint City Council/Planning Commission presentation and discussion on draft frontage standards and block-level commercial analysis.

November 28, December 5 and 19, 2018 – City Council meetings to discuss next steps in master planning for the Mixed Use Flex designated portions of the Monterey Corridor.

January 22, 2019 – Planning Commission Study Session and Public Hearings on ZA2019-0001 Monterey Corridor Block One and ZA2019-0002 Monterey Corridor Block Four.

FISCAL AND RESOURCE IMPACT:

The work for this City initiated amendment was accommodated in the existing budget and workplan.

CEQA (California Environmental Quality Act):

On April 4, 2018, an Addendum to the Environmental Impact Report (EIR) for the Morgan Hill 2035 Project certified on July 27, 2016 (State Clearinghouse No. 2015022074) was prepared for the City of Morgan Hill Zoning Code Update project pursuant to the provisions of the State of California Environmental Quality Act (CEQA) Guidelines Section 15164.

The City has determined, pursuant to CEQA Guidelines Section 15183, that the proposed zoning amendment (BLMP PD), which provides additional guidance and standards for a future Zoning Amendment to establish a specific Planned Development (PD) Master Plan for Monterey Corridor Block One, shall not require additional environmental review in that the project will not result in any new impacts that were not already identified in the Morgan Hill 2035 EIR and subsequent Addendum, or any impacts of greater severity than were already addressed.

A subsequent project specific PD Master Plan would require an additional assessment to determine the appropriate environmental clearance.

LINKS/ATTACHMENTS:

1. Draft Ordinance Block One BLMP
2. Tentative Schedules: BLMP / PD Master Plan / RDCS 2018/19
3. Planning Commission Resolution

ORDINANCE NO. XXXX, NEW SERIES

AN ORDINANCE OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX (MU-F)/ PLANNED DEVELOPMENT (PD) COMBINING DISTRICT ESTABLISHING A BLOCK-LEVEL MASTER PLAN FOR MONTEREY ROAD CORRIDOR BLOCK ONE, AN APPROXIMATELY 8.55-ACRE SITE LOCATED ON THE NORTH EAST CORNER OF MONTEREY ROAD AND BURNETT AVENUE (APN 725-01-018, 725-01-032, AND 725-01-033)

WHEREAS, on July 27, 2016 the City Council adopted the Morgan Hill 2035 General Plan, a comprehensive update of the City's 2001 General Plan; and

WHEREAS, the Morgan Hill 2035 General Plan Land Use Map designates certain properties, including the subject property, Mixed Use Flex; and

WHEREAS, 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). The Mixed Use Flex designation allows 7 to 24 units per acre (residential) and a maximum FAR of 0.5 (commercial) and density should transition from higher near Downtown to lower at the ends of the Monterey Road corridor; and

WHEREAS, the Morgan Hill 2035 General Plan requires that, prior to development of residential or mixed-use projects within the Mixed Use Flex designation a Block-Level Master Plan is required to: A) identify how commercial uses will be incorporated within the development of the block, and B) how individual development projects will connect with each other; and

WHEREAS, the Block-Level Master Plan requirement applies to those segments of the Monterey Road Corridor north and south of Downtown that include properties that have a Mixed Use Flex General Plan Land Use designation. Blocks may include properties with a variety of General Plan designations (e.g., Commercial, Residential Attached Low, Public Facilities, Mixed Use Flex, etc.) and Zoning Districts (e.g., CG General Commercial, RAL 3,500, PF Public Facilities, MU-F Mixed Use Flex, etc.);

WHEREAS, Section 18.22.010 B3 of the Zoning Code states that the purpose of the Mixed Use Flex (MU-F) zoning district is to accommodate a mixture of residential and commercial uses typically along the Monterey Road corridor north and south of Downtown. New mixed use development may be vertical (residences above ground floor commercial) or horizontal (separate buildings with different uses on a single site). Development in the MU-F zoning district creates attractive gateways into Morgan Hill, provides a range of housing options, and creates new centers

of activity to serve surrounding neighborhoods;

WHEREAS, Section 18.30.050 of the Zoning Code states that 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 Morgan Hill. The PD combining district is intended to promote creativity in building design, flexibility in permitted land uses, and innovation in development concepts. The PD combining district provides land owners with enhanced flexibility to take advantage of unique site characteristics and develop projects that will provide public benefits for residents, employees, and visitors; and

WHEREAS, Section 18.114.020 of the Zoning Code states that the City Council, Planning Commission, or Community Development Director may initiate Zoning Map and Text amendments; and

WHEREAS, on December 19, 2018 the City Council directed staff to draft Zoning amendments to establish a Block-Level Master Plan (BLMP) Planned Development (PD) for Monterey Road Corridor Block One and Block Four; and

WHEREAS, in addition to the underlying base zoning district requirements, specific requirements are shown/listed in **Exhibit A: Block-Level Master Plan Map – Block One** and **Exhibit B: Block-Level Master Plan Land Use Regulations - Block One**; and

WHEREAS, an Addendum to the Environmental Impact Report (EIR) for the City of Morgan Hill's Morgan Hill 2035 Project certified on July 27, 2016 (State Clearinghouse No. 2015022074) was prepared April 4, 2018 for the City of Morgan Hill Zoning Code Update project pursuant to the provisions of the State of California Environmental Quality Act (CEQA) Guidelines Section 15164, and the City of Morgan Hill determined, pursuant to CEQA Guidelines Section 15183, that the proposed zoning amendment shall not require additional environmental review in that the project will not result in any new impacts that were not already identified in the Morgan Hill 2035 EIR and subsequent Addendum or any impacts of greater severity than were already addressed; and

WHEREAS, a visioning and goal setting workshop was held on September 25, 2018 where members of the public and various stakeholders provided feedback that facilitated the crafting of preliminary guiding principles for the development of the Monterey Corridor; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process; and

WHEREAS, the Block-Level Master Plan Planned Development (BLMP PD) ordinance for Monterey Corridor Block One, was considered by the Planning Commission at their study session and regular meeting of January 22, 2019, at which time the Planning Commission recommended City Council consider the Addendum to the Morgan Hill 2035 EIR in accordance with the California Environmental Quality Act (CEQA) and approval of the Zoning Amendment to establish a BLMP PD for Monterey Corridor Block One; and

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

- SECTION 1.** As provided in Section 18.114.060 of the Municipal Code the proposed Monterey Road Corridor Block-Level Master Plan Planned Development (BLMP PD) with an underlying base zoning district of Mixed Use Flex:
- A.** Is consistent with the Morgan Hill 2035 General Plan; and
 - B.** Is required in order to serve the public convenience, necessity, and general welfare; and
 - C.** 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.
- SECTION 2.** The City Council has considered the Addendum to the Morgan Hill 2035 Environmental Impact Report (EIR) in accordance with the California Environmental Quality Act (CEQA).
- SECTION 3.** There hereby is attached hereto as **Exhibit A: Block-Level Master Plan Map – Block One** and made a part of this ordinance.
- SECTION 4.** There hereby is attached hereto as **Exhibit B: Block-Level Master Plan Land Use Regulations - Block One** and made a part of this ordinance.
- SECTION 5.** The underlying base zoning district is designated Mixed Use Flex (MU-F).
- SECTION 6.** Severability. If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.
- SECTION 7.** Effective Date; Publication. This Ordinance shall take effect thirty (30) days after the date of its adoption. The City Clerk is hereby directed to publish this ordinance pursuant to §36933 of the Government Code.

THE FOREGOING ORDINANCE WAS INTRODUCED AT A MEETING OF THE CITY COUNCIL HELD ON THE 6th DAY OF FEBRUARY 2019, AND WAS FINALLY ADOPTED AT A MEETING OF THE CITY COUNCIL HELD ON THE 20th DAY OF FEBRUARY 2019, AND SAID ORDINANCE WAS DULY PASSED AND ADOPTED IN ACCORDANCE WITH THE LAW BY THE FOLLOWING VOTE:

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

DRAFT ORDINANCE – MONTEREY ROAD CORRIDOR BLOCK ONE

APPROVED:_____
Mayor**ATTEST:**_____
IRMA TORREZ, City Clerk**DATE:** _____

Effective March 22, 2019

⌘ CERTIFICATION ⌘

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. XXXX, New Series, adopted by the City Council of the City of Morgan Hill, California at its regular meeting held on the 20th day of February 2019.

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

DATE: _____

IRMA TORREZ, City Clerk

DRAFT ORDINANCE – MONTEREY ROAD CORRIDOR BLOCK ONE

Exhibit A: Block-Level Master Plan Map – Block One



- Block
 Tilton Ave / Burnett Ave Re-Alignment
 H Preserve Historic Building for Commercial Use
- Residential or Commercial
 Commercial or Mixed-Use
 Open Space Buffer

Exhibit B: Block-Level Master Plan Land Use Regulations - Block One

I. Land Use Regulations

- A. **Permitted Uses.** Zoning Code Table 18.22-1 identifies permitted uses in the MU-F Mixed Use Flex Zoning District. Specific uses allowed for Block One are further described on Exhibit A and below.
- B. **Development Standards.** Zoning Code Tables 18.22-2 and 18.22-3 identify development standards for the MU-F Mixed Use Flex Zoning District.
 1. Residential Density. 7 to 24 du/ac. Consistent with General Plan Policy CNF-9.2 and CNF-13.2, residential uses shall be feathered toward the northern Sphere of Influence (SOI) boundary with San Jose. Feathering can be achieved through a combination of measures including lowering the density and stories/height of the residences and including substantial open space setbacks closest to the SOI boundary.
 2. Floor Area Ratio. For non-residential and vertical mixed-use projects, the maximum floor area ratio (FAR) is 0.5.
 3. Setbacks. The setbacks identified in Zoning Code Table 18.22-3 are required setbacks around the project perimeter.
 4. Residential Development Standards. A medium density residential development project may use the development standards specified in Zoning Code Section 18.40.050 and through the subsequent PD Master Plan process establish deviations from those standards.
- C. **Commercial Requirements**
 1. Corner Lot Commercial/Non-Residential. Commercial uses (retail, services, office) and/or other non-residential (public/quasi-public) uses are required at the northeast corner of Burnett Avenue and Monterey Road. These commercial or non-residential uses may be accommodated within a standalone building(s) or in vertical mixed-use building(s).
 2. Historic Preservation. The existing building located on the northeast corner of Burnett Avenue and Monterey Road (19500 Monterey Road) constructed c. 1929 shall be preserved/retained for commercial or non-residential use.
 3. Connections. Ensure a strong connection between the commercial/non-residential, residential, and public gathering places within the block.
- D. **General Specifications**
 1. Primary entrances for new buildings should be oriented toward the street.
 2. Parking for new uses should be located behind buildings with limited or no visibility from streets.
 3. Primary access to/from rear parking areas shall be provided via driveways (including shared driveways) located at side streets (i.e., not from Monterey Road) to the greatest extent possible.
 4. First floor floor-to-ceiling clear height for non-residential uses: 14-feet minimum.

5. Building depth for non-residential uses: 35-feet minimum.
 6. Urban Form Characteristics:
 - a. Signature design qualities and attractive architectural features, including articulated facades, projections, and recessed entryways
 - b. Adaptive reuse where existing buildings may have desirable characteristics
 - c. Higher intensity development designed with sensitivity to adjacent lower intensity residential development
 - d. Street design balancing pedestrian and bicycle use with vehicular circulation
 - e. Consistent planting of street trees to provide shade and enhance character and identity
 - f. Well-designed, publicly-accessible open space
 7. Reasonable accommodations shall be provided, as appropriate, to provide relief from any physical standards that make meeting accessibility requirements challenging for a particular project.
 8. Future development must accommodate the extension/realignment of Tilton Avenue with Burnett Avenue.
 9. Future development must address potential shifting east of Monterey Road to accommodate future High-Speed Rail.
 10. Future development must provide adequate buffer to Coyote Greenbelt and Monterey Road.
 11. Incorporate design feature(s) that reflect project's location at a northern entrance to the City.
- E. **Public Gathering Places.** Residential or mixed-use project sites over 1.5 acres must provide one or more public gathering places such as plazas, courtyards, and parks.
1. Location. The public gathering space must be located close to pedestrian activity, along streets, or where pathways intersect.
 2. Activity. For public gathering places incorporated into mixed use development with ground floor commercial uses, active ground-floor uses (e.g., retail or restaurants) must be located along the edge of a courtyard and plazas.
 3. Visibility and Access. Plazas, courtyards, and other similar spaces must open to public sidewalks and building entrances to provide visibility and access opportunities along project frontages.
 4. Seating. Usable open spaces must include well-designed seating, such as seat walls, free-standing elements, fixed and moveable seating, and other seating options.
 5. Year-round Use. Open space must be usable year-round with features such as awnings, wind breaks, sun shades, and umbrellas, or other similar features that

provide shelter from the elements.

- F. **Temporary Uses.** In addition to the temporary uses allowed and requirements established in Section 18.92.150, the temporary use of private parcels for community events, food vending, and pop-up parks may be allowed with the issuance of a Temporary Use Permit.

II. Subsequent Approvals

- A. **Zoning Amendment/PD Master Plan.** Pursuant to the requirements of Zoning Code Section 18.30.050 – Planned Development Combining District, a Zoning Amendment to establish a PD Master Plan is required. The PD Master Plan shall be consistent with the approved BLMP PD and must plan for the future development and integration of all parts of the block.
- B. **Design Review.** A proposed development must receive a Design Permit as required by Zoning Code Section 18.108.040. All development and land uses within the BLMP PD shall be consistent with the approved PD Master Plan.

Tentative Schedule - BLMPs / PD Master Plans for Blocks 1 and 4 / RDCS 2018/2019

	Block-Level Master Plan / Planned Development Master Plan	Residential Development Control System (RDCS) 2018/2019
1		Nov. 12, 2018 — Pre Application Submittal Due
2		Dec. 12, 2018 — Pre Application Review Letter
3	Dec. 19, 2018 — City Council Direction to Initiate Zoning Amendments (BLMPs) for Blocks 1 and 4	
4	Jan. 22, 2019 — Planning Commission Study Session & Hearing (BLMPs)	
5	Feb. 6, 2019 - City Council Hearing (Introduce BLMP Ordinances)	
6	Feb. 8, 2019 - Block 1 and 4 Applicants Submit Preliminary Plan Reviews for PD Master Plans	
7	Feb. 20, 2019 - City Council Hearing (Adopt BLMP Ordinances)	
8		Mar. 8, 2019 — RDCS Application Date
9	Mar. 12, 2019 - Planning Commission Review of Preliminary PD Master Plans for Consistency with BLMPs	
10	Mar. 22, 2019, Planned Development Zonings (BLMP Ordinances Effective)	Mar. 25, 2019 — Staff GP & Zoning Consistency Determination
11	Apr. 3, 2019 - City Council Review of Preliminary PD Master Plans for Consistency with BLMPs	Apr. 4, 2019 - Deadline to File GP & Zoning Consistency Appeal to City Council
12		May 1, 2019 — GP & Zoning Appeal City Council
13		May 3, 2019 - Staff Scoring of Applications / Recommendations to Planning Commission
14		Jun. 11, 2019 - Planning Commission Finalize Scores
15		Jun. 21, 2019 - Deadline to File Scoring Appeal to City Council
16		Jul. 17, 2019 - Scoring Appeal Heard by City Council
17		Jul. 19, 2019 - Staff Recommendations Award of Allotments
18		Jul. 23, 2019 - Planning Commission Award of Allotments
19		Aug. 2, 2019 - Deadline to File Allotment Appeal to City Council
20		Aug. 21, 2019 - Allotment Appeal Heard by City Council
21	Applicants Submit Zoning Amendments for Block 1 and Block 4 PD Master Plans	

Attachment: Tentative Schedules: BLMP / PD Master Plan / RDCS 2018/19 (2161 : ZA2019-0001: Monterey Corridor Block One)

RESOLUTION NO. _____

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING APPROVAL OF ZONING AMENDMENT (FILE NO. ZA2019-0001) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX (MU-F)/ PLANNED DEVELOPMENT (PD) COMBINING DISTRICT ESTABLISHING A BLOCK-LEVEL MASTER PLAN FOR MONTEREY ROAD CORRIDOR BLOCK ONE, AN APPROXIMATELY 8.55-ACRE SITE LOCATED ON THE NORTH EAST CORNER OF MONTEREY ROAD AND BURNETT AVENUE (APN 725-01-018, -032, AND -033)

WHEREAS, on July 27, 2016 the City Council adopted the Morgan Hill 2035 General Plan, a comprehensive update of the City's 2001 General Plan; and

WHEREAS, the Morgan Hill 2035 General Plan Land Use Map designates certain properties, including the subject property, Mixed Use Flex; and

WHEREAS, 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). The Mixed Use Flex designation allows 7 to 24 units per acre (residential) and a maximum FAR of 0.5 (commercial) and density should transition from higher near Downtown to lower at the ends of the Monterey Road corridor; and

WHEREAS, the Morgan Hill 2035 General Plan requires that, prior to development of residential or mixed-use projects within the Mixed Use Flex designation a Block-Level Master Plan is required to: A) identify how commercial uses will be incorporated within the development of the block, and B) how individual development projects will connect with each other; and

WHEREAS, the Block-Level Master Plan requirement applies to those segments of the Monterey Road Corridor north and south of Downtown that include properties that have a Mixed Use Flex General Plan Land Use designation.; and

WHEREAS, on December 19, 2018 the City Council directed staff to draft Zoning amendments to establish a Block-Level Master Plan (BLMP) Planned Development (PD) for Monterey Road Corridor Block One and Block Four; and

WHEREAS, an Addendum to the Environmental Impact Report (EIR) for the City of Morgan Hill's Morgan Hill 2035 Project certified on July 27, 2016 (State Clearinghouse No.

City of Morgan Hill
Resolution No.
Page 2 of 3

2015022074) was prepared April 4, 2018 for the City of Morgan Hill Zoning Code Update project pursuant to the provisions of the State of California Environmental Quality Act (CEQA) Guidelines Section 15164, and the City of Morgan Hill determined, pursuant to CEQA Guidelines Section 15183, that the proposed zoning amendment shall not require additional environmental review in that the project will not result in any new impacts that were not already identified in the Morgan Hill 2035 EIR and subsequent Addendum or any impacts of greater severity than were already addressed; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

WHEREAS, application ZA2019-0001: Monterey Corridor Block One – City of Morgan Hill to establish a Block-Level Master Plan Planned Development (BLMP PD) ordinance for Monterey Corridor Block One was considered by the Planning Commission at a study session and at their regular meeting of January 22, 2019; and

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

- SECTION 1.** The proposed zoning amendment is consistent with the General Plan and any applicable specific plan as provided by Government Code Section 65860 in that the proposed Mixed use Flex (MU-F)/Planned Development (PD) Combining District incorporates development standards that are consistent with the Mixed Use Flex General Plan Land Use designation and General Plan City and Neighborhood Form Policies related to urban design.
- SECTION 2.** The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City as provided in Section 18.114.060 of the Morgan Hill Municipal Code. Amending the site zoning may allow future residential, commercial, or mixed-use development consistent with the City's General Plan land use diagram and General Plan goals and policies.
- SECTION 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 community at large.
- SECTION 4.** Additional environmental review is not required pursuant to CEQA Guidelines Section 15183.
- SECTION 5.** The Planning Commission recommends that the City Council approve the Zoning Amendment from the Planned Unit Development (PUD) and Service Commercial

City of Morgan Hill
 Resolution No.
 Page 3 of 3

(CS) Zoning Districts to the Mixed Use Flex (MU-F)/Planned Development (PD) Combining District establishing a Block-Level Master Plan for Monterey Road Corridor Block One as described in the attached Draft Ordinance and Exhibits, with the following edits to **Exhibit B: Block-Level Master Plan Land Use Regulations – Block One:**

- A. In Section **I. Land Use Regulations**, sub-section **D. General Specifications**, add item 11. Incorporate design feature(s) that reflect project's location at a northern entrance to the City.
- B. In Section **II. Subsequent Approvals**, sub-section **A. Zoning Amendment/PD Master Plan**, clarify that the PD Master Plan must include a plan for the future development of the entire block by modifying the last sentence to read, "The PD Master Plan shall be consistent with the approved BLMP PD and must plan for the future development and integration of all parts of the block."

PASSED AND ADOPTED THIS 22ND DAY OF JANUARY 2019, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS: **DOWNEY, MUELLER, HABIB, MUNOZ-MORRIS, TANDA**

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

JENNA LUNA, Deputy City Clerk

LIAM DOWNEY, Chair

Attachment: Planning Commission Resolution (2161 : ZA2019-0001: Monterey Corridor Block One)



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: John Baty, Principal Planner/Development Services

APPROVED BY: City Manager

ADOPT ZONING AMENDMENT FOR APPROXIMATELY 7.58 ACRES OF PROPERTY LOCATED ON THE EAST SIDE OF MONTEREY ROAD OPPOSITE OLD MONTEREY ROAD (APN NOS. 726-25-006 AND -005) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX/PLANNED DEVELOPMENT (PD) COMBINING DISTRICT TO ESTABLISH A BLOCK-LEVEL MASTER PLAN (BLMP) FOR MONTEREY ROAD CORRIDOR BLOCK FOUR

RECOMMENDATION(S)

1. Open/close public hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0002: Monterey Corridor Block Four; and
3. Introduce Zoning Amendment ZA2019-0002: Monterey Corridor Block Four

COUNCIL PRIORITIES, GOALS & STRATEGIES

GUIDING DOCUMENTS

General Plan/Housing Element

REPORT NARRATIVE:

This is a City initiated Zoning Amendment for approximately 7.58 acres of property located on the east side of Monterey Road opposite Old Monterey Road from the Mixed Use Flex (MU-F) Zoning District to the Mixed Use Flex/Planned Development (PD) Combining District to establish a Block-Level Master Plan (BLMP) for Monterey Road Corridor Block Four.

Steps in the BLMP and PD Master Plan Process

1. **BLMP.** If approved, the BLMP would establish basic expectations and specific requirements for future development of the block and would fulfill the General Plan requirement that a BLMP be approved before residential (or mixed use) could be developed. An approved BLMP is the first step in a process that will allow an applicant for a project with residential units in Block Four to compete in the Residential Development Control System (RDSCS).
2. **Preliminary Plan Review.** Following approval of the BLMP, a Block Four applicant would submit a Preliminary Plan Review to receive feedback from the Planning

Commission and City Council regarding how their specific proposal is or is not consistent with the BLMP. If the Commission and Council find the Preliminary Plan Review consistent with the BLMP, and consistent with the General Plan and Zoning Code, the applicant would be allowed to continue to compete in the RDCS.

3. **PD Master Plan.** After the RDCS competition, if the applicant is awarded allotments, the applicant would submit for a Zoning Amendment to establish a PD Master Plan for the entire block. The PD Master Plan will provide specific details for the applicant's proposed project and demonstrate how their project will integrate with future development on any remaining portions of the block.

Attached (Attachment No. 2) is a tentative schedule illustrating how the proposed BLMP, Preliminary Plan Review/PD Master Plan process could progress in parallel with the current RDCS schedule.

Consistent with City Council's prior direction, the two applicants with proposed projects in Blocks One and Four are aware of and understand the risks involved in pursuing RDCS allotments in the current competition given the uncertainty about whether or not the BLMP for their block would be adopted and, if the BLMP is adopted, whether or not their Preliminary Plan Review will be found consistent with the BLMP. The applicants also understand the timing challenges associated with processing their Preliminary Plan Reviews in parallel with their RDCS competition submittals.

Zoning Amendment Findings

As with all Zoning Amendments, the amendment to establish the BLMP and the subsequent amendment to establish the PD Master Plan require both Planning Commission and City Council hearings and findings of consistency with the Zoning Ordinance and General Plan.

The City may approve a Zoning Amendment only if the following findings are made:

- a. The proposed amendment is consistent with the General Plan and any applicable specific plan as provided by Government Code Section 65860.
- b. The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City.
- c. The proposed amendment is internally consistent with other applicable provisions of the Zoning Code.

The proposed amendment is consistent with the Mixed Use Flex General Plan Land Use designation in that the BLMP incorporates the allowed uses and builds-upon the development standards of the conventional MU-F Mixed Use Flex Zoning District.

To help achieve the General Plan vision of transforming Block Four into part of a walkable and bicycle friendly mixed-use corridor, the BLMP provides additional land use regulations consistent with the General Plan Urban Form Policies, by highlighting the

requirements for building placement/design, provision of public gathering places, and preservation of existing specimen trees.

For Block Four, which is located approximately ½-mile north of Downtown on the east side of Monterey Road between the Morgan Hill Community Adult School and the Union Pacific train trestle, development standards are included in the BLMP to address the following specific feedback received from stakeholder workshops, Planning Commission, and City Council meetings.

- Compete the fourth leg of the intersection with Monterey Road / Old Monterey Road
- Provide a buffer to the adjacent railroad right-of-way with internal connection between developments within the block
- Preserve specimen trees
- Provide commercial/non-residential component at new intersection to support new and existing residential

Planning Commission Recommendation

On January 22, 2019 the Planning Commission held a study session and public hearing on the proposed Zoning Amendment.

The Commission evaluated the draft guidelines and standards for the BLMP Ordinance, which are illustrated in a diagrammatic map of Block Four, within Exhibit A (Attachment No. 2) and described in text within Exhibit B (Attachment No 3).

The Commission voted 4-1 to adopt a resolution (Attachment No. 5) recommending the City Council consider the Addendum to the Morgan Hill 2035 EIR for the Zoning Code Update in accordance with CEQA and approve, with two modifications, the proposed Zoning Amendment to establish a BLMP for Monterey Road Corridor Block Four.

The Commission recommend the following two changes to the Draft Ordinance Exhibit B: Block-Level Master Plan Land Use Regulation – Block Four:

- A. In Section **I. Land Use Regulations**, sub-section **C.2. Tree Preservation**, add sentence, “Preserve all other significant trees to the greatest extent practicable, as defined in Municipal Code Chapter 12.32 – Restrictions on Removal of Significant Trees.”
- B. In Section **II. Subsequent Approvals**, sub-section **A. Zoning Amendment/PD Master Plan**, clarify that the PD Master Plan must include a plan for the future development of the entire block by modifying the last sentence to read, “The PD Master Plan shall be consistent with the approved BLMP PD and must plan for the future development and integration of all parts of the block.”

Exhibit B to the attached Draft Ordinance (Attachment No. 1) has been modified to include Planning Commission’s recommended changes.

COMMUNITY ENGAGEMENT: Inform and Consult

The proposed project was publicly noticed (mailing to property owners within 300 feet of the project and newspaper legal noticing) for the minimum 10-day period.

On September 25, 2018, a publicly noticed visioning and goal setting workshop was held at the beginning of the Monterey Corridor Block-Level Master Plan project. Community stakeholders provided feedback that facilitated the crafting of guiding principles for development of a Block-Level Master Plan.

ALTERNATIVE ACTIONS:

Not Applicable

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

July 25, 2018 – City Council approved consultant agreement with Lisa Wise Consulting for preparation of a Monterey Corridor Block-Level Master Plan.

September 25, 2018 – Visioning and Goal Setting Workshop for community stakeholders.

October 17 and 24, 2018 – Joint City Council/Planning Commission presentation and discussion on draft frontage standards and block-level commercial analysis.

November 28, December 5 and 19, 2018 – City Council meetings to discuss next steps in master planning for the Mixed Use Flex designated portions of the Monterey Corridor.

January 22, 2019 – Planning Commission Study Session and Public Hearings on ZA2019-0001 Monterey Corridor Block One and ZA2019-0002 Monterey Corridor Block Four.

FISCAL AND RESOURCE IMPACT:

The work for this City initiated amendment was accommodated in the existing budget and workplan

CEQA (California Environmental Quality Act):

On April 4, 2018, an Addendum to the Environmental Impact Report (EIR) for the Morgan Hill 2035 Project certified on July 27, 2016 (State Clearinghouse No. 2015022074) was prepared for the City of Morgan Hill Zoning Code Update project pursuant to the provisions of the State of California Environmental Quality Act (CEQA) Guidelines Section 15164.

The City has determined, pursuant to CEQA Guidelines Section 15183, that the proposed zoning amendment (BLMP PD), which provides additional guidance and standards for a future Zoning Amendment to establish a specific Planned Development (PD) Master Plan for Monterey Corridor Block Four, shall not require additional environmental review in that the project will not result in any new impacts that were not already identified in the Morgan Hill 2035 EIR and subsequent Addendum, or any impacts of greater severity than were already addressed.

A subsequent project specific PD Master Plan would require an additional assessment to determine the appropriate environmental clearance.

LINKS/ATTACHMENTS:

1. Draft Ordinance Block Four BLMP
2. Tentative Schedules: BLMP / PD Master Plan / RDCS 2018/19
3. Planning Commission Resolution

ORDINANCE NO. XXXX, NEW SERIES

**AN ORDINANCE OF THE CITY OF MORGAN HILL
APPROVING A ZONING AMENDMENT TO ADD A
PLANNED DEVELOPMENT (PD) COMBINING DISTRICT
ESTABLISHING A BLOCK-LEVEL MASTER PLAN FOR
MONTEREY ROAD CORRIDOR BLOCK FOUR, AN
APPROXIMATELY 7.58-ACRE SITE LOCATED ON THE
EAST SIDE OF MONTEREY ROAD OPPOSITE OLD
MONTEREY ROAD (APN 726-25-006, AND 726-25-005)**

WHEREAS, on July 27, 2016 the City Council adopted the Morgan Hill 2035 General Plan, a comprehensive update of the City's 2001 General Plan; and

WHEREAS, the Morgan Hill 2035 General Plan Land Use Map designates certain properties Mixed Use Flex; and

WHEREAS, 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). The Mixed Use Flex designation allows 7 to 24 units per acre (residential) and a maximum FAR of 0.5 (commercial) and density should transition from higher near Downtown to lower at the ends of the Monterey Road corridor; and

WHEREAS, the Morgan Hill 2035 General Plan requires that, prior to development of residential or mixed-use projects within the Mixed Use Flex designation a Block-Level Master Plan is required to: A) identify how commercial uses will be incorporated within the development of the block, and B) how individual development projects will connect with each other; and

WHEREAS, the Block-Level Master Plan requirement applies to those segments of the Monterey Road Corridor north and south of Downtown that include properties that have a Mixed Use Flex General Plan Land Use designation. Blocks may include properties with a variety of General Plan designations (e.g., Commercial, Residential Attached Low, Public Facilities, Mixed Use Flex, etc.) and Zoning Districts (e.g., CG General Commercial, RAL 3,500, PF Public Facilities, MU-F Mixed Use Flex, etc.);

WHEREAS, Section 18.30.050 of the Zoning Code states that 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 Morgan Hill. The PD combining district is intended to promote creativity in building design, flexibility in permitted land uses, and innovation in development concepts. The PD combining district provides land owners with enhanced flexibility to take advantage of unique site characteristics and develop projects that will provide public benefits for residents, employees, and visitors; and

Draft Block-Level Master Plan Planned Development Ordinance for
Monterey Corridor Block Four

WHEREAS, Section 18.114.020 of the Zoning Code states that the City Council, Planning Commission, or Community Development Director may initiate Zoning Map and Text amendments; and

WHEREAS, on December 19, 2018 the City Council directed staff to draft a Zoning amendment to establish a Block-Level Master Plan (BLMP) Planned Development (PD) for Monterey Road Corridor Block One and Block Four; and

WHEREAS, in addition to the underlying base zoning district requirements, specific requirements are shown/listed in **Exhibit A: Block-Level Master Plan Map – Block Four** and **Exhibit B: Block-Level Master Plan Land Use Regulations - Block Four**; and

WHEREAS, Exhibit A includes, by reference, the existing 58-unit residential development on an approximately 4.37-acre site zoned R3(PD) Planned Development (Ordinance No. 2169, New Series adopted October 7, 2015) and that existing development will remain subject to that Ordinance unless subsequently amended; and

WHEREAS, an Addendum to the Environmental Impact Report (EIR) for the City of Morgan Hill's Morgan Hill 2035 Project certified on July 27, 2016 (State Clearinghouse No. 2015022074) was prepared for the Zoning Code Update project pursuant to the provisions of the State of California Environmental Quality Act (CEQA) Guidelines Section 15164, and the Addendum concludes that the proposed project will not result in any new impacts that were not already identified in the Morgan Hill 2035 EIR or any impacts of greater severity than were already addressed; and

WHEREAS, a visioning and goal setting workshop was held on September 25, 2018 where members of the public and various stakeholders provided feedback that facilitated the crafting of preliminary guiding principles for the development of the Monterey Corridor; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process; and

WHEREAS, the Block-Level Master Plan Planned Development (BLMP PD) ordinance for Monterey Corridor Block Four, was considered by the Planning Commission at their study session and regular meeting of January 22, 2019, at which time the Planning Commission recommended City Council consider the Addendum to the Morgan Hill 2035 EIR in accordance with the California Environmental Quality Act (CEQA) and approval of the Zoning Amendment to establish a BLMP PD for Monterey Corridor Block Four; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES ORDAIN AS FOLLOWS:

SECTION 1. The proposed Monterey Road Corridor Block-Level Master Plan Planned Development (BLMP PD) is consistent with the Morgan Hill 2035 General Plan.

Draft Block-Level Master Plan Planned Development Ordinance for
Monterey Corridor Block Four

- SECTION 2.** The Amendment to establish this BLMP PD is required in order to serve the public convenience, necessity, and general welfare as provided in Section 18.114.060 of the Municipal Code.
- SECTION 3.** The City Council has considered the Addendum to the Morgan Hill 2035 Environmental Impact Report (EIR) in accordance with the California Environmental Quality Act (CEQA).
- SECTION 4.** There hereby is attached hereto as **Exhibit A: Block-Level Master Plan Map – Block Four** and made a part of this ordinance.
- SECTION 5.** There hereby is attached hereto as **Exhibit B: Block-Level Master Plan Land Use Regulations - Block Four** and made a part of this ordinance.
- SECTION 6.** Severability. If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.
- SECTION 7.** Effective Date; Publication. This Ordinance shall take effect thirty (30) days after the date of its adoption. The City Clerk is hereby directed to publish this ordinance pursuant to §36933 of the Government Code.

THE FOREGOING ORDINANCE WAS INTRODUCED AT A MEETING OF THE CITY COUNCIL HELD ON THE 6th DAY OF FEBRUARY 2019, AND WAS FINALLY ADOPTED AT A MEETING OF THE CITY COUNCIL HELD ON THE 20th DAY OF FEBRUARY 2019, AND SAID ORDINANCE WAS DULY PASSED AND ADOPTED IN ACCORDANCE WITH THE LAW BY THE FOLLOWING VOTE:

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

APPROVED:

RICH CONSTANTINE, Mayor

ATTEST:

IRMA TORREZ, City Clerk

DATE: _____

Effective March 22, 2019

Draft Block-Level Master Plan Planned Development Ordinance for
Monterey Corridor Block Four

❧ CERTIFICATION ❧

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. XXXX, New Series, adopted by the City Council of the City of Morgan Hill, California at its regular meeting held on the 20th day of February 2019.

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

DATE: _____

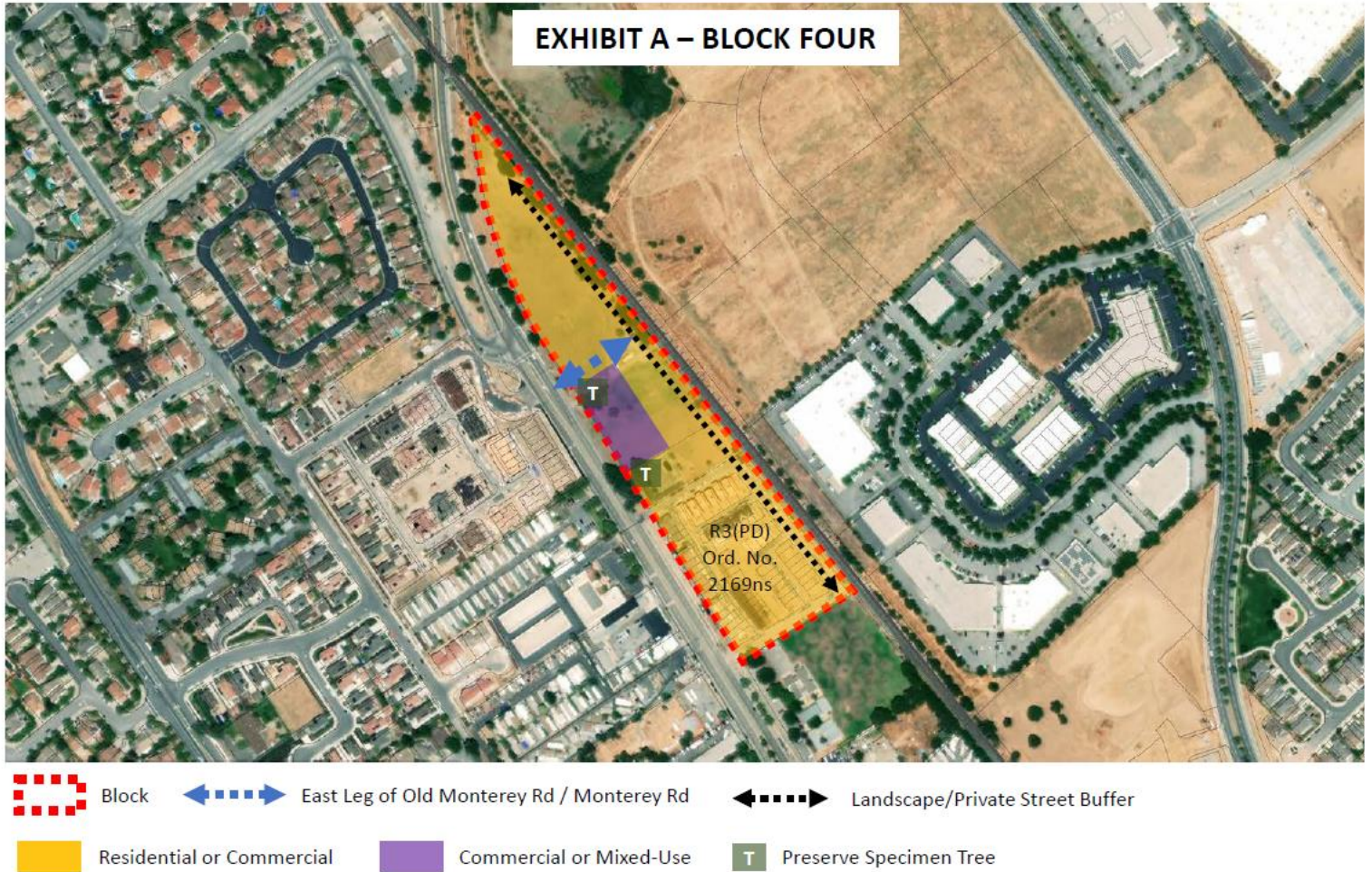
IRMA TORREZ, City Clerk

DRAFT

Attachment: Draft Ordinance Block Four BLMP (2165 : ZA2019-0002: Monterey Corridor Block Four)

Draft Block-Level Master Plan Planned Development Ordinance for
Monterey Corridor Block Four

Exhibit A: Block-Level Master Plan Map – Block Four



Draft Block-Level Master Plan Planned Development Ordinance for
Monterey Corridor Block Four

Exhibit B: Block-Level Master Plan Land Use Regulations - Block Four

I. Land Use Regulations

- A. **Permitted Uses.** Zoning Code Table 18.22-1 identifies permitted uses in the MU-F Mixed Use Flex Zoning District. Specific uses allowed for Block Four are further described on Exhibit A and below.
- B. **Development Standards.** Zoning Code Tables 18.22-2 and 18.22-3 identify development standards for the MU-F Mixed Use Flex Zoning District.
 1. Residential Density. 7 to 24 du/ac.
 2. Floor Area Ratio. For non-residential and vertical mixed-use projects, the maximum floor area ratio (FAR) is 0.5.
 3. Setbacks. The setbacks identified in Zoning Code Table 18.22-3 are required setbacks around the project perimeter.
 4. Residential Development Standards. A medium density residential development project may use the development standards specified in Zoning Code Section 18.40.050 and through the subsequent PD Master Plan process establish deviations from those standards.
- C. **Commercial Requirements**
 1. Corner Lot Commercial/Non-Residential. Commercial use(s) (retail, services, office) and/or other non-residential (public/quasi-public) use(s) are required at the southeast corner of Monterey Road and the new intersection opposite Old Monterey Road. Commercial or non-residential use(s) may be accommodated within a standalone building(s) or in vertical mixed-use building(s).
 2. Tree Preservation. The existing specimen trees located in/adjacent to the commercial/mixed-use area shall be preserved in place as a key/public feature of any future project. Preserve all other significant trees to the greatest extent practicable, as defined in Municipal Code Chapter 12.32 – Restrictions on Removal of Significant Trees.
 3. Connections. Ensure a strong connection between the commercial/non-residential, residential, and public gathering places within the block.
- D. **General Specifications**
 1. Primary entrances for new buildings should be oriented toward the street.
 2. Parking for new uses should be located behind buildings with limited or no visibility from streets.
 3. Primary access to/from rear parking areas shall be provided via driveways (including shared driveways) located at side streets (i.e., not from Monterey Road) to the greatest extent possible.
 4. First floor floor-to-ceiling clear height for non-residential uses: 14-feet minimum.
 5. Building depth for non-residential uses: 35-feet minimum.

Draft Block-Level Master Plan Planned Development Ordinance for

Monterey Corridor Block Four

6. Urban Form Characteristics:
 - a. Signature design qualities and attractive architectural features, including articulated facades, projections, and recessed entryways
 - b. Adaptive reuse where existing buildings may have desirable characteristics
 - c. Higher intensity development designed with sensitivity to adjacent lower intensity residential development
 - d. Street design balancing pedestrian and bicycle use with vehicular circulation
 - e. Consistent planting of street trees to provide shade and enhance character and identity
 - f. Well-designed, publicly-accessible open space
7. Reasonable accommodations shall be provided, as appropriate, to provide relief from any physical standards that make meeting accessibility requirements challenging for a particular project.
8. Future development must accommodate and complete the fourth leg of the intersection with Monterey Road / Old Monterey Road.
9. Future development must provide a buffer to the adjacent railroad right-of-way and internal connection between developments within the block.
10. Future development must provide commercial/non-residential component at new intersection to support new and existing residential.
- E. **Public Gathering Places.** Residential or mixed-use project sites over 1.5 acres must provide one or more public gathering places such as plazas, courtyards, and parks.
 1. Location. The public gathering space must be located close to pedestrian activity, along streets, or where pathways intersect.
 2. Activity. For public gathering places incorporated into mixed use development with ground floor commercial uses, active ground-floor uses (e.g., retail or restaurants) must be located along the edge of a courtyard and plazas.
 3. Visibility and Access. Plazas, courtyards, and other similar spaces must open to public sidewalks and building entrances to provide visibility and access opportunities along project frontages.
 4. Seating. Usable open spaces must include well-designed seating, such as seat walls, free-standing elements, fixed and moveable seating, and other seating options.
 5. Year-round Use. Open space must be usable year-round with features such as awnings, wind breaks, sun shades, and umbrellas, or other similar features that provide shelter from the elements.
 6. Specimen Trees. Incorporate existing specimen trees into design of public gathering space(s).
- F. **Temporary Uses.** In addition to the temporary uses allowed and requirements established in Section 18.92.150, the temporary use of private parcels for community

Draft Block-Level Master Plan Planned Development Ordinance for

Monterey Corridor Block Four

events, food vending, and pop-up parks may be allowed with the issuance of a Temporary Use Permit.

II. Subsequent Approvals

- A. **Zoning Amendment/PD Master Plan.** Pursuant to the requirements of Zoning Code Section 18.30.050 – Planned Development Combining District, a Zoning Amendment to establish a PD Master Plan is required. The PD Master Plan shall be consistent with the approved BLMP PD and must plan for the future development and integration of all parts of the block.
- B. **Design Review.** A proposed development must receive a Design Permit as required by Zoning Code Section 18.108.040. All development and land uses within the BLMP PD shall be consistent with the approved PD Master Plan.

Tentative Schedule - BLMPs / PD Master Plans for Blocks 1 and 4 / RDCS 2018/2019

	Block-Level Master Plan / Planned Development Master Plan	Residential Development Control System (RDCS) 2018/2019
1		Nov. 12, 2018 — Pre Application Submittal Due
2		Dec. 12, 2018 — Pre Application Review Letter
3	Dec. 19, 2018 — City Council Direction to Initiate Zoning Amendments (BLMPs) for Blocks 1 and 4	
4	Jan. 22, 2019 — Planning Commission Study Session & Hearing (BLMPs)	
5	Feb. 6, 2019 - City Council Hearing (Introduce BLMP Ordinances)	
6	Feb. 8, 2019 - Block 1 and 4 Applicants Submit Preliminary Plan Reviews for PD Master Plans	
7	Feb. 20, 2019 - City Council Hearing (Adopt BLMP Ordinances)	
8		Mar. 8, 2019 — RDCS Application Date
9	Mar. 12, 2019 - Planning Commission Review of Preliminary PD Master Plans for Consistency with BLMPs	
10	Mar. 22, 2019, Planned Development Zonings (BLMP Ordinances Effective)	Mar. 25, 2019 — Staff GP & Zoning Consistency Determination
11	Apr. 3, 2019 - City Council Review of Preliminary PD Master Plans for Consistency with BLMPs	Apr. 4, 2019 - Deadline to File GP & Zoning Consistency Appeal to City Council
12		May 1, 2019 — GP & Zoning Appeal City Council
13		May 3, 2019 - Staff Scoring of Applications / Recommendations to Planning Commission
14		Jun. 11, 2019 - Planning Commission Finalize Scores
15		Jun. 21, 2019 - Deadline to File Scoring Appeal to City Council
16		Jul. 17, 2019 - Scoring Appeal Heard by City Council
17		Jul. 19, 2019 - Staff Recommendations Award of Allotments
18		Jul. 23, 2019 - Planning Commission Award of Allotments
19		Aug. 2, 2019 - Deadline to File Allotment Appeal to City Council
20		Aug. 21, 2019 - Allotment Appeal Heard by City Council
21	Applicants Submit Zoning Amendments for Block 1 and Block 4 PD Master Plans	

Attachment: Tentative Schedules: BLMP / PD Master Plan / RDCS 2018/19 (2165 : ZA2019-0002: Monterey Corridor Block Four)

RESOLUTION NO. _____

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MORGAN HILL RECOMMENDING APPROVAL OF ZONING AMENDMENT (FILE NO. ZA2019-0002) TO ADD A PLANNED DEVELOPMENT (PD) COMBINING DISTRICT ESTABLISHING A BLOCK-LEVEL MASTER PLAN FOR MONTEREY ROAD CORRIDOR BLOCK FOUR, AN APPROXIMATELY 7.58-ACRE SITE LOCATED ON THE EAST SIDE OF MONTEREY ROAD OPPOSITE OLD MONTEREY ROAD (APN 726-25-006 AND -005)

WHEREAS, on July 27, 2016 the City Council adopted the Morgan Hill 2035 General Plan, a comprehensive update of the City's 2001 General Plan; and

WHEREAS, the Morgan Hill 2035 General Plan Land Use Map designates certain properties, including the subject property, Mixed Use Flex; and

WHEREAS, 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). The Mixed Use Flex designation allows 7 to 24 units per acre (residential) and a maximum FAR of 0.5 (commercial) and density should transition from higher near Downtown to lower at the ends of the Monterey Road corridor; and

WHEREAS, the Morgan Hill 2035 General Plan requires that, prior to development of residential or mixed-use projects within the Mixed Use Flex designation a Block-Level Master Plan is required to: A) identify how commercial uses will be incorporated within the development of the block, and B) how individual development projects will connect with each other; and

WHEREAS, the Block-Level Master Plan requirement applies to those segments of the Monterey Road Corridor north and south of Downtown that include properties that have a Mixed Use Flex General Plan Land Use designation; and

WHEREAS, on December 19, 2018 the City Council directed staff to draft Zoning amendments to establish a Block-Level Master Plan (BLMP) Planned Development (PD) for Monterey Road Corridor Block One and Block Four; and

WHEREAS, an Addendum to the Environmental Impact Report (EIR) for the City of Morgan Hill's Morgan Hill 2035 Project certified on July 27, 2016 (State Clearinghouse No. 2015022074) was prepared April 4, 2018 for the City of Morgan Hill Zoning Code Update project pursuant to the provisions of the State of California Environmental Quality Act (CEQA) Guidelines Section 15164, and the City of Morgan Hill determined, pursuant to CEQA Guidelines

City of Morgan Hill
Resolution No.
Page 2 of 3

Section 15183, that the proposed zoning amendment shall not require additional environmental review in that the project will not result in any new impacts that were not already identified in the Morgan Hill 2035 EIR and subsequent Addendum or any impacts of greater severity than were already addressed; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

WHEREAS, application ZA2019-0002: Monterey Corridor Block Four – City of Morgan Hill to establish a Block-Level Master Plan Planned Development (BLMP PD) ordinance for Monterey Corridor Block Four was considered by the Planning Commission at a study session and at their regular meeting of January 22, 2019; and

NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES RESOLVE AS FOLLOWS:

- SECTION 1.** The proposed zoning amendment is consistent with the General Plan and any applicable specific plan as provided by Government Code Section 65860 in that the proposed PD Planned Development Combining District incorporates development standards that are consistent with the Mixed Use Flex General Plan Land Use designation and General Plan City and Neighborhood Form Policies related to urban design.
- SECTION 2.** The proposed amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City as provided in Section 18.114.060 of the Morgan Hill Municipal Code. Amending the site zoning may allow future residential, commercial, or mixed-use development consistent with the City's General Plan Land Use Map and General Plan Goals and Policies.
- SECTION 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 community at large.
- SECTION 4.** Additional environmental review is not required pursuant to CEQA Guidelines Section 15183.
- SECTION 5.** The Planning Commission recommends that the City Council approve the Zoning Amendment to add a Planned Development (PD) Combining District establishing a Block-Level Master Plan for Monterey Road Corridor Block Four as described in the attached Draft Ordinance and Exhibits, with the following edits to **Exhibit B: Block-Level Master Plan Land Use Regulations – Block Four:**

City of Morgan Hill
 Resolution No.
 Page 3 of 3

- A. In Section **I. Land Use Regulations**, sub-section **C.2. Tree Preservation**, add sentence, “Preserve all other significant trees to the greatest extent practicable, as defined in Municipal Code Chapter 12.32 – Restrictions on Removal of Significant Trees.”
- B. In Section **II. Subsequent Approvals**, sub-section **A. Zoning Amendment/PD Master Plan**, clarify that the PD Master Plan must include a plan for the future development of the entire block by modifying the last sentence to read, “The PD Master Plan shall be consistent with the approved BLMP PD and must plan for the future development and integration of all parts of the block.”.

PASSED AND ADOPTED THIS 22ND DAY OF JANUARY 2019, AT A REGULAR MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:

AYES: COMMISSIONERS: DOWNEY, HABIB, MUNOZ-MORRIS, TANDA

NOES: COMMISSIONERS: MUELLER

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

JENNA LUNA, Deputy City Clerk

LIAM DOWNEY, Chair



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Anthony Eulo, Program Administrator
APPROVED BY: City Manager

ADOPT RESOLUTION AUTHORIZING THE COUNTY TO COMMENCE 2019 HAZARDOUS VEGETATION ABATEMENT PROGRAM

RECOMMENDATION(S)

1. Open/Close public hearing;
2. Adopt Resolution A authorizing Santa Clara County to commence hazardous vegetation abatement activities on the attached list; and
3. Adopt Resolution B authorizing Santa Clara County to commence hazardous vegetation abatement activities for the remaining parcel.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety
Protecting the Environment

REPORT NARRATIVE:

On December 5, 2018, the Council adopted Resolution 18-090 declaring hazardous vegetation growing in the City of Morgan Hill to be a public nuisance. The Resolution further established February 6, 2019 as the date for a public hearing on properties proposed for inclusion in the 2019 Hazardous Vegetation Program (Program). Program notices (Attachment No. 4) have been mailed to property owners in Morgan Hill whose properties have been identified as having, or potentially having, a problem with hazardous vegetation. In addition, notices of this public hearing have been published in the newspaper per Government Code Section 39566. The purpose of this hearing is to allow property owners to object to having their property in the 2019 Hazardous Vegetation Management Program, have the City Council consider these objections and or provide general public comment regarding the program. The list of properties in the Program has been posted at City Hall for over ten days prior to this public hearing.

The City controls the growth of hazardous vegetation under the authority set out in Chapter 8.20 of the Morgan Hill Municipal Code and in Government Code Sections 39560 and following. The City has a contract with the Santa Clara County Consumer and Environmental Protection Agency (Agency) which provides for abatement of the property if the property owner does not maintain the property as required. If the work is completed by the Agency's contractor, costs for the work are assessed to the property owner. Properties on the Hazardous Vegetation Program List have been inspected by Agency staff and have been found to have unsafe vegetation during the growing season. Once a property is added to the Program, it remains on the program for a

minimum of three years.

COMMUNITY ENGAGEMENT: Empower

The hazardous vegetation abatement program relies on a full range of community engagement approaches. Much of it begins when the County Program or City Fire Department informs a property owner that a hazardous situation has been observed on their property. As noted in the attached packet mailed to the property owners, each property owner is given several months during which he or she may consult and work together with Program staff to understand the situation and the needed remedies. Ultimately, each property owner is invited and empowered to remedy the situation themselves in order to minimize their program charges while maintaining public safety. In addition, many of the properties on the original list are placed on the list as a result of a complaint from a community member about a hazardous situation.

ALTERNATIVE ACTIONS:

The Council can choose to adopt the resolutions as presented or to exclude any of the properties on the list. In addition, the Council can choose to delay action on these resolutions. Delaying action could ultimately provide the affected property owners with less notice and time to plan for abating their hazardous vegetation.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The Council adopted the annual resolution in December. This hearing and the abatement schedule are consistent with the actions taken by the Council for over a decade.

FISCAL AND RESOURCE IMPACT:

The Hazardous Vegetation Program is user fee supported. The per-lot assessment includes costs for doing the weed and brush control work plus overhead County costs to administer the program. The City does not retain any revenues for this activity. In addition to charges for failed inspections and actual abatement work, an annual inspection fee of \$80 is charged to all property owners in the Program. These fees are communicated to the property owners when they are annually notified about the Program. The actual total charge per parcel will vary based on whether or not the property owner abated their own weeds and whether or not they did so before the County's inspection after the May 1 deadline. The County returns the actual proposed assessment list to the City in the summer for the assessment of program charges. Per the approach adopted by the Council last year, the program charges are discussed at a local prehearing with City staff and then imposed via an administrative hearing held by the County's Hearing Officer.

<i>Item</i>	<i>Current Fee</i>
Annual Inspection and Administration	\$80 annually
Failed Inspection (only charged if property fails inspection)	\$495
Abatement Administration (only charged if County abates weeds)	\$806

As the County has found that its revenues in the past were not always adequate to support the program, the Board of Supervisors has adopted a fee schedule designed to achieve full cost recovery and has shifted ultimate fiscal responsibility to participating jurisdictions. If the County determines that program-wide revenues in a given year were insufficient to cover program-wide costs, the jurisdictions participating in the Program will be billed for their prorata share of the shortfall.

Administering this Program is an activity in the Community Services Department work program and budget.

CEQA (California Environmental Quality Act):

Categorical Exemption

These activities are categorically exempt from environmental review under the California Environmental Quality Act pursuant to California Code of Regulations, Title 21, Section 15304(i) (Minor Alterations to Land - Fuel Management Activities).

LINKS/ATTACHMENTS:

1. Resolution A Commencement
2. Resolution A Commencement List
3. Resolution B Commencement
4. Conflict
5. 2019 Mailing Package

RESOLUTION NO. XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL INSTRUCTING THE SANTA CLARA COUNTY CONSUMER AND ENVIRONMENTAL PROTECTION AGENCY TO ABATE NUISANCES ARISING OUT OF HAZARDOUS VEGETATION GROWING UPON LOTS OR IN FRONT OF PROPERTY IN THE CITY OF MORGAN HILL AS REQUIRED BY TITLE 8, CHAPTER 8.20 OF THE MORGAN HILL MUNICIPAL CODE

A

WHEREAS, pursuant to Title 8, Chapter 8.20 of the Morgan Hill Municipal Code, the City Council hereto adopted Resolution No. 18-090 declaring hazardous vegetation growing in the City of Morgan Hill to constitute a public nuisance; and

WHEREAS, a Public Hearing was held pursuant to Resolution No. 18-090 and Chapter 8.20 of the Morgan Hill Municipal Code in that time and manner required by law.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morgan Hill authorizes as follows:

1. That the Santa Clara County Consumer and Environmental Protection Agency (Agency) is hereby ordered to abate the nuisance or cause the same to be abated by having the vegetation destroyed by cutting, disking or any other method as may be determined by the Agency for the properties on the attached list excluding the properties struck out.
2. That any property owner shall have the right to destroy or remove at his or her expense prior to removal of said vegetation by the Agency.
3. That the Agency shall keep an account of the cost of removing said vegetation, document such account in a report and assessment list, and file the same with the City. Such report shall refer to each separate lot or parcel of land, together with the expense of removal of hazardous vegetation therefrom.

PASSED AND ADOPTED by the City Council of Morgan Hill on this 6th day of February 2019 by the following vote:

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

Date: _____

Rich Constantine, Mayor

Attachment: Resolution A Commencement (2147 : 2019 Hazardous Vegetation Abatement Commencement)

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. XXXX, adopted by the City Council at its meeting held on February 6, 2019.

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

DATE: _____

Irma Torrez, City Clerk

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs	APN		CITY/STATE					
0	MONTEREY	RD 725-01-018	LUCKYSHING LLC	950 3RD STS	SAN JOSE	CA	95112-5839	
0	LAUREL	RD 726-01-008	TRI POINTE HOMES INC	340 GOLDEN SHORE STE 450	LONG BEACH	CA	90802	
0	DIANA	AV 726-02-007	TSAL, YOUNG H AND SO M ET AL	3 FERRAND	NEWPORT COAST	CA	92657	
	NO SITUS	726-02-016	HUNG, WEN JUNG	179 CUESTA DE LOS GATOS	LOS GATOS	CA	95032	
690	DIANA	AV 726-06-012	GUZMAN, RICARDO A AND AVILA,	690 DIANA AV	MORGAN HILL	CA	95037-4409	
17364	WALNUT	DR 726-07-021	DELUKE COMPANY LTD	535 ARRASTADERO RD	PALO ALTO	CA	94306	
	NO SITUS	726-07-023	SILICONSAGE BUILDERS LLC	560 MATHILDA AVS	SUNNYVALE	CA	94086	
17374	WALNUT	DR 726-07-089	SILICONSAGE BUILDERS LLC	560 MATHILDA AVS	SUNNYVALE	CA	94086	
0	DIANA	AV 726-09-002	GROSSWEILER, DONALD TRUSTEE &	3414 ROYAL MEADOW LN	SAN JOSE	CA	95135	
761	DAKOTA	DR 726-09-024	DUNNE, MICHAEL F AND JONNA	761 DAKOTA DR	MORGAN HILL	CA	95037-0000	
585	CAPRICE	CT 726-10-048	WHEAT, RICHARD C AND LYNN	585 CAPRICE CT	MORGAN HILL	CA	95037-3721	
570	CAPRICE	CT 726-10-052	PULSIPHER, BYRON K AND RHONDA	570 CAPRICE CT	MORGAN HILL	CA	95037-3721	
18110	MONTEREY	RD 726-25-006	MONTEREY MORGAN HILL LLC	1002 WALNUT ST STE 300	BOULDER	CO	80302	
	NO SITUS	726-25-026	TRAN, MINH VAN	4250 MONTEREY RD	SAN JOSE	CA	95111-3625	
325	DIGITAL	DR 726-25-041	OPERATING ENGINEERSLOCAL	1620 LOOP RDS	ALAMEDA	CA	94502	
315	DIGITAL	DR 726-25-065	TERRASAT COMMUNICATIONS INC	315 DIGITAL DR	MORGAN HILL	CA	95037-0000	
755	JARVIS	DR 726-30-012	BRIDGE GROUP INVS LLC	300 ENZO DR	MORGAN HILL	CA	95037	
0	JARVIS	DR 726-30-013	BRIDGE GROUP INVS LLC	755 JARVIS DR	MORGAN HILL	CA	95037-0000	
	NO SITUS	726-31-038	SUPNAH LLC	2026 BIARRITZ PL	SAN JOSE	CA	95138-0000	
0	COCHRANE	RD 726-32-021	COCHRANE ROAD INVRSLLC	475 ALBERTO WY SUITE 150	LOS GATOS	CA	95032	
0	JARVIS	DR 726-32-025	M WEST PROPCO XXIIILLC	575 MARKET ST #3500	SAN FRANCISCO	CA	94105	
18635	MADRONE	PY 726-33-025	MAURO, JOHN J AND FEDOTOVA,	18600 CASTLE RIDGE DR	MORGAN HILL	CA	95037-8947	
850	LIGHTPOST	WY 726-33-026	RIVER PARK HOSPITALITY INC	0 POBOX 2700	FRESNO	CA	93745	

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs	APN				CITY/STATE			
735	COCHRANE	RD	726-33-029	MADRONE VILLAGE SHOPPING	1960 THE ALAMEDA STE 20	SAN JOSE	CA	95126
100	COCHRANE	CL	726-34-007	SOUTH ABBOTT LLC	400 COCHRANE CL	MORGAN HILL	CA	95027-0000
440	COCHRANE	CL	726-34-016	MORGAN VENTURE LLC	660 COVINGTON RD	LOS ALTOS	CA	94024-4810
875	LIGHTPOST	WY	726-35-015	TBI-MISSION WEST IILLC	1960 THE ALAMEDA STE 20	SAN JOSE	CA	95126
18645	MADRONE	PY	726-35-020	TBI-MISSION WEST IILLC	1960 THE ALAMEDA STE 20	SAN JOSE	CA	95126
	NO SITUS		726-35-021	TBI-MISSION WEST IILLC	1960 THE ALAMEDA STE 20	SAN JOSE	CA	95126
18640	MADRONE	PY	726-35-028	TBI-MISSION WEST IILLC	1960 THE ALAMEDA STE 20	SAN JOSE	CA	95126
19095	ROSE	AV	726-36-005	HU, WEIBIAO TRUSTEE & ET AL	0 P.O.BOX 1594	SAN MARTIN	CA	95046
0	ROSE	AV	726-36-007	MAGINCALDA, LEROY J ET AL	4475 WOODWARD RDE	MANTECA	CA	95337
0	GINGER	WY	726-36-057	WALTON, GARY A AND JEAN M	0 PO BOX 1265	MORGAN HILL	CA	95038-1265
	NO SITUS		726-36-078	MURRAY, SCOTT	19190 ROSE LN	MORGAN HILL	CA	95037-2711
25	PEEBLES	AV	726-41-065	PEEBLES SQUARE LLC	1630 OAKLAND RD STE 215	San Jose	CA	95131
17200	KRUSE RANCH LN		728-01-001	VALENCIA, EVERARDO T	17200 KRUSE RANCH LN	MORGAN HILL	CA	95037-6700
17101	KRUSE RANCH LN		728-01-002	KRUSE, NEIL D TRUSTEE & ET AL	4537 WINDING WY	SAN JOSE	CA	95129-4351
2275 B	DUNNE	AV	728-02-003	SERENE HILLS LLC	11541 SEVEN SPRINGS DR	CUPERTINO	CA	95014
17383	JEAN	CT	728-07-053	DE-LA-O, GIL A AND CONNIE	17383 JEAN CT	MORGAN HILL	CA	95037-3365
	NO SITUS		728-11-026	HANALEI LAND CO LLC	720 SAN MARCOS CT	MORGAN HILL	CA	95037-5224
1485	COCHRANE	RD	728-36-012	M V S COMPANY	0 P.O. BOX 2067	SARATOGA	CA	95070
1465	COCHRANE	RD	728-36-016	CALATLANTIC GROUP INC	4750 WILLOW RD STE 150	PLEASANTON	CA	94588
	NO SITUS		728-37-026	MORGAN HILL RETAIL VENTURE LP	1556 PARKSIDE DR	WALNUT CREEK	CA	94596
	NO SITUS		728-37-048	MORGAN HILL RETAIL VENTURE LP	1556 PARKSIDE DR	WALNUT CREEK	CA	94596
	NO SITUS		728-37-067	MORGAN HILL RETAIL VENTURE LP	1556 PARKSIDE DR	WALNUT CREEK	CA	94596
	NO SITUS		728-37-069	MORGAN HILL RETAIL VENTURE LP	1556 PARKSIDE DR	WALNUT CREEK	CA	94596

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs		APN		CITY/STATE			
2990	THOMAS	729-02-004	DE LURGIO, LOUIS J AND DONNA M	2990 THOMAS GRADE	MORGAN HILL	CA	95037-6714
2795	THOMAS	729-02-014	BAHRAIN, RASHID	2795 THOMAS GRADE	MORGAN HILL	CA	95037-6717
16980	OAK LEAF	DR 729-04-051	EMERTON, BRETT AND MARY	16980 OAK LEAF DR	MORGAN HILL	CA	95037-6624
17055	OAK LEAF	DR 729-05-017	SCHMIDT, LEE A TRUSTEE & ET AL	17055 OAK LEAF DR	MORGAN HILL	CA	95037-6622
3215	LORI	DR 729-05-031	SALAMON, SAMMY E AND DEBORAH	3215 LORI DR	MORGAN HILL	CA	95037-0000
3205	LORI	DR 729-05-032	HYNDMAN, MICHAEL A AND	3205 LORI DR	MORGAN HILL	CA	95037-0000
	VALLEY VIEW	729-06-030	KEA, MARC AND DEKKER, JUDITH	16580 RUSTLING OAK CT	MORGAN HILL	CA	95037-6724
3005	DUNNE	AV 729-10-036	DICKERMAN, DARKO	3005 DUNNE AVE	MORGAN HILL	CA	95037-6708
3015	DUNNE	AV 729-10-037	BOWERS, KYLE	3015 DUNNE AVE	MORGAN HILL	CA	95037-6708
16815	JACKSON	DR 729-12-008	SLOAN, BRANDON D	16815 JACKSON OAKS DR	MORGAN HILL	CA	95037-6927
3305	OAKWOOD	CT 729-15-003	GORSKI, JOHN W AND BARBARA-	3305 OAKWOOD CT	MORGAN HILL	CA	95037-6924
3320	OAKWOOD	CT 729-15-019	NUGENT, KASEY L AND THIELE,	3320 OAKWOOD CT	MORGAN HILL	CA	95037-6925
3495	OAKWOOD	CT 729-16-002	KOBOLD, MARY A TRUSTEE	3495 OAKWOOD CT	MORGAN HILL	CA	95037-6922
0	OAKWOOD	CT 729-16-025	VINCENT, MICHELE J AND DAVID P	16360 OAKWOOD LN	MORGAN HILL	CA	95037-6934
16275	OAK CANYON	DR 729-17-012	SHERMAN HOUSE ASSOCS LP	15600 OAKRIDGE CT	MORGAN HILL	CA	95037
16475	JACKSON	DR 729-18-006	KIRK, LAWRENCE P AND LYNETTE C	16475 JACKSON OAKS DR	MORGAN HILL	CA	95037-6933
16335	JACKSON	DR 729-18-015	MARIN, THERESA J TRUSTEE	1005 SUMMERVIEW DR	SAN JOSE	CA	95132-2951
16325	JACKSON	DR 729-18-016	KONIGSBERG, ROBERT J TRUSTEE &	418 SAN BENITO AV	LOS GATOS	CA	95030-5305
16450	JACKSON	DR 729-18-030	BEELAARD, ANDREW S AND SARAH	16450 JACKSON OAKS DR	MORGAN HILL	CA	95037-6902
16460	JACKSON	DR 729-18-031	HALVORSEN, JAN T TRUSTEE	16460 JACKSON OAKS DR	MORGAN HILL	CA	95037-6902
16645	JACKSON	Dr 729-19-024	Khan Mohamed And Farhat	16645 Jackson Oaks Dr	Morgan Hill	CA	95037-6930
3490	OAK HILL	CT 729-20-003	JACKSON OAKS ASSN	0 PO BOX 518	MORGAN HILL	CA	95038-0518

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs		APN		CITY/STATE				
15905	OAKRIDGE	Rd	729-22-028	Shah Jay And Sundaram Ayswarya	15905 Oakridge Rd	Morgan Hill	CA	95037-6827
15855	JACKSON	DR	729-24-014	SAFFARIAN, PATRICK E AND JOHANA	15855 JACKSON OAKS DR	MORGAN HILL	CA	95037-6803
3753	RIDGEVIEW	CT	729-24-025	MARRIOTTI TRUST	3525 CORTEZ STE	WEST COVINA	CA	91791
3745	RIDGEVIEW	Ct	729-24-026	Guo Ying And Huang Jenny	6951 Grandwood Way	San Jose	CA	95120-2216
0	DUNNE	AV	729-26-002	UNGER, EUGENE C AND ROSE A	134 VISTA DEL CAMPO	LOS GATOS	CA	95030-0000
17064	SHADY LANE	DR	729-29-017	HANSON, BRYAN F AND MIKEAL K	111 LOCUST AV	HOLLISTER	CA	95023-3536
17085	COPPER HILL	DR	729-30-008	LIANG, DAVID BO AND HE, YOU	17085 COPPER HILL DR	MORGAN HILL	CA	95037-6502
3210	QUAIL	LN	729-33-026	SWEENEY, JOSEPH P AND JENNIFER	3210 QUAIL LN	MORGAN HILL	CA	95037-6413
17205	QUAIL	CT	729-33-029	GUERRERO, JUAN C AND SHELLY D	17205 QUAIL CT	MORGAN HILL	CA	95037-6419
3271	QUAIL	LN	729-34-004	CAPILLA, KELLY M	5345 SONOMA DR	PLEASANTON	CA	94566
17280	LAKE VIEW	DR	729-34-011	PRATT, BARBARA G TRUSTEE	17280 LAKE VIEW DR	MORGAN HILL	CA	95037-6425
3440	BLUE GRASS	CT	729-34-025	CHRISTMAN, PHILLIP E TRUSTEE &	3440 BLUE GRASS CT	MORGAN HILL	CA	95037-6417
17231	QUAIL	CT	729-35-003	SUCHOMEL, SHIRLEY D AND FRANK	17231 QUAIL CT	MORGAN HILL	CA	95037-6419
17245	QUAIL	CT	729-35-005	CASTRO, IRENE ET AL	2723 KEPPLER CT	SAN JOSE	CA	95148-3411
17246	QUAIL	CT	729-35-007	WINSTEAD DONALD D ET AL	5635 W. Happy Valley Rd. STE	Glendale	AZ	85310-2609
3110	QUAIL	LN	729-35-014	AOCHI, ROBERT AND AMY O	3110 QUAIL LN	MORGAN HILL	CA	95037-6414
17350	LAKE VIEW	DR	729-35-024	RODRIGUEZ, THEODORE J AND ACU,	17350 LAKE VIEW DR	MORGAN HILL	CA	95037-6423
3425	LAVA ROCK	CT	729-35-027	CHIPMAN, DAVID H AND JANE C	3425 LAVA ROCK CT	MORGAN HILL	CA	95037-6411
17451	HOLIDAY	DR	729-38-028	SMITH, WARREN J AND DIANA L	17451 HOLIDAY DR	MORGAN HILL	CA	95037-6512
17520	HOLIDAY	DR	729-39-035	WUNDERLICH, JOHN AND BURNS,	17520 HOLIDAY DR	MORGAN HILL	CA	95037-6303
17495	BLUE JAY	DR	729-41-011	STETSON, ERIC H AND VIRGINIA D	17495 BLUE JAY DR	MORGAN HILL	CA	95037-6428
17460	LAKE VIEW	DR	729-41-019	BACH, JOSEPH AND LANAE	17460 LAKE VIEW DR	MORGAN HILL	CA	95037-0000
17450	LAKE VIEW	DR	729-41-020	EMANUEL, MARK A	17450 LAKE VIEW DR	MORGAN HILL	CA	95037-6409

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs	APN		CITY/STATE				
17765	HOLIDAY	DR 729-42-021	HOLM, DAN B	17765 HOLIDAY DR	MORGAN HILL	CA	95037-6317
17775	HOLIDAY	DR 729-42-022	RAMANUJAM, MADHUSUDHANAN	17775 HOLIDAY DR	MORGAN HILL	CA	95037-6317
17785	HOLIDAY	DR 729-42-023	OLIVEIRA, SERGIO S AND DANIELLE	17785 HOLIDAY DR	MORGAN HILL	CA	95037-6317
17770	HOLIDAY	DR 729-44-025	JARVIS, SHARON F TRUSTEE	10741 MAUI CL	ESTERO	FL	33928
17810	HOLIDAY	DR 729-44-027	BINDER, ANDREW J AND DENICE D	17810 HOLIDAY DR	MORGAN HILL	CA	95037-6316
17820	HOLIDAY	DR 729-44-028	MCBRIDE, M THERESE TRUSTEE	2555 OAK PARK LN	CAMPBELL	CA	95008-4914
2085	ROLLING	DR 764-02-005	MCMANIS, DEAN AND KELLY,	2085 ROLLING HILLS DR	MORGAN HILL	CA	95037-9437
2155	ROLLING	DR 764-02-007	WALKER, SHERIDAN TRUSTEE	2155 ROLLING HILLS DR	MORGAN HILL	CA	95037-9437
2220	ROLLING	DR 764-03-002	HARTOGS, DIRK H AND KEILERS,	2220 ROLLING HILLS DR	MORGAN HILL	CA	95037-9438
2210	ROLLING	DR 764-03-003	HUGHES-HARTOGS, DIRK AND	2210 ROLLING HILLS DR	MORGAN HILL	CA	95037-9438
2180	ROLLING	DR 764-03-004	HEISER, CHRISTOPHER J AND	2180 ROLLING HILLS DR	MORGAN HILL	CA	95037-9438
2130	GREENWOOD	AV 764-03-005	GRIKO, YURI	2130 GREENWOOD AV	MORGAN HILL	CA	95037-9439
2140	GREENWOOD	AV 764-03-006	LEE, THEODORE AND EVONNE	2140 GREENWOOD AV	MORGAN HILL	CA	95037-9439
2150	GREENWOOD	AV 764-03-007	NIN, SIGFREDO ISMAEL AND	2150 GREENWOOD AV	MORGAN HILL	CA	95037-9439
2165	GREENWOOD	AV 764-03-008	WEDDLE, EMERSON E AND HANIF-	2165 GREENWOOD AV	MORGAN HILL	CA	95037-9440
2110	ROCKY RIDGE	RD 764-03-010	LEISCH, MONICA E AND STEVEN O	2110 ROCKY RIDGE RD	MORGAN HILL	CA	95037-9441
0	BLACK OAK	CT 764-03-017	TULLY, SUSAN S AND TULLY 2008	7151 VIA ROMERA	SAN JOSE	CA	95139-1158
1960	ROCKY RIDGE	RD 764-03-020	PEHRSON, STEPHEN T AND KYRA	1960 ROCKY RIDGE RD	MORGAN HILL	CA	95037-0000
2105	ROCKY RIDGE	RD 764-03-024	MAYELIAN, HARRY AND MABEL	27519 ALTA KNOLL DR	SANTA CLARITA	CA	91350-1900
2135	GREENWOOD	AV 764-03-025	VELIQUETTE, JEFF D AND SALLY A	2135 GREENWOOD AV	MORGAN HILL	CA	95037-9439
2140	ROLLING	DR 764-03-027	BALLARD, AARON B	2140 ROLLING HILLS DR	MORGAN HILL	CA	95037-9437
17895	WOODLAND	AV 764-03-035	ROLLERI, DENNIS R AND KELLY LUU	1080 SHELTON WY	SAN JOSE	CA	95125-4312
17765	WOODLAND	AV 764-03-037	SCHIRLE, KENNETH E AND	17765 WOODLAND AV	MORGAN HILL	CA	95037-9141

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs	APN			CITY/STATE				
17625	WOODLAND	CT	764-03-040	OWENS, WILLIAM P AND JHONG OK	17625 WOODLAND CT	MORGAN HILL	CA	95037-9444
17580	WOODLAND	CT	764-03-042	BORAD, GARY AND LIMA, JANETE	17580 WOODLAND CT	MORGAN HILL	CA	95037-9444
17610	WOODLAND	AV	764-03-043	BELLI, KAREN M	17610 WOODLAND AV	Morgan Hill	CA	95037-9140
17670	WOODLAND	AV	764-03-044	CORIA, RAMON TRUSTEE & ET AL	17670 WOODLAND AV	MORGAN HILL	CA	95037-9187
280	TILTON	AV	764-09-004	COUNTY PROPERTY EXCHANGE INC	16275 MONTEREY RD STE E	MORGAN HILL	CA	95037-0000
18545	MONTEREY	RD	764-10-013	TRINH, OANH OANH NGUYEN ET AL	1717 MESSINA DR	SAN JOSE	CA	95132
18565	MONTEREY	RD	764-10-015	TRINH, OANH OANH NGUYEN ET AL	1717 MESSINA DR	SAN JOSE	CA	95132
140	CHRISTINE	Dr	764-20-089	Von Almen Sonja C And Thomas K	140 Christine Lynn Dr	Morgan Hill	CA	95037
150	CHRISTINE	Dr	764-20-091	Baio Jon M	150 Christine Lynn Dr	Morgan Hill	CA	95037
0	HALE	AV	764-24-001	ROBINSON, CLAUDE J AND GLORIA M	0 PO BOX 30155	LAS VEGAS	NV	89173
18680	HALE	AV	764-24-013	ROBINSON, CLAUDE J AND GLORIA M	0 PO BOX 30155	LAS VEGAS	NV	89173
18755	MONTEREY	RD	764-24-061	APPLETREE INVESTMENT LLC	0 PO BOX 32115	SAN JOSE	CA	95127
311	VIA LOMA		764-26-006	COTE, MICHAEL E AND RUTH A	311 VIA LOMA	MORGAN HILL	CA	95037-3024
363 B	VIA LOMA		764-27-004	HERRERA, GUADALUPE	2565 FOUNTAIN OAKS DR	MORGAN HILL	CA	95037-3939
18455	SHADOWBROO	WY	764-27-009	AGALLOTIS, CAROL K AND DAVID D	18455 SHADOWBROOK WY	MORGAN HILL	CA	95037-0000
18450	SHADOW	WY	764-27-024	FAUSAK, ANDREW T AND KATHLEEN	3409 WENTWORTH WY	LEWISVILLE	TX	75077-1881
0	(LAND ONLY)		764-28-007	DAVIDSON, CHARLES W AND ANITA A	225 JULIAN STW STE 200	SAN JOSE	CA	95110
1045	LLAGAS	RD	764-29-029	RANDOLPH, YVONNE S	1045 LLAGAS RD	MORGAN HILL	CA	95037-3412
1195	CASTLE LAKE	CL	764-30-010	ROSS, THOMAS M	1195 CASTLE LAKE CL	MORGAN HILL	CA	95037-9474
610 A	LLAGAS	RD	764-32-022	DUFFY, LUPE	610A LLAGAS RD	MORGAN HILL	CA	95037-3400
18200	CHRISTEPH	DR	764-32-025	TANSY MICHAEL K	1967 STANWOOD DR	SANTA BARBARA	CA	93103
17996	HILLWOOD	LN	764-32-044	CRONK, JON E AND DIANE D	17996 HILLWOOD LN	MORGAN HILL	CA	95037-3529
250	WRIGHT	AV	764-33-014	KUSTER, JOHN AND ROSEMARIE	4342 BALD EAGLE WY	SAN JOSE	CA	95118-2017

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs	APN		CITY/STATE				
	NO SITUS	764-38-010	COX, BARBARA A TRUSTEE & ET AL	2076 CALOMYRNA AVW 101	FRESNO	CA	93711
18665	CASTLE HILL DR	764-43-002	IZQUIERDO, PASCUAL	18665 CASTLE HILL DR	MORGAN HILL	CA	95037-9171
18715	GLEN AYRE DR	764-43-008	MENON, JITHU TRUSTEE & ET AL	18715 GLEN AYRE DR	MORGAN HILL	CA	95037-9167
18655	GLEN AYRE DR	764-43-009	WILLIAMS, NORMAN J AND KARLA	18655 GLEN AYRE DR	MORGAN HILL	CA	95037-9167
18800	GLEN AYRE DR	764-43-010	ROTH, ROBERT E AND MARILYN A	18800 GLEN AYRE DR	MORGAN HILL	CA	95037-9453
18750	GLEN AYRE DR	764-43-011	JENNINGS, KEVIN D AND TERESA A	18750 GLEN AYRE DR	MORGAN HILL	CA	95037-9453
1715	JASPER DR	764-44-010	DINAN, STEPHEN J AND JANICE K	1715 JASPER HIGHLANDS DR	MORGAN HILL	CA	95037-9165
18685	GLEN AYRE DR	764-44-011	MCELHINEY, JOHN R AND DENISE P	18685 GLEN AYRE DR	MORGAN HILL	CA	95037-9167
1775	SHADY DR	764-44-019	BRUSASCHETTI, RONALD N AND	1775 SHADY HOLLOW DR	MORGAN HILL	CA	95037-9161
1780	SHADY DR	764-44-022	MATARANGAS, SANDI E AND JOHN T	1780 SHADY HOLLOW DR	MORGAN HILL	CA	95037-9455
18425	CASTLE RIDGE DR	764-45-002	BUCHANAN, NANCY C TRUSTEE	18425 CASTLE RIDGE DR	MORGAN HILL	CA	95037-9458
18650	CASTLE HILL DR	764-45-019	LASHER, RICHARD S AND MARY E	18650 CASTLE HILL DR	MORGAN HILL	CA	95037-9170
18580	CASTLE HILL DR	764-45-021	GLENROCK BUILDERS INC	0 P.O. BOX 1179	MORGAN HILL	CA	95038
18550	CASTLE HILL DR	764-45-022	WESTBROOK, H HOWARD AND	18550 CASTLE HILL DR	MORGAN HILL	CA	95037-9169
0	CASTLE HILL DR	764-45-031	GLENROCK BUILDERS INC	0 P.O. BOX 1179	MORGAN HILL	CA	95038
	NO SITUS	767-01-052	GARCIA, W ROCKE AND GLENDA	14500 SYCAMORE DR	MORGAN HILL	CA	95037
0	EVERGREEN DR	767-02-012	GARCIA DEVELOPMENT CO	0 P.O. BOX 1179	MORGAN HILL	CA	95038
	NO SITUS	767-02-026	HILLVIEW PROPERTIESLLC	1644 VALLEY OAKS DR	GILROY	CA	95020
	NO SITUS	767-02-028	HILLVIEW PROPERTIESLLC	1644 VALLEY OAKS DR	GILROY	CA	95020
17065	DEL MONTE AV	767-03-002	ROMAN, GILBERT	2510 BRIDLE PATH DR	GILROY	CA	95020-9005
0	DEL MONTE AV	767-03-005	RICHTER, GAYLE H TRUSTEE & ET AL	P O BOX 784	MORGAN HILL	CA	95038
0	DUNNE AV	767-03-036	BETPOLICE FARIDEH TRUSTEE	21515 HAWTHORNE BLVD	TORRANCE	CA	90503
0		767-04-009	PACIFIC GAS AND ELECTRIC CO	111 ALMADEN BLVD	SAN JOSE	CA	95115-0005

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs			APN			CITY/STATE		
0			767-05-001	PACIFIC GAS AND ELECTRIC CO	111 ALMADEN BLVD	SAN JOSE	CA	95115-0005
17595	DEL MONTE	AV	767-05-009	AGUILAR, ALBERT	17595 DEL MONTE AV	MORGAN HILL	CA	95037-4517
17205	MONTEREY	RD	767-08-006	PETERSON, VIRGINIA	0 P.O. BOX 285	GILROY	CA	95021
50	4TH	ST	767-08-012	TONUS, VIRGINIA R TRUSTEE & ET	1654 SUNNYSLOPE RD	HOLLISTER	CA	95023
17245	MONTEREY	RD	767-08-045	WRIGHT, GARY AND NADINE	5430 PARK DR	ROCKLIN	CA	95765
16815	MONTEREY	RD	767-10-004	HUANG, SALLY XUEMING AND HE,	16815 MONTEREY RD	MORGAN HILL	CA	95037-5118
	NO SITUS		767-10-051	DAVIS, PAUL H	155 SANTA CLARA AV	GILROY	CA	95020-9285
335	SPRING	AV	767-11-030	GIANCOLA, JOSEPH TRUSTEE & ET	2290A COCHRANE RD	MORGAN HILL	CA	95037-9306
16765	BARNELL	AV	767-11-045	CHANG, CHIH PEI AND HEDY LIU	16905 SUNDANCE AV	MORGAN HILL	CA	95037
0	SPRING	AV	767-15-017	MORGAN HILL FUNERALHOME INC	129 4TH ST	GILROY	CA	95020-0000
16625	DEL MONTE	AV	767-16-013	CARUSO, LUCAS A AND VICTORIA	16625 DEL MONTE AV	MORGAN HILL	CA	95037-5002
16460	KINGS	CT	767-16-036	HOWELL, KENNETH F AND IRENE N	16460 KINGS CANYON CT	MORGAN HILL	CA	95037-0000
16453	KINGS	CT	767-16-037	BEHAN, MATTHEW H	16453 KINGS CANYON CT	MORGAN HILL	CA	95037-0000
0	SPRING	AV	767-16-042	MORGAN HILL FUNERALHOME INC	129 4TH ST	GILROY	CA	95020-0000
16615	DEL MONTE	AV	767-16-043	CARUSO, SALVATORE AND	20431 MCKEAN RD	SAN JOSE	CA	95120-2403
16595	MONTEREY	RD	767-17-046	MONTEREY DYNASTY LLC	0 PO BOX 2610	CUPERTINO	CA	95015
16715	MONTEREY	RD	767-17-051	AZAR, SUHAILA S	890 VIA GRANDE AV	MORGAN HILL	CA	95037-4022
220	EDMUNDSON	AV	767-21-015	PANCAL EDMUNDSON LP	4125 BLACKFORD AVE #200	SAN JOSE	CA	95117
15590	LA ALAMEDA		767-27-005	FUXJAGER, RICHARD F TRUSTEE	15590 LA ALAMEDA	MORGAN HILL	CA	95037-5715
695	ENCINO	DR	767-27-007	MAESE, SUSAN K ET AL	695 ENCINO DR	MORGAN HILL	CA	95037-0000
700	ENCINO	DR	767-27-026	CAMISA, MATTHEW J	700 ENCINO DR	MORGAN HILL	CA	95037-5802
880	ENCINO	DR	767-31-004	AMARO FELIX C TRUSTEE	880 ENCINO DR	MORGAN HILL	CA	95037-5804
15175	VIA CORFINIO		767-36-082	ADAMS, TAMMY J	15175 VIA CORFINIO	MORGAN HILL	CA	95037-5847

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs		APN		CITY/STATE				
895	ALKIRE	AV	773-01-030	NAKATA, SHIRLEY Y TRUSTEE & ET	0 45-822 KUPOHU ST	KANEOHE	HI	96744
17260	MUNRO	WY	773-04-023	MAO, HENKE ET AL	17260 MUNRO WY	MORGAN HILL	CA	95037-4728
16975	JOHN TELFER	DR	773-07-006	RAMIREZ, ESTRELLA A	16975 JOHN TELFER DR	MORGAN HILL	CA	95037-4725
1305	ALMOND	DR	773-19-022	SINGH, NAVI T AND MEI CHUAN	305 HAZELTON CT	MORGAN HILL	CA	95037-3522
1150	TERESA	LN	773-19-027	WATTS, STEVEN J AND JULIE A	1150 TERESA LN	MORGAN HILL	CA	95037-3426
1210	LLAGAS	RD	773-20-012	PETTEWAY, PATRICIA G	1210 LLAGAS RD	MORGAN HILL	CA	95037-9459
1175	TERESA	LN	773-20-035	CHEN, FENG AND LI, XI TRUSTEE	1175 TERESA LN	MORGAN HILL	CA	95037-0000
1160	TERESA	LN	773-20-041	THAI, MAI TUYET AND BUI, THAO	1160 TERESA LN	MORGAN HILL	CA	95037-3426
1170	LLAGAS	RD	773-20-044	REYES, GABRIEL A AND HELEN L	1170 LLAGAS RD	MORGAN HILL	CA	95037-9185
15825	SUNNYSIDE	AV	773-22-028	BAGULA, MARK O	15825 SUNNYSIDE AV	MORGAN HILL	CA	95037-5329
18105	SABINI	CT	773-27-003	WOOD, SHARON A TRUSTEE	18105 SABINI CT	MORGAN HILL	CA	95037-3422
1255	ALMOND	DR	773-27-004	MUSTANICH, JAMES W	1255 ALMOND ORCHARD DR	MORGAN HILL	CA	95037-3401
18005	OLIVE	LN	773-27-010	MCMAMARA, DANIEL TRUSTEE & ET	18005 OLIVE BRANCH LN	MORGAN HILL	CA	95037
18200	SABINI	CT	773-32-011	BOLARIS, STEPHEN AND VALERIE	18200 SABINI CT	MORGAN HILL	CA	95037-3428
1092	LLAGAS	RD	773-32-012	COLHOUR, ROBERT M AND FOLTZ,	1092 LLAGAS RD	MORGAN HILL	CA	95037-3413
1110	LLAGAS	Rd	773-32-013	Strolata Properties Llc	999 Franquete Ave	San Jose	CA	95125
14694	SECRETARIAT	CT	779-02-021	MOK, ELEANOR	440 ARDEN AV	BUELLTON	CA	93427
14905	SANTA TERESA BL	779-02-023		BLACKROCK LLC A CALIF LLC	14656 STONEBRIDGE DR	MORGAN HILL	CA	95037
15295	MONTEREY	RD	779-04-072	SUH, KYUNG TRUSTEE	15855 LA PRENDA CT	MORGAN HILL	CA	95037-5672
15090	WATSONVILLE	RD	779-51-055	VAN, HUNG	15090 WATSONVILLE RD	MORGAN HILL	CA	95037-6004
	NO SITUS		779-57-027	CALANDEV LLC	224 AIRPORT PY STE 630	SAN JOSE	CA	95110
16770	MONTEREY	RD	817-01-005	ATES LLC	34695 LOWER TRAIL	CARMEL	CA	93923
16780	MONTEREY	RD	817-01-006	ATES LLC	34695 LOWER TRAIL	CARMEL	CA	93923

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs	APN				CITY/STATE		
16870	MONTEREY	RD	817-01-018	MERINO, GEORGE F TRUSTEE & ET	2501 FOREST AV	SAN JOSE	CA 95117-1118
	NO SITUS		817-01-078	LOHREY, DAVID D ET AL	1915 BAKER ST APT 2	SAN FRANCISCO	CA 94115
16685	CHURCH	ST	817-02-001	THAI, MINH QUANG ET AL	60 13TH STN B	SAN JOSE	CA 95112
16495	VINEYARD	BL	817-02-043	TANSY DEVELOPMENT INC	1967 STANWOOD DR	SANTA BARBARA	CA 93103
16470	VINEYARD	BL	817-02-044	TANSY DEVELOPMENT INC	1967 STANWOOD DR	SANTA BARBARA	CA 93103
155	MAST	ST	817-02-050	C & R DEVELOPMENT LLC	0 P O BOX 668	MORGAN HILL	CA 95038
	NO SITUS		817-02-056	LABRUCHERIE, ARMAND R AND	941A BERRYESSA RD	SAN JOSE	CA 95133
	NO SITUS		817-02-057	LABRUCHERIE, ARMAND R AND	0 P.O. BOX 716	MADERA	CA 93639
	NO SITUS		817-02-060	LABRUCHERIE, ARMAND R AND	0 P.O. BOX 716	MADERA	CA 93639
	NO SITUS		817-02-062	LABRUCHERIE, ARMAND R AND	0 P.O. BOX 716	MADERA	CA 93639
215	TENNANT	AV	817-04-059	OSITO HOLDINGS LLC	0 PO BOX 362	MORGAN HILL	CA 95037
240	VINEYARD	CT	817-05-067	BETH-EL BAPTIST CHURCH	0 PO BOX 100	MORGAN HILL	CA 95038-0100
0	RAILROAD	AV	817-05-070	UNION PACIFIC CORPORATION	10031 FOOTHILLS BLVD	ROSEVILLE	CA 95747
0	CONCORD	CL	817-06-028	SINYARD, MICHAEL TRUSTEE	15130 CONCORD CL	MORGAN HILL	CA 95037-0000
15570	MONTEREY	RD	817-06-060	TSUI, SAI YUN AND JOE, SANDRA C	3508 WOODSIDE TR	FREMONT	CA 94539
0	TENNANT	AV	817-08-015	COX, MARIE I TRUSTEE	6698 HAMPTON DR	SAN JOSE	CA 95120-5535
800	TENNANT	AV	817-08-030	D DEVI OIL INC	41805 ALBRAE ST	FREMONT	CA 94538-3120
740	TENNANT	AV	817-08-032	BIEDERMANN ATHUR AND SUSAN	7 MAPLE AVE	ATHERTON	CA 94027-4065
0	JUAN	DR	817-09-038	D & D RANCH	99 ALMADEN BL 565	SAN JOSE	CA 95113-1604
	JUAN	DR	817-09-039	THE HEALTH TRUST	3180 NEWBERRY DR STE200	SAN JOSE	CA 95118
	JUAN	DR	817-09-041	THE HEALTH TRUST	3180 NEWBERRY DR STE 200	SAN JOSE	CA 95118
0	JUAN	DR	817-09-046	D & D RANCH	99 ALMADEN BL 565	SAN JOSE	CA 95113-1604
965 A	SAN PEDRO	AV	817-11-073	965 PEDRO GROVE LLC	1457 EDGEWOOD DR	PALO ALTO	CA 94301-3118

**2019 WEED ABATEMENT PROGRAM
COMMENCEMENT REPORT
CITY OF MORGAN HILL**

Situs		APN			CITY/STATE		
16375	CONDIT	RD 817-13-021	NG, BETTY TRUSTEE & ET A	1835 FRANKLIN	SAN FRANCISCO	CA	94109-3457
1075 A	CONDIT	RD 817-13-022	NG BETTY TRUSTEE & ET AL	1835 FRANKLIN APT 903	SAN FRANCISCO	CA	94109-3457
16275	CONDIT	RD 817-13-024	HSU FAMILY LP ET AL	1401 GRAYWOOD DR	SAN JOSE	CA	95129-4778
0	HILL	RD 817-20-031	LEWIS MORGAN HILL LLC	0 POBOX 5368	SAN JOSE	CA	95150
425	TENNANT	AV 817-29-028	OLIN MATHIESON CHEMICAL CORP	190 CARONDELET PZ STE	ST LOUIS	MO	63105
16290	RAILROAD	AV 817-32-057	MORGAN HILL RECYCLING LLC	15171 LOS GATOS BLVD	LOS GATOS	CA	95032
16715	FOUNTAIN	AV 817-48-060	LANGSTROTH, SACHIKO TRUSTEE &	16715 FOUNTAIN AV	MORGAN HILL	CA	95037-3813
16690	FOUNTAIN	AV 817-48-066	BURGESS, DIANE JEAN	16690 FOUNTAIN AV	MORGAN HILL	CA	95037-3814
16892	GALLOP	DR 817-49-050	MYRELL, BRIDGETT	411 HUMBOLDT PLACE	ONTARIO	CA	91764
2435	SPUR	CT 817-50-051	GALANG, SERVILLANO AND	2435 SPUR CT	MORGAN HILL	CA	95037-3834
16755	RANGER	CT 817-50-068	LEGORE, HAROLD D AND DIANE A	16755 RANGER CT	MORGAN HILL	CA	95037-3827
0	BARRETT	AV 817-57-009	CARLOTTO, JOHN TRUSTEE & ET AL	22076 LIPPENCOTT CT	BURNEY	CA	96013
16693	SAN BENITO	DR 817-59-028	ESQUIVEL-TANCHICO, CLARINA	17310 HENDRY DR	MORGAN HILL	CA	95037-9710
16680	NINA	LN 817-60-024	BUTTERICK, TIM AND ANN	16680 NINA LN	MORGAN HILL	CA	95037-5240
770	SAN PEDRO	AV 817-60-057	705A INVESTORS LLC	15700 WINCHESTER BL	LOS GATOS	CA	95030
2765	CANTOR	DR 817-62-063	HERNANDEZ, EDUARDO A AND	2765 CANTOR DR	MORGAN HILL	CA	95037-3946
0	(LAND ONLY)	825-06-014	GLENROCK BUILDERS INC.	14500 SYCAMORE DR	MORGAN HILL	CA	95037-0000
0	(LAND ONLY)	825-06-015	GLENROCK BUILDERS INC.	14500 SYCAMORE DR	MORGAN HILL	CA	95037-0000

Attachment: Resolution A Commencement List (2147 : 2019 Hazardous Vegetation Abatement

B

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL INSTRUCTING THE SANTA CLARA COUNTY CONSUMER AND ENVIRONMENTAL PROTECTION AGENCY TO ABATE NUISANCES ARISING OUT OF HAZARDOUS VEGETATION GROWING UPON LOTS OR IN FRONT OF PROPERTY IN THE CITY OF MORGAN HILL AS REQUIRED BY TITLE 8, CHAPTER 8.20 OF THE MORGAN HILL MUNICIPAL CODE

WHEREAS, pursuant to Title 8, Chapter 8.20 of the Morgan Hill Municipal Code, the City Council hereto adopted Resolution No. 18-090 declaring hazardous vegetation growing in the City of Morgan Hill to constitute a public nuisance; and

WHEREAS, a Public Hearing was held pursuant to Resolution No. 18-090 and Chapter 8.20 of the Morgan Hill Municipal Code in that time and manner required by law.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morgan Hill authorizes as follows:

1. That the Santa Clara County Consumer and Environmental Protection Agency (Agency) is hereby ordered, to abate the nuisance or cause the same to be abated by having the vegetation destroyed by cutting, disking or any other method as may be determined by the Agency for the following property: APN 729-11-003.
2. That any property owner shall have the right to destroy or remove at his or her expense prior to removal of said vegetation by the Agency.
3. That the Agency shall keep an account of the cost of removing said vegetation, document such account in a report and assessment list, and file the same with the City. Such report shall refer to each separate lot or parcel of land, together with the expense of removal of hazardous vegetation therefrom.

PASSED AND ADOPTED by the City Council of Morgan Hill on this 6th day of February 2019 by the following vote:

COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Date: _____

Rich Constantine, Mayor

Attachment: Resolution B Commencement (2147 : 2019 Hazardous Vegetation Abatement Commencement)

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. XXXX, adopted by the City Council at its meeting held on February 6, 2019.

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

DATE: _____

Irma Torrez, City Clerk

2019 Return Reply Form

HUANG, YING ET AL

IMPORTANT: Please complete this form and mail back to the Weed Abatement Program **within 15 days of receipt of this notice.** Thank you.

TRA: 58-058



HUANG, YING ET AL
688 MISSION CREEK CT
FREMONT CA 94539

274-19-050

Please check the box that
applies for each parcel
(see explanations below):

Parcel Number	Site Address	A	B	C
274-19-050	197 WABASH San Jose	☐	☐	☐

A I am no longer the owner of this property, and the new owner information is listed below. Please return Reply Form immediately.

B I intend to maintain this parcel in a manner consistent with the Minimum Fire Safety Standards from **April 1, 2019 through the end of the fire season (typically runs through October)**. All parcels on the abatement list remain subject to inspection to ascertain compliance. Non-compliance by the deadline will result in an Inspection fee or the abatement of weeds by the County contractor and the resulting charges added to the property tax.

C I request that the County Contractor perform weed abatement work on this parcel. Charges for this work will be added to my property tax bill. **(All County fees Apply)**

Please provide any additional information such as new owners, presence of piping, irrigation, crops or other improvement. If your property is fenced/locked, please provide instructions on how to enter the property. If you are no longer the owner of the property identified by this mailing, please notify the County immediately. If you sell your property after December 1st, 2018, it is your responsibility to notify the new owner and to include the obligation to pay any abatement costs in your agreement of sale. Without taking this action, you will be liable for all hazard abatement charges assessed to the property. Thank you

☐

Please check if you feel this parcel is environmentally sensitive

Signature

Name (please print)

Date

()
Day time phone



Community Services Department
17575 Peak Ave.
Morgan Hill, CA 95037
(408)779-7271
www.morganhill.ca.gov

December 1, 2017

Dear Property Owner:

This package is not junk mail, or a mailing being sent to all property owners. It is being sent to you because your specific property has been included in the City's Weed Abatement Program. The City contracts with the County for program administration.

Please read the attached sheets carefully. Action on your part is requested and failing to act may result in substantial program fees being added to your property tax bill.

I encourage you to contact the County if you have any questions about your property or need on-site advice to help you achieve compliance with the Minimum Fire Standards. They are available to help you. The Santa Clara County Weed Abatement Program can be reached at (408) 282-3145.

Sincerely,

Anthony Eulo

Program Administrator

Attachment: 2019 Mailing Package (2147 : 2019 Hazardous Vegetation Abatement Commencement)

County of Santa Clara

Department of Agriculture and Environmental Management
Weed Abatement Division

1553 Berger Drive
Building 1
San Jose, CA 95112
(408) 282-3145
Fax (408) 286-2460



November 30, 2018

IMPORTANT NOTICE TO ABATE WEEDS

Dear Property Owner:

To protect your property and the surrounding area from possible fire, your jurisdiction contracts with the County of Santa Clara to operate a Weed Abatement Program. You are receiving this notice and information because it has been determined that your parcel is part of this Program. Please read the information carefully and contact us for clarification or additional information.

Your jurisdiction has or will adopt a resolution declaring your property as one that may contain fire hazards from weeds or other debris. Following this action, your jurisdiction will be conducting a public hearing to consider an abatement order requiring you to remove any hazardous vegetation or combustible debris prior to the deadline in the attached abatement schedule. The public hearing will be held on the date and at the place stated in the attached notice and provides an opportunity for you to raise any objections or concerns with this requirement.

If you believe your parcel includes an environmentally sensitive habitat, please check the box and provide additional descriptive information on the reply form to assist us in determining the best approach to weed abatement at your property.

If, after the public hearing, the Weed Abatement Program is approved for your property, the County is authorized by contract with your city and the California Health and Safety Code sections 14875-14922 to inspect your property to determine whether the property has been cleared of hazards according to Minimum Fire Safety Standards (see enclosed brochure). Inspections will begin after the abatement deadline for your jurisdiction. This notice does not relieve you of your responsibility to complete the necessary work prior to the deadline for your jurisdiction. You will be responsible for an annual fee of \$80 to cover the cost of this compliance inspection.

If you fail to complete the abatement work prior to our inspection of your property, you will be responsible for an inspection fee of \$495 per parcel, and your property will be scheduled for abatement by the County contractor. If you complete the abatement work before the County contractor, you will not incur further charges. You will be assessed a County administrative fee of \$806 per parcel plus the County's cost of abatement if the County completes this work.

The County will use the least costly method of abatement considering the physical characteristics of your property and environmental concerns. Fees are detailed in the attached price list. The total amount will be included as a special assessment on your property tax bill following confirmation of the charges by your jurisdiction (your city or the County if parcel is not in a city). Notice of the date of that meeting will be posted at a location determined by your jurisdiction (typically at the Civic Center) at least three days prior to the meeting.

Board of Supervisors: Mike Wasserman, Cindy Chavez, Dave Cortese, Ken Yeager, S. Joseph Simitian
County Executive: Jeffrey V. Smith

Attachment: 2019 Mailing Package (2147 : 2019 Hazardous Vegetation Abatement Commencement)

You can avoid all costs, other than the annual compliance fee, by completing the abatement work yourself according to Minimum Fire Safety Standards (see enclosed brochure) prior to the abatement deadline for your jurisdiction and maintaining the Minimum Fire Safety Standards for the duration of fire season, which typically runs through October. Parcels will be removed from the program after three consecutive years of voluntary compliance (work completed by property owner prior to the deadline).

In preparation for this program, please complete and return the enclosed Reply Form so we are notified of your plans for abating your property.

If you designate in your reply that you intend to abate the weeds yourself, you need to complete the abatement before the deadline listed on the abatement schedule and maintain fire safe conditions for the duration of the fire season. Responding that you intend to provide maintenance yourself does not release you from this responsibility to have the maintenance *completed* before your deadline and *repeated* as necessary to maintain Minimum Fire Safe Standards. The County will proceed to abate hazardous vegetation as necessary after the deadline for your jurisdiction.

Enclosed you will find the following information:

- ✓ **A Reply Form specific to your property. Please complete and return promptly.**
- ✓ **A Notice to Destroy Weeds informing you of an upcoming public meeting that you must attend if you have any objections to the proposed removal of hazardous vegetation or debris from your property.**
- ✓ **A Weed Abatement Program Schedule for your city and a current County price list.**
- ✓ **A Brochure about the Santa Clara County Weed Abatement Program.**

Please be aware that any abatement performed by the County must be in compliance with all applicable environmental protection regulations. If your property falls within an area designated as possible habitat for burrowing owls or any other protected species of bird or animal, the methods used to remove vegetation may be regulated by specific laws or local ordinances.

If you are no longer the owner of the property identified by this mailing, please notify the County immediately at (408) 282-3145. If you sell your property after the date of this letter, it is your responsibility to notify the new owner and to include the obligation to pay any abatement costs in your agreement of sale. Without taking this action, you will be responsible for all hazard abatement charges assessed to the property.

Our goal is voluntary compliance with the Minimum Fire Safety Standards, and it is our objective to ensure that all properties remain safe from fire. If you have any questions about your property or need on-site advice to help you achieve compliance with the Minimum Fire Standards, please call the Santa Clara County Weed Abatement Program at (408) 282-3145.

Sincerely,

DocuSigned by:

23BC95461D52437...
Jo Zientek, Director
Consumer and Environmental Protection Agency

Attachment: 2019 Mailing Package (2147 : 2019 Hazardous Vegetation Abatement Commencement)

Notice to Destroy Weeds

NOTICE IS HEREBY GIVEN that on December 5, 2018, pursuant to the provisions of Section 8.20.030 of the Morgan Hill Municipal Code, the City Council of said City passed a resolution declaring that all weeds growing upon any private property or in any public street or alley, as defined in Section 8.20.010, constitute a public nuisance, which nuisance must be abated by the destruction or removal thereof.

NOTICE IS FURTHER GIVEN that property owners shall without delay, remove all such weeds from their property, and the abutting half of the street in front and alleys, if any, behind such property, and between the lot lines thereof as extended, or such weeds will be destroyed or removed and such nuisance abated by the City authorities, in which case the cost of such destruction or removal will be assessed upon the lots and lands from which, or from the front or rear of which, such weeds shall have been destroyed or removed; and such cost will constitute a lien upon such lots or lands until paid, and will be collected upon the next tax roll upon which general municipal taxes are collected. All property owners having any objections to the proposed destruction or removal of such weeds are hereby notified to attend a meeting of said City to be held in the Council Chambers of the City of Morgan Hill located at 17555 Peak Avenue, Morgan Hill, California, on **Wednesday, February 6th, 2019, at 7:00 p.m.**, or as soon thereafter as the matter can be heard, when their objections will be heard and given due consideration.

The language and format for this notice is required by California Health and Safety Code Sections 14891 Et. Seq.

MORGAN HILL WEED ABATEMENT PROGRAM SCHEDULE

February 6, 2019	Public hearing to consider objections to Abatement List.
May 1, 2019	<u>PARCEL ABATEMENT DEADLINE</u> Parcel must be free from hazardous vegetation by this date or Inspector will order abatement.
July/August 2019	Assessment Hearing date to be scheduled by City Council.

2019 COUNTY WEED ABATEMENT FEES

Properties in the Weed Abatement Program, you will be responsible for an annual inspection fee of \$80.00 per parcel.

Please be advised that the property owner of any parcel found to be non-compliant on or after the March 1st deadline will be charged a processing fee of \$495.00 and the property will be scheduled for abatement by the County contractor. If you complete the abatement work before the County contractor performs the abatement, you will not incur further charges. Should the abatement work be performed by a County contractor, you will be assessed the contractor's charges plus a County administrative fee of \$806.00 per parcel.

2019 COUNTY CONTRACTOR'S WEED ABATEMENT PRICE LIST

A) Disc Work**

PARCEL SIZE:	1 st Disc	+	2 nd Disc	=	Total Discs
0-12,500 sq.ft.	<u>\$296.00</u>		<u>\$119.00</u>		<u>\$415.00</u>
12,501sq.ft.- 43,560sq.ft.	<u>\$296.00</u>		<u>\$119.00</u>		<u>\$415.00</u>
Larger than 1 Acre	<u>\$215.00</u>		<u>\$105.00</u>		<u>\$320.00</u> (PER ACRE)

** It is required that parcels be disced twice a year. The cost for the first discing is higher due to additional work normally required during the first discing.

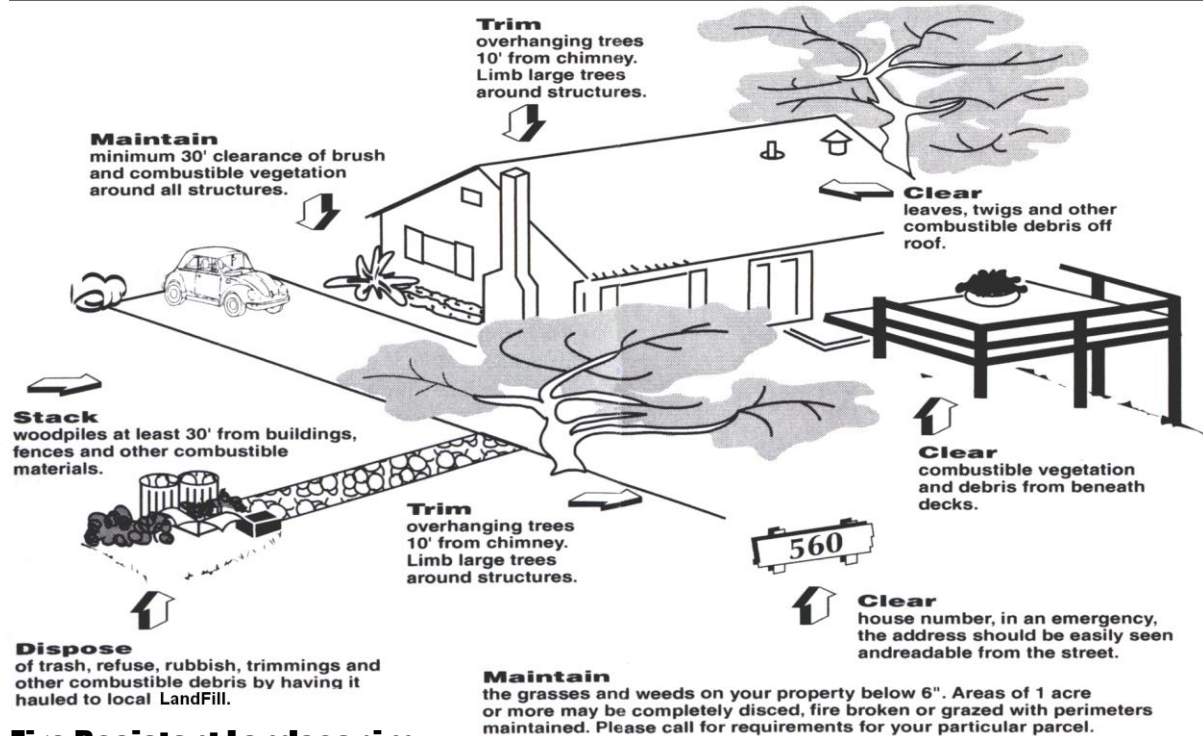
B) HANDWORK	<u>\$3.82 PER 100 sqft</u>
C) FLAIL	6 Foot Mower <u>\$5.10 PER 1000 sqft</u>
MOWING	12 Foot Mower <u>\$5.10 PER 1000 sqft</u>
D) LOADER WORK	<u>\$149.00 PER HOUR</u>
E) DUMP TRUCK	<u>\$65.00 PER HOUR</u>
F) BRUSH WORK	<u>\$8.00 PER 100 sqft</u>
G) BOOM MOWING	<u>\$8.57 PER 1000sqft</u>
G) DUMP FEE	<u>100%</u>

Added to orders with debris removal at 100% of the dump site charge.

***Please note this program does not offer herbicide application as a method of abatement.**

MINIMUM FIRE SAFETY STANDARDS

1. **Vegetation must not exceed 6 inches in height any time after the compliance deadline.**
2. Maintain grasses and weeds below 6 inches for 10 feet horizontally on both sides of all roadways, including driveways and access routes. Roads and Driveways must maintain a clearance of 10' W by 13'6" H for all vegetation
3. Clear flammable vegetation a minimum of 30 feet around any structure, occupied or not. Ornamental vegetation should be kept clear of dead material. Some conditions, such as slopes, may require up to a 100-foot clearance.
4. Parcels one acre or less shall be completely abated. Parcels over one acre up to five acres require 30-foot clearance around structures and perimeter property lines. Additional 30-foot cross fuel breaks may also be required.
5. Parcels larger than five acres require 30-foot clearance around structures and perimeter property lines in addition to 30-foot cross fuel breaks as needed to separate the remaining vegetation into sections no larger than five acres.
6. Keep property clear of accumulation of combustible debris, such as trash, wood, and dead vegetation. Stacked firewood and neatly piled yard waste is not considered to be combustible debris.
7. Keep vegetation cleared from under the eaves of houses.
8. Trim tree branches to at least 10 feet away from chimney.
9. Clear leaves, pine needles and debris from roof and gutters.



Fire Resistant Landscaping

The following is a partial list of fire resistant plants that you may choose to use around your home to reduce the risk of fire. Contact your local nursery for selections appropriate to your area. All grasses, including those purportedly fire resistant, must be maintained below 6" in height.

Trees:

African Sumac
California Pepper

Shrubs:

Bearberry
Carmel Creeper
Carolina Cherry
Catalina Cherry

Escallonia

Hopseed Bush
Lemonade Berry

Groundcover:

Aaron's Beard
Australian Daisy
Candytuft
Sterile Capeweed

Freeway Daisy

Rock rose (except Gum
Variety)

Fire Safety Through Vegetation Management

Santa Clara County

Consumer and Environmental
Protection Agency

Weed Abatement Program



1553 Berger Drive #1

San Jose, Ca 95112

Phone (408) 282-3145

Fax: (408) 286-2460

SCC.WeedAbatement@cep.sccgov.org

The Santa Clara County Weed Abatement Program

The Santa Clara County Department of Agriculture and Environmental Management and your city are working together to protect your community from fire. We need your help. Please read and follow the directions provided in this brochure regarding fire prevention on your property. The purpose of the Weed Abatement Program is to prevent fire hazards posed by vegetative growth and the accumulation of combustible materials.

The Weed Abatement program is entirely funded from fees charged to residents. Fees will be assessed for any property in the program. This is to cover the cost of the compliance inspection for the property. Properties that fail the compliance inspection will be charged a failed inspection fee, even if the resident completes the weed abatement. If the property requires abatement by the County contractor, the property owner will be responsible for the actual cost of abatement plus an administrative fee. Properties that meet and maintain the minimum fire safety standards will not be charged other than the annual fee.

Program staff annually inspect parcels at the beginning of the fire season, which is typically in March or April depending on your jurisdiction. If the parcel is not in compliance at the time of inspection, the property owner will be charged a failed inspection fee, and the owner will be sent a courtesy notice as a reminder to abate the weeds. If the weeds are not abated by the property owner, the work will be completed by the County contractor. The property owner will pay the contractor's fees plus a County administrative fee. All fees will be included in your property tax bill.

Our Goal Is Voluntary Compliance

Property Owner's Responsibilities

- Do not allow a fire hazard to exist on your property. The Minimum Fire Safety Standards (MFSS) in this brochure give you guidelines to follow in order to maintain your property and protect against a fire hazard. **Please contact our office if you need guidance or have any questions regarding the requirements!**
- Make arrangements to have your property maintained throughout the year. Contractors can be found in the yellow pages. You may choose to have the County contractor maintain your property. A current price list is included in your packet.
- Please complete and return the Reply Form provided in your mailing packet by the date on the form. Indicate your preference regarding performance of weed abatement services.

Program Staff Responsibilities

- Weed Abatement Inspectors will perform periodic inspections on all parcels included in the Santa Clara County Weed Abatement Program. Properties that fail the compliance inspection will be charged a failed inspection fee, even if the resident completes the weed abatement.

- Inspectors will order the County contractor to perform all necessary abatement work on any parcel where the MFSS are not met. An attempt will be made to give the owner a courtesy notice prior to releasing the work order.
- The County contractor uses several methods of abatement including discing and handwork. The property owner is free to select whatever method they choose, provided the MFSS of all federal, state and local laws are met.
- The Weed Abatement Program will place inspection costs and the charges for County contractor services plus a County administrative fee on the property owner's tax bill during the next fiscal year.

Burrowing Owls

These small owls nest in abandoned ground squirrel burrows. Discing collapses the burrows and kills the young. These owls are listed as a state Species of Special Concern and are protected by the federal Migratory Bird Treaty Act. If you suspect burrowing owls on your property you **must** use another form of weed abatement such as mowing or weed-eating. If you request the County perform abatement services, please notify program staff or your City if burrowing owls are known to exist on your property.

Frequently Asked Questions

Q. Why have I received an Abatement Notice?

A. Typically, a property is placed on the program if a Weed Abatement Inspector identified a potential fire hazard on the property. Fire Departments and other agencies also submit complaints to the Weed Abatement Program.

Q. What is required of me now that I am in the Program?

A. All property owners are required to maintain their property free of fire hazards throughout the year.

Q. The grasses planted on my property are fire resistant. Are they exempt from the Weed Abatement program?

A. No. Even grasses that possess some fire resistant qualities are not fire proof, and they can add fuel to any site that is subject to a fire. Additionally, fire resistant grasses are rarely found in a pure, homogenous stand but rather are usually found to occur mixed with other common introduced annual grasses that are highly flammable and hazardous in a fire event. Finally, many grasses occur in Santa Clara County and species identification is difficult in the field, especially after the spring when the reproductive portions required for identification have dried and dispersed. Weed Abatement Inspectors can only focus on the presence of grasses and weeds on your property and the Minimum Fire Safety Standards, and not on grass species identification. Therefore, all grasses are required to be below 6 inches in height.

Q. What is the SC County Weed Abatement Program?

A. This is a monitoring program and our primary objective is voluntary compliance. See the first two paragraphs of this brochure for further specifics.

More FAQ:

Q. How long will I be on the Program?

A. Your property will remain on the Program for three years. If no hazards are found during that time, your property may be removed from the program.

Q. How much will this cost me?

A. There will be an annual fee to cover the cost of the compliance inspection. If the parcel does not meet the MFSS when it is first inspected in the spring, or if work is required by the County contractor, you will be charged additional fees. Our goal is to ensure that the MFSS are met at the lowest possible cost to the property owner.

Q. How will I be billed?

A. Any charges for the inspection and any abatement work performed will appear as a special assessment on your next property tax bill.

Q. Why have you performed work on my property while the vegetation is still green?

A. Grass, weeds or piles of combustible debris have been declared a public nuisance by your jurisdiction. Abating fire hazards in the spring minimizes the volume of combustible material before the hazards increase and dries out completely during the peak fire season.

Q. Will you notify me prior to beginning abatement work?

A. Property owners are responsible for preventing fire hazards on their property. If the MFSS have been met, but further work is necessary, you will receive notice prior to the County contractor performing the work. If the MFSS have **not** been met, an attempt will be made to give the owner a courtesy notice prior to initial abatement.

Q. Where can I find someone to provide abatement services?

A. Weed Abatement contractors can be found in the Yellow Pages under "Weed Control Services" or "Discing Services". You may have the County contractor perform the necessary work; see your mailing packet for a current price list as administrative costs are charged.

Q. How can I get additional information or assistance regarding the specific requirements for my property?

A. Weed Abatement Inspectors are available to assist you and answer your questions. Please call our Customer Service line at (408) 282-3145 to schedule a consultation with program staff or to obtain additional information.

Q. I have Grazing Animals do I need to perform abatement?

A. Grazing animals do not absolve you of your responsibilities to provide a fire safe condition on your property. You will need to check with our office to determine if grazing is adequate or if additional work is required.



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Chris Ghione, Public Services Director
APPROVED BY: City Manager

RECEIVE CAPITAL IMPROVEMENT PROJECT UPDATE

RECOMMENDATION(S)

Receive an update on City Capital Improvement Projects.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety
Protecting the Environment
Maintaining Fiscal Responsibility
Supporting Our Youth
Seniors
and Entire Community
Preserving Our Cultural Heritage

2018 Strategic Priorities

Economic Development and
Telecommunications
Infrastructure
Regional Initiatives

GUIDING DOCUMENTS

Bikeways
Trails
Parks and Recreation Masterplan
Sewer System Master Plan
Station Area Master Plan
Vision Zero
Water System Master Plan

REPORT NARRATIVE:

In late 2018, Council Members requested a general update on the City's Capital Improvement Projects. This report is designed to provide a brief update on all approved Projects within the current Capital Improvement Program. The update outlined in Attachment 1 provides brief update information on each project. The Capital Improvement Program is available online as part of the City Budget Document.

COMMUNITY ENGAGEMENT: Inform

This report is informational in nature and serves to inform the community of project status.

ALTERNATIVE ACTIONS:

There is no alternative action to receiving the report. The Council may wish to provide staff direction on specific projects or the Capital Improvement Program in general.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council adopted the Fiscal Year 2018-19 through 2023-24 Capital Improvement Program on June 6, 2018.

FISCAL AND RESOURCE IMPACT:

There is no fiscal impact associated with receiving this report.

CEQA (California Environmental Quality Act):

Not a Project.

Varying levels of environmental review are required for the various capital improvement projects outlined in this report. Since receiving this update report is an administrative program that in itself will not result in a change to the physical environment, this action is not a project under the California Environmental Quality Act.

LINKS/ATTACHMENTS:

1. Attachment 1 CIP Update
2. Capital Improvement Program (web link)
3. 19 CIP Project Update Presentation

Attachment 1 - Capital Improvement Project Update

Parks, Recreation, Open Space	
Project Name: Borello School/Park Project Status: Delayed	Project Update: The Borello School/Park would utilize City Park Impact Funds to support jointly constructing a School/Park on the School District Property on Peet Road. A joint-use/funding agreement would be required for the project. The project is currently delayed due to pending litigation relating to the School District's plans for mitigation of soil issues on the site. The timeframe for resolution is unknown at this time, although a ruling is anticipated in the coming months.
Project Name: Park Land Purchase and Development Project Status: Planning	Project Update: No planned park land purchases are funded until FY 2022-23. Staff continue to evaluate options for future parkland including acquisition through development. Recently, Proposition 68 has resulted in the State authorizing the issuance of bonds for a significant amount of competitive park grants. City staff is evaluating these grant opportunities, but the City must also evaluate the operational funding needs should park acquisition or development funds become available. City staff intends to bring these policy questions to the City Council in early 2019.
Project Name: West Little Llagas Creek Trail Project Status: In Progress On Schedule	Project Update: This project will move forward immediately following the construction of the Water District's Upper Llagas Creek Flood Control Project occurring south of Watsonville Road to Silveira Lake. The City has been awarded over \$500,000 in grant funding for this project and intends to design and build the project as early as possible. The City has an approved joint-use agreement and recreational access easements with the Water District and construction on the Flood Control Project south of Watsonville Road is scheduled to go out to bid in the coming months.
Project Name: Madrone Channel Trail Improvements Project Status: Flexible Schedule Based on Grant Funding	Project Update: The Madrone Channel Trail is planned to primarily utilize grant funding for construction of a paved path on the existing joint use pathway adjacent to Highway 101 and the Madrone Channel. A grant funding resolution has been requested by the City Council, to apply for Water District funds for the first phase of this project.
Project Name: El Toro Trail Project Status: In Progress	Project Update: In 2017, the City provided funding to the Santa Clara County Open Space Authority (OSA) for the purchase of property off West Main Avenue. The Open Space Authority is leading engagement with the residents of this area as a precursor to a potential neighborhood access point. The City and OSA are actively working to identify and acquire property and easements to create a primary access and parking area for the trail near Spring and Dewitt Avenues.

Project Name: Inclusive Playground Project Status: In Progress On Schedule	Project Update: The concept design for the Magical Bridge Morgan Hill Playground was approved by the City Council in December 2018. Fundraising is still actively being pursued. The project will be out to bid in the Spring of 2019 with construction commencing in the Summer.
Project Name: Centennial Recreation Center Project Status: In Progress On Schedule	Project Update: This project is scheduled to go out to bid in the Spring of 2019. The Council has approved concept designs, but the project cost estimates are high, and bids are anticipated to be very close to budget estimates. City staff will provide alternative options for funding if necessary, once the project is bid.
Project Name: Agricultural Preservation Project Status: In Progress	Project Update: The City continues to identify opportunities to acquire agriculture easements in support of the Agriculture Preservation Policy. The City has acquired 10 acres on Maple Avenue and is working on finalizing the agricultural easement on this property. The City is also in negotiations to acquire a 20-acre easement on Hill Road. On December 5, 2018, the City Council authorized the acquisition of a 33-acre easement on the Fountain Oaks Ranch. City staff continues to look for future opportunities for agricultural easements, while discussing partnership opportunities with regional partners.
Project Name: Community Garden Project Status: In Progress On Schedule	Project Update: On December 19, 2018, the City Council awarded a project for constructing the major components of the new Community Garden site, located off Railroad Avenue near the Butterfield overpass. The local Morgan Hill Community Garden volunteers will also be assisting with development of the site over the next year. Funding for the construction was provided by a grant from the Santa Clara Valley Open Space Authority.
Project Name: Tree Planting/Urban Forestry Management Plan Project Status: In Progress On Schedule	Project Update: Funding for this program was solely through a grant from CAL FIRE. The tree planting component has already commenced on both public and private property. City staff have been working with a group of community members, partners, and experts on the development of the Urban Forestry Management Plan, which will be presented to the City Council for review in 2019.

Project Name: Villa Mira Monte Improvements Project Status: In Progress On Schedule	Project Update: In Fiscal Year 2017-18 the City provided funding of \$206,000 for various improvements and repairs at Villa Mira Monte. To date the Historical Society has utilized \$64,000 in funding towards fencing/gates and video surveillance systems at the site. The remaining \$142,000 is designated for repairs for which the Historical Society plans to begin implementation in the coming months. The City is currently identifying a consultant to evaluate the current Villa Mira Monte site Master Plan in relation to the long-term fiscal sustainability of the site. Funding for design of the Master Plan is allocated in Fiscal Year 2019-20.
Project Name: Butterfield Connector Path Project Status: In Progress Behind Schedule	Project Update: This project is a \$1.9 million grant funded project that will connect the multi-use path on the east side of Butterfield Boulevard from San Pedro Avenue South to Railroad Avenue and the new Community Garden site. Currently the project is in the design phase and will be bid in the Spring of 2019 for construction to commence in the Summer of 2019. The project design is approximately six months behind schedule due to limited staffing resources needed for implementation.
Project Name: Sports Facility Development Project Status: Planning	Project Update: There are currently no projects budgeted for Fiscal Year 2018-19. In Fiscal Year 2019-20 there is funding allocated for a feasibility study for sand volleyball courts and improvements at the Outdoor Sports Center.
Project Name: Park Enhancements Project Status: In Progress On Schedule	Project Update: This project allocates \$40,000 to add shade to a park area within the City in Fiscal Year 2018-19. Staff is currently developing a list of priority locations for this addition.

Public Facilities	
Project Name: New Fire Stations Project Status: Planning	Project Update: The new Fire Station must be constructed by 2024 for the City to retain the selected site on Butterfield Blvd. However, several policy questions remain relating to fully funding construction of the station and funding the operations. Design will need to be complete in early 2022 to allow for adequate time for construction and any potential delays.
Project Name: Library Expansion Project Status: In Progress Behind Schedule	Project Update: The City Council approved a revised concept design in October 2018, after receiving bids much higher than the available budget. The project is scheduled to go out to bid in the Spring of 2019 with construction scheduled to commence in the Summer.
Project Name: Corporation Yard Long Term Planning Project Status: In Progress On Schedule	Project Update: The City partnered with the Morgan Hill Unified School District to issue a request for proposals for a space study to identify current and future needs for the School District and the City. Proposals were received in December and will be brought to the Council in February for final consultant selection.
Project Name: Citywide Fiber Network Infrastructure Project Status: Planning	Project Update: Currently City staff are working with a consultant to develop the scope for a request for proposals to develop a connectivity master plan for City facilities. In addition, the City has assets (buildings, conduits, parcels of land, access to the right-of-way, etc.) that could be leveraged to incentivize investments in high speed connectivity to new and existing business parks and potentially to residents. While the request for proposals will look to comprehensively address the short-term needs to connect City facilities, the intent is to also use the RFP to leverage opportunities to have a greater impact for businesses and residents. The request for proposals is anticipated to be issued in the spring of 2019.

Storm Drainage	
Project Name: Storm Pipe Installation Project Status: Planning Behind Schedule	Project Update: For Fiscal Year 2018-19, planned improvements include the installation of a concrete base at the Monterey Road Box culvert to prevent erosion. This project will likely be delayed until Fiscal Year 2019-20 as staff focus on higher priority projects.
Project Name: Llagas Flood Control Project Status: Planning On Schedule	Project Update: This project has been established to support the Upper Llagas Creek Flood Control Project managed by the Santa Clara Valley Water District. The City funds will be used to support the development of City owned infrastructure as the project develops. The project is critical to alleviating the regular flooding that occurs in Morgan Hill. City staff intends to bring a design contract for City infrastructure to the Council in early 2019.

Streets and Roads	
Project Name: Intersection Improvements Project Status: No Projects this Fiscal Year	Project Update: No projects are scheduled for FY 2018-19 due to funding limitations associated with the Hale Avenue Project property acquisitions.
Project Name: Pavement Rehabilitation Project Project Status: In Progress On Schedule	Project Update: With SB1 and City Funding, the City was able to rehabilitate Sutter Boulevard and Hill Road in 2018. The next pavement rehabilitation project will include Monterey North of Cochrane and other areas. The project scope is in development for work to occur in the Summer of 2019, but the exact size of the project will be dependent on the potential release of Measure B funding. City staff intends to bring a pavement update report with details on the proposed improvements to the Council in February.
Project Name: Downtown Safety Improvements Project Status: Design	Project Update: This project includes the installation of flashing pedestrian activated lights on Monterey Road at Fifth Street and First Street. The project is currently in the design phase and construction should occur prior to the end of this Fiscal Year.
Project Name: Citywide Pedestrian Improvements Project Status: Planning Behind Schedule	Project Update: This project provides funding for pedestrian safety improvements throughout the City. The funding will support the installation of pedestrian activated lighting at crosswalks or other improvements. Staff spent a significant amount of time in the planning process identifying areas for these improvements for a very large Safe Routes to School Grant that was not received. Over the next few months, City staff will work to review utilizing City funds for many of the enhancements outlined in the grant study
Project Name: Hale Avenue Extension Project Status: Design Land Acquisition On Schedule	Project Update: The City has completed the majority of the land acquisition necessary for this project. Two properties are currently being acquired through eminent domain. City staff are finalizing the project design to be ready for bidding Spring of 2019. Bidding will be dependent upon the release of Measure B Funding and the City being awarded that funding from the County and Santa Clara Valley Transportation Authority. City staff are actively engaging County and VTA staff to request priority and additional funding needed for the project. It is estimated the project will require \$14.5 million in funding for construction.

Project Name: RDCS School Safety Improvements Project Status: Planning	Project Update: The two major projects this Fiscal Year identified were improvements adjacent to Britton Middle School and Nordstrom Elementary School. City and District Staff recently outlined timing of Britton Middle School construction and are developing a phasing plan for the off-site improvements that works timing wise with the school construction. Improvements will include traffic safety improvements on Central Ave, sidewalk improvements on all surrounding streets, and undergrounding of utility lines. The District will not begin construction of the Nordstrom School improvements this Fiscal Year, so the related traffic safety improvements will be delayed until the time the school improvements move forward. City staff spent a significant amount of time in the planning process identifying areas for school safety improvements for a very large Safe Routes to School Grant that was ultimately not awarded to the City. Over the next few months, City staff will work to review utilizing City funds for many of the enhancements outlined in the grant study.
Project Name: Assessment District Streets Project Status: Planning	Project Update: There are currently no projects budgeted for Fiscal Year 2018-19 and there is no update on this project.
Project Name: Parking Lot Maintenance and Rehabilitation Project Status: Complete for FY 2018-19	Project Update: This project has been completed for Fiscal Year 2018-19 and included the sealing of the parking lot at the Outdoor Sports Center and the existing Butterfield Linear Path.
Project Name: Sidewalk Repairs Project Status: Planning/Design On Schedule	Project Update: The annual sidewalk repair project will occur in the Spring/Summer of 2019. This project is Citywide in nature and will replace and repair damaged sidewalks throughout the City.
Project Name: Cochrane Road Green Bike Lane Striping Project Status: Design/Planning On Schedule	Project Update: This grant funded project is currently in the design/permit phase. Staff intend to bid the project with the annual Pavement Rehabilitation Project, since the project will require the pavement to be sealed before the striping is applied.

Project Name: Main Avenue Bike Lane & Sidewalk Project Project Status: In Progress Land Acquisition Behind Schedule	Project Update: This project has received grant funding and is in the design phase. The project requires the acquisition of right of way from private property owners. Initial outreach to the property owners has been initiated. Land acquisition for this project is taking longer than anticipated and delaying the project. Staff expects the project to get underway this summer.
---	---

Wastewater	
Project Name: Sewer System Repair and Replacement Project Status: Completed for FY 2018-19 Unfunded for Future Years	Project Update: This project is intended to be an annual project that funds repairs to the existing wastewater system, including repairs and replacements relating to regulatory compliance. Although the project is unfunded, the City is currently undergoing a rate study that will identify the additional funding needs to perform the required maintenance. It is anticipated that after review of the rate study, the City will develop a plan to finance the initial compliance related repairs over the next several years. The Wastewater Rate Study is anticipated to be presented to the City Council in late February 2019.
Project Name: Vault Lining Project Project Status: Completed	Project Update: The final acceptance of this project occurred at the December 5, 2018 City Council Meeting.
Project Name: Trouble Spot Evaluation and Repair Project Status: Completed Closeout Underway	Project Update: With Funding from Fiscal Year 2017-18 this project addressed areas across the City that were identified as allowing infiltration and inflow into the wastewater system. This project has been substantially completed and will be formally accepted in the coming months. For Fiscal Year 2018-19, the project will repair several deteriorated pipes within the wastewater system. The project is currently in the design phase.
Project Name: East Dunne and Tennant Sewer Mains Project Project Status: Design Behind Schedule	Project Update: The Tennant Avenue portion of the project was planned for construction in Fiscal Year 2018-19. Design and permitting relating to the crossing below the Union Pacific Tracks have delayed the project slightly, but it is planned to be out to bid with construction occurring in 2019.
Project Name: Sewer Plant Expansion Project Status: Design/Planning	Project Update: This project is owned and managed by the South County Regional Wastewater Authority (SCRWA), with the City of Morgan Hill responsible for 41.9% of costs. SCRWA staff are still in the process of evaluating exact timing of the treatment plant expansion. Design is currently underway. It anticipated that the SCRWA Board will receive an update on cost estimates and timing in early 2019. City staff continue to evaluate financing options for the Plant Expansion along with the new Trunk Line Project. Both projects rely on Development Impact Fees for funding and the timing of the projects would be critical in determining the most appropriate financing strategies for both the projects.

Project Name: Sewer Plant Improvements Project Status: In Progress	Project Update: Like the Plant Expansion, the City is responsible for project costs associated and approved by SCRWA. Current improvement projects include: - Recycled Water Pump Station - Septage Receiving Station - Building Maintenance
Project Name: Lift Station Improvements Project Status: In Progress Design	Project Update: Two lift stations have been renovated and are nearing project closeout (J&W). Two lift station renovations are in the design phase in preparation for bidding (F&K).
Project Name: New Trunk Line Project Status: Design Phase	Project Update: Design of the second trunk line is currently on hold as the staff are coordinating with the City of Gilroy for alignment approval through the City. Gilroy staff intend to seek approval of the trunk line alignment from the Gilroy City Council in early 2019. Once the alignment is approved the exact timing of construction will be determined. In coordination with the Plant Expansion Project, City staff are continuing to evaluate financing options for the two projects. Both projects rely on Development Impact Fees for funding and the timing of the projects would be critical in determining the most appropriate financing strategies for both the projects.
Project Name: Sewer Capacity Improvements Project Status: Planning Behind Schedule	Project Update: This initial plan for the design and construction for the project to occur was in Fiscal Year 2018-19. It is now more likely that the design will occur this year with construction occurring in Fiscal Year 2019-20.
Project Name: Wastewater Planning Project Status: In Progress On Schedule	Project Update: Wastewater Planning for the Fiscal Year 2018-19 calls for an assessment of the City's existing trunk line to the SCRWA Treatment Plant. A request for proposals was issued in the Fall of 2018 in partnership with the City of Gilroy. Staff intend to bring a consultant agreement for review by Council in the coming months along with a cost sharing agreement with the City of Gilroy.

Water	
Project Name: Water Storage System Improvements – Glen Ayre Tank Project Status: Planning	Project Update: This project is currently not budgeted until Fiscal Year 2020-21.
Project Name: Water Storage System Improvements – Woodland Tank Project Status: Planning	Project Update: This project is currently not budgeted until Fiscal Year 2021-22.
Project Name: New Water Mains Project Status: In Progress Behind Schedule	Project Update: Design on this project has been delayed due to higher priority projects. The project will likely occur in Fiscal Year 2019-20.
Project Name: Water Pipeline Repair and Replacement Project Status: Planning	Project Update: There is no funding for this project in Fiscal Year 2018-19, with projects currently planned for Fiscal Year 2019/20 and the years following.
Project Name: Holiday Lake Improvements Project Status: Design	Project Update: Funding to construct the new tank on East Dunne Avenue and associated infrastructure is not anticipated to be available until Fiscal Year 2021-22. City staff are working to complete the design work to have the project ready should funding become available sooner.
Project Name: Water Supply Facility Improvements Project Status: In Progress Design	Project Update: Replacement of fixed generators is planned for Fiscal Year 2018-19 and currently in the design phase.

Project Name: Reservoir Recoating Project Status: Planning	Project Update: This project is currently not budgeted until Fiscal Year 2020-21.
Project Name: El Toro Tank Improvements Project Status: Planning	Project Update: This project is currently not budgeted until Fiscal Year 2019-20.
Project Name: Holiday Tank Repair #2 Project Status: In Progress	Project Update: City staff are working to identify appropriate contractors to make this repair. Bidding is anticipated to occur in the Spring of 2019.
Project Name: Water Planning Project Status: Planning	Project Update: There are no Water Planning projects scheduled for Fiscal Year 2018-19. Water supply planning projects are anticipated and funded for Fiscal Year 2019-20.
Project Name: Well Demolition and Abandonment Project Status: Planning	Project Update: This project is currently not budgeted until Fiscal Year 2020-21.
Project Name: New and Replacement Well Projects (Fiscal Year 2017-18) Project Status: Construction	Project Update: In Fiscal Year 2017-18, the City worked on new well projects to replace the existing Boys Ranch 2 and Jackson wells along with the construction of a new well on Main Avenue. These projects remain under construction, with the City staff and consultants having to provide considerable extra work in efforts to remove bacteria from the wells to finalize the projects. City staff will be returning to Council in early 2019 with an update on the progress on the well construction.



Capital Improvement Project Update

Item 19



Parks, Recreation & Open Space

- Borrello School/Park – Delayed
- WLLC Trail – In Progress
- El Toro Trail – In Progress
- CRC Expansion – In Progress
- Community Garden – In Progress
- Butterfield Path - Behind Schedule

Public Facilities & Storm

- New Fire Station – Planning
- Library Expansion – In Progress
- Corporation Yard Planning – In Progress
- Citywide Fiber Network Infrastructure – In Progress
- Flood Control Project Support – In Progress

Streets & Roads

- Pavement Rehabilitation – In Progress
- Downtown Safety Improvements – In Progress
- School and Pedestrian Safety – Behind Schedule, but in Progress
- Hale Avenue Extension – In Progress

Water and Wastewater

- Sewer Repair and Replacement – Funding Needed
- Tennant Sewer Main – Behind Schedule
- SCRWA Plant Expansion – Design
- New Trunk Line - Design
- Well Projects – Behind Schedule
- Holiday Improvements/Reservoir Project – Design

Questions?





CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Donald Larkin, City Attorney
APPROVED BY: City Manager

PROVIDE DIRECTION REGARDING THE ADOPTION OF A LOBBYIST REGISTRATION ORDINANCE

RECOMMENDATION(S)

Direct the City Attorney to prepare an ordinance requiring registration of paid lobbyists.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Preserving and Cultivating Public Trust

2018 Strategic Priorities

Community Engagement and Messaging

POLICY CONSIDERATIONS:

Should the City Council adopt an ordinance requiring the registration of paid lobbyists?
Are there alternatives to lobbyist regulation, which should be adopted instead of or in addition to a lobbyist registration ordinance?

REPORT NARRATIVE:

Mayor Constantine asked staff to prepare an ordinance regulating paid lobbyists, similar to the ordinance adopted by the City of San Jose. The purpose of this report is to seek direction from the entire City Council regarding the proposed ordinance prior to its introduction.

San Jose's ordinance can be found in Chapter 12.12 of the San Jose Municipal Code (see [link](#)). More information about the San Jose Ordinance can be found [here](#).

In 2012, the League of California Cities published two articles regarding lobbyist registration ordinances. The first article explains the mechanics of lobbyist regulations. That article can be found [here](#). The second article (linked [here](#)) discusses some of the challenges in regulating lobbyist activities. The second article outlines several alternative and/or complementary transparency regulations that may be appropriate for adoption by Morgan Hill either instead of, or in addition to, a lobbyist registration ordinance.

If the City Council directs the City Attorney to prepare an ordinance, the ordinance will be introduced at the February 20th City Council meeting.

COMMUNITY ENGAGEMENT: Inform

Should the Council direct the City Attorney to prepare a lobbyist registration ordinance, the draft ordinance will be distributed to members of the development community in advance of the February 20th City Council meeting.

ALTERNATIVE ACTIONS:

1. The City Council could decide not to regulate lobbyist activities.
2. The City Council could direct the City Attorney to prepare alternative ordinances, including restrictions on *ex parte* communications.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

This item was continued from the January 23, 2019 City Council Meeting.

FISCAL AND RESOURCE IMPACT:

While the drafting of ordinances would require some City Attorney time, these efforts should not impact other tasks. Depending on Council direction, implementation of the ordinances could require significant staff time from the Planning Department and/or City Clerk's Office. Those impacts would be further analyzed in future staff reports. Ongoing costs to carry out implementation and related activities could be recovered through fees.

CEQA (California Environmental Quality Act):

Continuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, or general policy and procedure making are not projects subject to environmental review (except where the policies and procedures may result in a change to the physical environment).



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Christina Turner, City Manager
APPROVED BY: City Manager

UPDATES TO SUSTAINABLE MORGAN HILL AND ONGOING PRIORITIES AND ESTABLISHMENT OF 2019-2020 STRATEGIC PRIORITIES

RECOMMENDATION(S)

Adopt updates to Sustainable Morgan Hill and ongoing priorities and establish the City Council's 2019-2020 Strategic Priorities.

COUNCIL PRIORITIES, GOALS & STRATEGIES

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

REPORT NARRATIVE:

On January 25 and 26, 2019, the City Council held its annual Goal Setting Workshop. The Workshop Agenda (Attachment 1) focused on discussing significant topics with the City Council, reviewing, and updating ongoing priorities, and establishing strategic priorities for two years, 2019-2020.

In 2017, the Council adopted Sustainable Morgan Hill with the elements of healthy environment, a strong economy, and social responsibility, as the organization's guiding principles. In 2018, the City Council discussed the importance of adding safety to the elements of Sustainable Morgan Hill as it is the top priority for the community. In 2019, the Council discussed the vision and changed the ongoing priority of "preserving our cultural heritage" to "preserving our community history." City Council also included "regional initiatives" as an ongoing priority. The Sustainable Morgan Hill document now includes the statement, "Choose Morgan Hill: The City of Morgan Hill is the best community for people to live, work, visit, and operate their businesses," underscoring our commitment to excellence for our community.

After discussing progress on 2018 strategic priorities and assessing potential areas for the next two years, the City Council identified the following strategic priorities for 2019-2020:

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

Attached to the staff report (Attachment 2) is the updated version of Sustainable Morgan Hill, the vision, ongoing priorities, and narrative descriptions of the 2019-2020 strategic priorities.

COMMUNITY ENGAGEMENT: Involve

The City Council Goal Setting Workshop was open to the public, broadcast live on the City's website and channel 17, and recorded for later viewing on the City's website.

ALTERNATIVE ACTIONS:

City Council could decide to make changes to Sustainable Morgan Hill, ongoing priorities, and the 2019-2020 strategic priorities.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council reviews its goals and priorities each year in January and mid-year.

FISCAL AND RESOURCE IMPACT:

Updating Sustainable Morgan Hill, ongoing priorities, and the strategic priorities does not have an immediate fiscal or resource impact. As implementation moves forward, staff will convey to the Council the resources necessary to achieve the desired outcomes in each area.

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.

LINKS/ATTACHMENTS:

1. Goal Setting 2019 Detailed Agenda
2. Sustainable Morgan Hill 2019-2020

CITY OF MORGAN HILL
City Council
Annual Goal Setting Workshop
January 25 & 26, 2019
Agenda

Materials

- ✓ Background Information (*see attached*)
- ✓ PowerPoint presentation (*see attached*)
- ✓ City Council Follow-up/Future Business Items (*see attached*)
- ✓ City Council Appointments to Outside Agencies (*see attached*)
- ✓ 2018 Accomplishments (*see attached*)
- ✓ 2018 Sustainable Morgan Hill (*see attached*)
- ✓ Strategic Priorities Work Plan 2018-2020 Update (*see attached*)
- ✓ Reports - Transportation and Telecommunications (*see attached*)
- ✓ Priorities and Initiatives for Partners (*see attached*)

Friday, January 25th

- | | |
|---|-----------------|
| ❖ Arrival and Breakfast | 8:30am-9:00am |
| ❖ Pledge of Allegiance | |
| ❖ Welcome | |
| (Mayor Rich Constantine and City Manager Christina Turner) | |
| ❖ Introductions | |
| ❖ Preview agenda and format (Christina Turner) | |
| ❖ Public Comment | |
| ❖ Team Building Exercise | 9:30am-10:00am |
| ❖ City Council Policies, Procedures, and Protocols | 10:00am-11:30am |
| <ul style="list-style-type: none"> ○ Post campaign landscape and districting ○ Identify City Council norms ○ CP-97-01 Rules for the Conduct of City Council Meetings | |

City Council Annual Goal Setting Workshop Agenda
January 25 & 26, 2019

- CP-96-01 City Council Placement of Items on the Agenda
- Discuss meetings and workshops (length and frequency)
- Check in on staff reports/presentations
- Council/teammate relations

- ❖ City Council Follow-Up/Future Business Items 11:30am-11:45am
 - Process to add items
 - Review of current list

- ❖ City Council Appointments to Outside Agencies 11:45am-12:15pm
 - Review and make assignments for final adoption on February 6, 2019

- Break for Lunch** 12:15pm-1:00pm

- ❖ Review of 2018 Accomplishments 1:00pm-1:30pm
 - City Council and teammates each identify an accomplishment

- ❖ Prepare for Goal Setting 1:30pm-2:00pm
 - Review 2018 Sustainable Morgan Hill
 - Review 2018 Strategic Priorities Work Plan 2018-20
 - Reports – South County Transportation and Telecommunications
 - Priorities and Initiatives for Partners –
League of CA Cities, Cities Assoc, PERS, HSR
 - Leadership Team visioning

- ❖ 2019 – 2020 Sustainable Morgan Hill 2:00pm-3:30pm
 - Vision
 - Ongoing Priorities
 - 2019 – 2020 Strategic Priorities

City Council Annual Goal Setting Workshop Agenda
January 25 & 26, 2019

❖ Topics for Discussion

- Fiscal Sustainability 3:30pm-5:00pm
 - Budget Update
 - Unfunded Liabilities and Needs
 - Potential Threats to Revenue and/or Expenditures
 - Potential Solutions

Saturday, January 26th

- ❖ Arrival and Breakfast 8:30am-9:00am
- ❖ Pledge of Allegiance
- ❖ Team Building and Recap of Friday's Discussion 9:00am-9:15am
- ❖ Topics for Discussion (see attached Background Info)
 - Agricultural Preservation 9:15am-10:00am
 - Stay ahead provision, transfer development right program, and urban growth boundary
 - Cannabis – consider commercial businesses 10:00am-10:45am
 - Traffic and Vision Zero 10:45am-12:00pm

Break for Lunch

12:00pm-12:45pm

- ❖ Topics for Discussion – continued
(see attached Background Info)
 - Homelessness 12:45pm-1:30pm
 - Affordable Housing 1:30pm-3:00pm
 - Regional Housing Needs Allocation (RHNA), tax allocation funding, The Committee to House the Bay Area (CASA), Residential Development Growth Control System (RDGS)
- ❖ Discussion and Wrap-Up of Ongoing Priorities and Strategic Priorities 2019 – 2020 3:00pm-4:00 pm

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 · Regional Initiatives

2019-2020 STRATEGIC PRIORITIES

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

2019 - 2020 STRATEGIC PRIORITIES:

Agricultural Preservation

The City of Morgan Hill will continue to proactively acquire conservation easements and implement the requirements of the Agricultural Conservation Plan and General Plan policies. Through land use policies and local funding mechanisms, Morgan Hill will diligently conserve agricultural land, encourage active production, create opportunities for locally grown food to be marketed and consumed locally, and preserve these active open areas.

Cannabis

The City of Morgan Hill will evaluate the City's role and receptiveness to cannabis businesses and access. This will include reviewing cannabis ordinances from other agencies, evaluating cannabis use through the lenses of safety and access, and how the presence of cannabis retailers could enhance or detract from our fiscal sustainability.

Community Engagement and Messaging

The City of Morgan Hill will tell our story through outreach and partnering 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. We will continue to develop our connections with our local Hispanic/Latino community, finding best ways to outreach and share important community information.

Economic Development

The Economic Development efforts will focus on implementing the Economic Blueprint strategies and actions intended to foster economic growth by attracting investment, commercial and industrial development, and jobs that will ensure fiscal sustainability and vitality for the community. To convey the "*open for business*" attitude, the Economic Development team is executing a "Choose Morgan Hill" campaign that articulates the value proposition for attracting jobs and commercial investment in the areas of healthcare, innovation, retail, and tourism. *Choose Morgan Hill* is not just a slogan, it's an attitude and an approach with a clear and direct message to the development community and exceptional customer service from City Hall. The economic development effort will focus on business retention and expansion, advancing policies that help guide land use.

2019 - 2020 STRATEGIC PRIORITIES (cont.):

Financial Stewardship

The City will continue to be financial stewards of its assets to ensure long-term fiscal sustainability. The City will closely manage its expenditures to maintain appropriate fund reserves. New revenue sources will be sought, including a revenue measure, to maintain or enhance the level of service as expected by the community and to complete infrastructure projects. The City will engage and partner with the community in understanding the City's financial constraints. All spending considerations will be through the lens of financial sustainability.

High Speed Rail

The City of Morgan Hill will directly advocate for our community's needs through our communications, discussions, and decisions. We will continue to engage the community, the High Speed Rail Authority, our state and federal legislators, and other regional agencies to mitigate negative impacts and convey our positions. We will strongly advocate for High Speed Rail options that will have the least negative impact on Morgan Hill.

Homelessness

The City of Morgan Hill will collaborate with Santa Clara County and the City of Gilroy to continue to build a South County homeless response system that integrates County Safety Net Services and provides rapid response to people in need. The City will continue to employ a balanced approach, offering resources and referrals to services, partnering with the faith-based community, and non-profits to create limited local service points, as well as utilizing code compliance to protect private and public property.

Housing

Morgan Hill will continue improving, preserving, and creating safe, quality, rental and ownership housing in Morgan Hill for residents at all income levels. The City of Morgan Hill will proactively create and preserve affordability through a variety of programs and laws. The City will continue to respond to the new and proposed housing legislations including Regional Housing Needs Allocation (RHNA) and legislative and policy matters driven by the Committee to House the Bay Area (CASA) proposals. To the extent possible, the City will work to reconcile new housing initiatives and legislative mandates with the Residential Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.

2019-2020 STRATEGIC PRIORITIES (cont.):

Infrastructure

The City will review its streets, parks, and public facilities infrastructure needs to quantify the funding gap. The City 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. The City will invest in improvements to its water and wastewater systems to ensure system safety, reliability, and sustainability.

Telecommunications

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 workplan will include reviewing opportunities to leverage City infrastructure improvements to enhance private investment in telecommunications infrastructure, updating the zoning code, designing standards for small cells, developing a master license agreement and encroachment permit process, and implementing a Dig Once Policy.

Traffic/Transportation

Morgan Hill will advocate for South Santa Clara County in regional transportation planning initiatives and actively work with the Valley Transportation Authority (VTA), Caltrain, the County, and the State to enhance service, secure funding for transportation projects and road maintenance, including County Measure B funding for the Hale Avenue extension, increased Caltrain service and preservation of the full functionality of the Downtown VTA/Morgan Hill Transit Center. The City will advocate for electrification of commuter rail from San Francisco to Gilroy. In addition, by completing a cut-through traffic study, Morgan Hill will use the results to inform congestion management options and priorities. The City will implement Vision Zero safety strategies, providing direction for future planning, design, and development of the community. The City will take actions to implement its goal to create a culture that prioritizes safety, creates livable streets, and seeks to eliminate traffic fatalities. Safety of pedestrians, bicyclists, drivers, and passengers is paramount.



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Chris Ghione, Public Services Director

APPROVED BY: City Manager

ACCEPT REPORT REGARDING WASTEWATER SYSTEM NEEDS AND RATE STUDY SCHEDULE

RECOMMENDATION(S)

Receive an update on wastewater system needs and schedule for the upcoming rate study.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Enhancing Public Safety

Protecting the Environment

Maintaining Fiscal Responsibility

GUIDING DOCUMENTS

Sewer System Master Plan

REPORT NARRATIVE:

Background

The intent of this report is to provide background information to the City Council on the City's Wastewater (Sewer) Collection System and issues related to its management. The City operates a sanitary sewer collection system with approximately 160 miles of gravity sewers, over 3,000 manholes, nearly 3 miles of force mains, and 14 lift stations. The sewer lines range in size from four (4) inches to thirty (30) inches in diameter and the piping system includes twenty-six (26) siphons. The City manages day to day operations primarily with City staff, while relying on consultants and contractors to provide expertise in the areas of planning and detailed engineering. The City's collection system moves the City's wastewater south to the South County Regional Wastewater Authority (SCRWA) treatment plant located in southern Gilroy. SCRWA is a joint powers authority formed by the cities of Morgan Hill and Gilroy to collectively treat the wastewater of both cities.

The City owns and operates a wastewater and a water enterprise within the Engineering and Utilities Department. As an enterprise fund, the City funds the operation and management of the system through funding from ratepayers, who typically pay monthly for use of the system. Additions, expansions, and increases in capacity are typically funded through developer impact fees.

In 2017, the City Council approved a Sewer System Master Plan for future repairs and improvements to the City's wastewater system. The Master Plan identified \$57 million in expansion and capacity related improvement projects (impact fee funded) and \$52 million in improvements necessary to repair the City's existing system (ratepayer funded). City staff have determined the impact fee funded projects can likely be funded through the projected impact fees and/or financed through bonding against future impact fees. However, staff have identified a significant shortage in funding to make the needed repairs and improvements to the existing system, which is the primary factor in moving forward with a rate study. This funding shortage was discussed with the City Council during the Fiscal Year 2018-19 and 2019-20 Budget development process and staff informed the City Council that a rate study would be commencing.

Recent Issues

In early 2017, the City's wastewater system was overwhelmed due to significant periods of heavy rain and saturated ground conditions, resulting in spills from the trunk line that delivers Morgan Hill's wastewater to the treatment plant. Ongoing large rain events cause inflow and infiltration (I & I) into the City's sewer system. Immediately following the incident City staff located and repaired several leaks within the system. Since the incident the City has now completed a significant capital project to alleviate the capacity issues at the area where the spill occurred. More recently, the City completed the first of its I & I projects, repairing over 1,500 linear feet of pipe. During the recent storms of the past month, City staff have been able to monitor capacity at various locations throughout the City. Due to expanded capacity within the trunk line there were no issues at the location of the past spills. However, it is apparent the I & I issue is still very much present, as several other locations within the system neared capacity. Due to the previous spills, the City is legally required to address the I & I issue within the system over the next several years. This requirement includes fully assessing the system by October 2020 and completely repairing any significant defects in the system by October 2022. The City staff have begun both of these efforts with the recent I & I project and the purchase and roll out of the new CCTV Truck. However, the repair costs will be very significant.

Major Capital Projects

The City has several capital projects planned for the near future that relate to wastewater that are very significant.

Treatment Plant Expansion – SCRWA has been in the process of designing the treatment plant expansion, which it previously believed was required to be completed by 2022. However, SCRWA staff are still evaluating the timing of the need for expansion as well as the ultimate costs of expansion. Changes in water usage due to conservation have reduced anticipated wastewater flow rates from the time the planning for expansion started. This has shifted the key factor of the expansion from flow levels to the levels of organic loading, which are currently being reviewed and integrated into the planning. Final cost estimates and timing of the expansion are anticipated to be delivered to the SCRWA Board of Directors in the first half of 2019. The anticipated costs for the plant expansion have previously been estimated at \$70 million of which approximately 41.9% would be the City of Morgan Hill's responsibility. This project

would be funded by impact fee revenue. Staff have been developing financing options for the expansion in preparation for the updated information coming from SCRWA.

New Trunk Line to Treatment Plant – The City has been working for more than a decade on the construction of a second trunk line to deliver wastewater to the treatment plant in Gilroy. The City has partnered with the City of Gilroy to construct sections of this line north from the treatment plant to Renz Lane in Gilroy. Following the 2017 spills the Council authorized fast tracking the project. The City's design consultant has finished a significant portion of the design and City staff are currently coordinating with the City of Gilroy staff on finalizing the alignment of the trunk line through the City of Gilroy, which will involve input from the Gilroy City Council. This project has been initially estimated to cost \$28 million, which would be funded 75% through impact fees and 25% by ratepayers. Due to the likely timing of the project, funding and financing will likely occur in coordination with the treatment plant expansion.

I & I and Other System Repair Projects – As previously noted in this report, the City is required to make needed assessments and repairs to the City's wastewater system over the next five years. This includes significant I & I repair work along with replacement of other failing infrastructure. Costs are estimated at over \$20 million and would be funded by ratepayers. City staff have been reviewing options to finance this work to ensure that this backlog of repairs can be funded over an extended period of time. These projects are the key area driving the need for increased wastewater rates.

Rate Study Timeline and Next Steps

City staff have developed the following schedule for review and discussion on the Wastewater Rate Study.

Date	Item
February 6, 2019	Update to City Council on Wastewater System Background and Rate Study Timeline
February 8, 2019	Post Rate Study for Public Review on City website
February 20, 2019	Council Meeting – Introduce rate study and receive general policy direction
February 25, 2019 6pm-8pm	Public Meeting for Community Members Detailed Q&A
March 6, 2019	Council Meeting – Public Hearing – Council finalizes proposed rates
March 11, 2019	Mailing and commencement of 45-day protest period
May 1, 2019	Council Meeting – Public Hearing – Prop 218 comments reviewed/ rates adopted
July 1, 2019	New rates go into effect

COMMUNITY**ENGAGEMENT:****Inform**

This report serves to provide background information for the wastewater rate study process. The process includes significant opportunity for public involvement and will include significant public outreach and communications.

ALTERNATIVE ACTIONS:

There is no action requested of Council with this report and therefore no alternative action. The Council may choose to provide specific feedback on the rate study schedule.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council adopted the Sewer System Master Plan on October 18, 2017. The City Council discussed the need for a rate study for wastewater during the Fiscal Year 2018-19 and 2019-20 Budget development process.

FISCAL AND RESOURCE IMPACT:

There is no fiscal impact associated with receiving this report, as its accommodated in the Department's annual workplan.

CEQA (California Environmental Quality Act):

Not a Project

Receiving this report is an administrative program that will not result in a change to the physical environment, and as this is not a project under the California Environmental Quality Act.

Implementation of the Sewer System Master Plan is consistent with the development assumptions in the General Plan 2035. On July 27, 2016 the Morgan Hill City Council adopted Resolution No. 16-127, certifying the Final EIR for the Morgan Hill 2035 General Plan consistent with the requirements of the California Environmental Quality Act (CEQA) and adopting a Statement of Overriding Considerations regarding environmental impacts and a related Mitigation Monitoring and Reporting Program (MMRP).

LINKS/ATTACHMENTS:

1. 2017 Sewer System Master Plan (web link)



CITY COUNCIL STAFF REPORT

MEETING DATE: February 6, 2019

PREPARED BY: Chris Ghione, Public Services Director
APPROVED BY: City Manager

PROVIDE DIRECTION ON SPORTS FACILITY DEVELOPMENT PROCESS

RECOMMENDATION(S)

Provide staff direction on development of sports facilities on City owned properties.

COUNCIL PRIORITIES, GOALS & STRATEGIES

Ongoing Priorities

Supporting Our Youth
Seniors
and Entire Community

2018 Strategic Priorities

Economic Development and
Telecommunications

GUIDING DOCUMENTS

Bikeways
Trails
Parks and Recreation Masterplan

REPORT NARRATIVE:

Background

In July 2015, the City Council authorized the purchase of 25.8 acres for a future baseball/softball field facility (Ball Field Property). The property is located south of the intersection of Condit Road and Tennant Avenue, adjacent to Highway 101. The property is within the County but within the City's Urban Growth Boundary (UGB). The purchase was made to "land bank" the property until a time when the City would have funding to develop the property. It is believed the construction of a full-scale baseball/softball field will cost over \$16 million and there currently is no funding within the six-year Capital Improvement Program for its construction.

In June 2016, the City Council authorized the purchase of 10 acres of property on the southwest corner of Murphy Avenue and Barrett Avenue (Recreation Property). The property is adjacent to the Morgan Hill Aquatics Center and the Morgan Hill Outdoor Sports Center (OSC). It is also located in the County, inside the UGB, and bordering the City limits on two sides. The property was purchased for the purpose of additional parking and future recreation facilities.

At the time of purchase for both properties, it was believed that future annexation would bring the properties within the City limits, but it was also understood that if the properties were not annexed that they could be developed by the City in the County. Using

intergovernmental immunity, the City can develop the property in conformance with its own land use designations and permitting process.

In 2017, the City issued a Request for Proposals (RFP) for an operator of the OSC and included the opportunity for potential partnerships on the development of both properties of the undeveloped properties. The City Council selected an operator for the OSC and additionally authorized staff to engage in discussions with two organizations as potential partners in the development of the other properties. These discussions are with Silicon Valley Cricket (SVC) for the Ball Fields Property and the Northern California Volleyball Association (NCVA) for the Recreation Property.

SVC has proposed partnering with the City to develop and operate a multi-purpose site on the Ball Field Property, which would include both cricket fields and baseball/softball fields. This opportunity has been discussed with local baseball and softball groups with varying levels of interest. SVC has indicated they have significant funding for development of not only cricket facilities, but the adjacent baseball/softball facilities. They have also proposed operating the facility in coordination with local groups in a similar fashion to the OSC. It should be noted the Ball Field Property includes an option for the previous property owner to purchase back 3.8 acres of property as a potential development site. Discussions with SVC have been on hold pending the recent annexation request and Council discussions on the UGB.

City staff have had limited conversations with the NCVA as completion of the OSC operator agreement needed to be finalized before moving forward on discussions for use of the Recreation Property, due to overall parking considerations for the area. However, over the last year, considerable interest in sand volleyball courts in this location has arisen with local, regional, and national groups expressing interest in partnering with the City to develop the location.

The location of both pieces of property outside the City have them intertwined within the City's agricultural preservation discussions. On October 17, 2018, the staff presented the City Council with an update on the City's Agricultural Preservation Strategy (Attachment No. 2). This report includes a whitepaper on Morgan Hill's Conservation Strategy which outlines the City's approach to ensuring future open space and agriculture lands remain in South Santa Clara County and provides a detailed background in this area. The report is available [here](#).

Policy Considerations

City staff are bringing forward this item now to seek policy direction from the Council on next steps for the properties and potential partnerships. The need for direction is necessitated by potential partner organizations who are interested in working with the City. In both cases significant planning processes must be engaged in to move development forward. If developed, both properties would provide for local use meeting needs outlined in the City's Bikeways, Trails, Parks and Recreation Master Plan (Attachment No. 3) as well as allow for regional use in alignment with the City's Economic Blueprint. However, development of the properties will not be beneficial in

relation to working with other regional entities involved with agricultural preservation.

For these reasons, the City staff is requesting policy direction from the Council. City staff have outlined some potential options the Council may wish to consider:

1. Continue to Land Bank Properties – This option would be equivalent to doing nothing and continuing to wait. Should the Council select to do this, the properties would continue to be used as they are currently. The Ball Field Property would continue to be leased for farming and the Recreation Property would remain vacant and be used as an area for overflow parking from the adjacent recreation facilities. If this option is selected, potential partners would be notified that the City will not be moving forward with development in the near term.
2. Begin the Development Process within the County – This option would require significant and varying levels of work for the two properties. City staff would work to return to the Council with a timeline for development related next steps and a framework for partnership agreements.
3. Attempt to work with regional entities on development in the near term – This option would mean the City staff would continue to discuss annexation of the properties by the City in future years. This option is unlikely to be viable for the Ball Field Property given previous discussions and actions.
4. Transition Property or Properties for Agricultural Preservation Easements – This would require repayment of the Park Impact Fund, which was used for the original purchase of the property.

The two sites are both outside the City limits, but very different in location and usage. The Ball Field Site is currently actively farmed, while the Recreation Property has not been utilized for agricultural purposes for a significant amount of time (years before the City purchased the property). The Recreation Property is also directly adjacent to two active recreation facilities and borders the City limits. Both properties were purchased using Park Impact Funds and must eventually be used for parks and recreation purposes.

Recommendations

Given the recent results of the City's annexation request and discussion at the recent Council Goal Setting Workshop, staff is asking the Council for its policy preference on the two areas.

- 1) Ball Field Property – Begin Process for Development or Land Bank the Property
 - a. SVC has indicated they are researching venues in other areas to stage operations and will not be able to wait for an additional period of time.
 - b. It is not believed the City will ever receive support from regional entities for developing the property.

- 2) Recreation Property – Attempt to work with regional entities on future use or begin development process
 - a. The City may be able to receive regional support for developing the property, but that is not likely within the near term.

Based on Council direction, the City staff will return with more detailed information on the next steps for each property.

COMMUNITY ENGAGEMENT: Inform

Planning for the proposed sports facilities is a major component of the Bikeways, Trails, Parks and Recreation Master Plan, which encompassed significant community outreach to develop policies and strategies for new facility development. City staff contacted local sports groups to inform them this item would be on the Council Agenda.

ALTERNATIVE ACTIONS:

The Council may choose to take alternative actions for each of the properties. The Council may choose to select from the alternatives outlined by staff under policy considerations or provide staff with other direction.

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

July 15, 2015 – City Council Authorizes Purchase of the Ball Field Site

June 1, 2016 – City Council Authorizes Purchase of the Recreation Property

January 17, 2018 – City Council provides direction to City staff to investigate opportunities for partnership with NCVA and SVC for development of City properties

October 17, 2018 – City Staff Provides Update on Agricultural Preservation Strategy

FISCAL AND RESOURCE IMPACT:

There is no direct fiscal impact associated with providing policy direction within this report. Costs for the development of the future sites is unknown as potential partnership agreements are not yet developed, however, early discussions include partner organizations taking on the primary funding for development. The level of economic development impact of increased sports tourism is also unknown at this time, although it can be assumed to be a net positive should the sites be developed.

CEQA (California Environmental Quality Act):

Not a Project

Providing this policy direction is an administrative action and will not result in a change to the physical environment, and as such this action is not a project under the California Environmental Quality Act. However, additional CEQA analysis will be required prior to development of either site.

The development of the Ball Field Property was included at the program level in the Environmental Impact Report (EIR) developed for the Southeast Quadrant (that EIR is available for review on the City's website). Subsequent to the EIR's adoption, an

addendum to the EIR to review and analyze the specific ballfield project was prepared once it was determined that no additional environmental impacts would be created, and the Addendum was filed with the Community Development Department of the City (and is also available for review on the City's website).

The Recreation Property was also included at the program level in the Environmental Impact Report (EIR) developed for the Southeast Quadrant (that EIR is available for review on City's website). Since it is currently unknown what type of recreation facilities will be developed onsite, future CEQA analysis will be required for development of the property as a recreational facility.

LINKS/ATTACHMENTS:

1. Sports Facilities Map
2. October 17, 2018 Update to Council on Agricultural Preservation Strategy (web link)
3. Bikeways, Trails, Parks and Recreation Master Plan (web link)

Attachment 1 - Morgan Hill Sports Facilities

Morgan Hill Outdoor Sports Center

16500 Condit Road

11 Fields – 9 Grass & 2 Synthetic Turf

Morgan Hill Aquatics Center

16200 Condit Road

3 Pools including Competition Pool, Instructional Pool and Water Park Features

Future Baseball/Softball Site

26 acres to be used for a 6 Ball Field Complex

Future Recreation Facilities Site

10 acres to be used for parking and recreation facilities expansion





GPA2018-0001, ZA2018-0001, EA2018-0001 Agenda Item #10

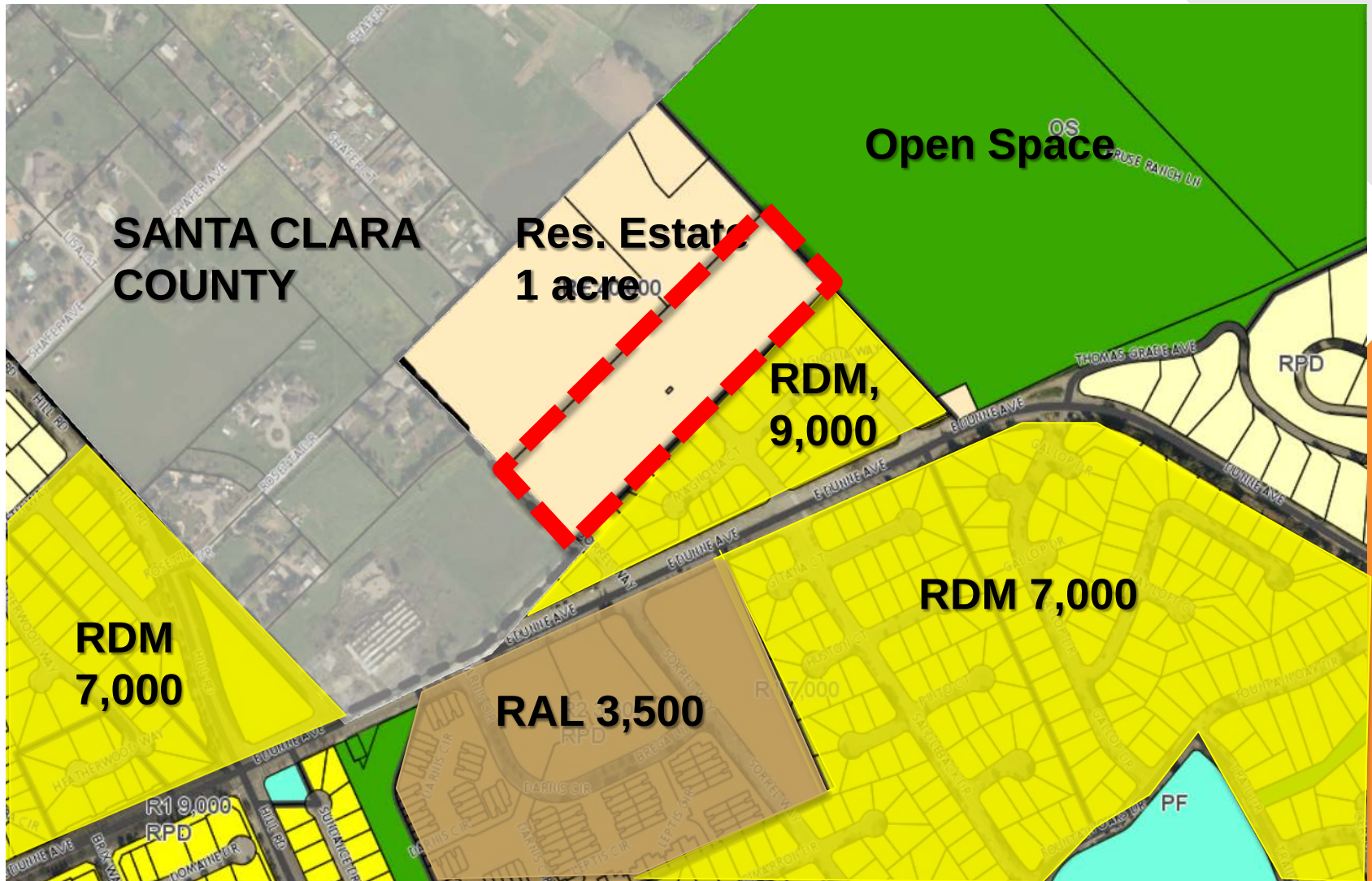


February 6, 2019

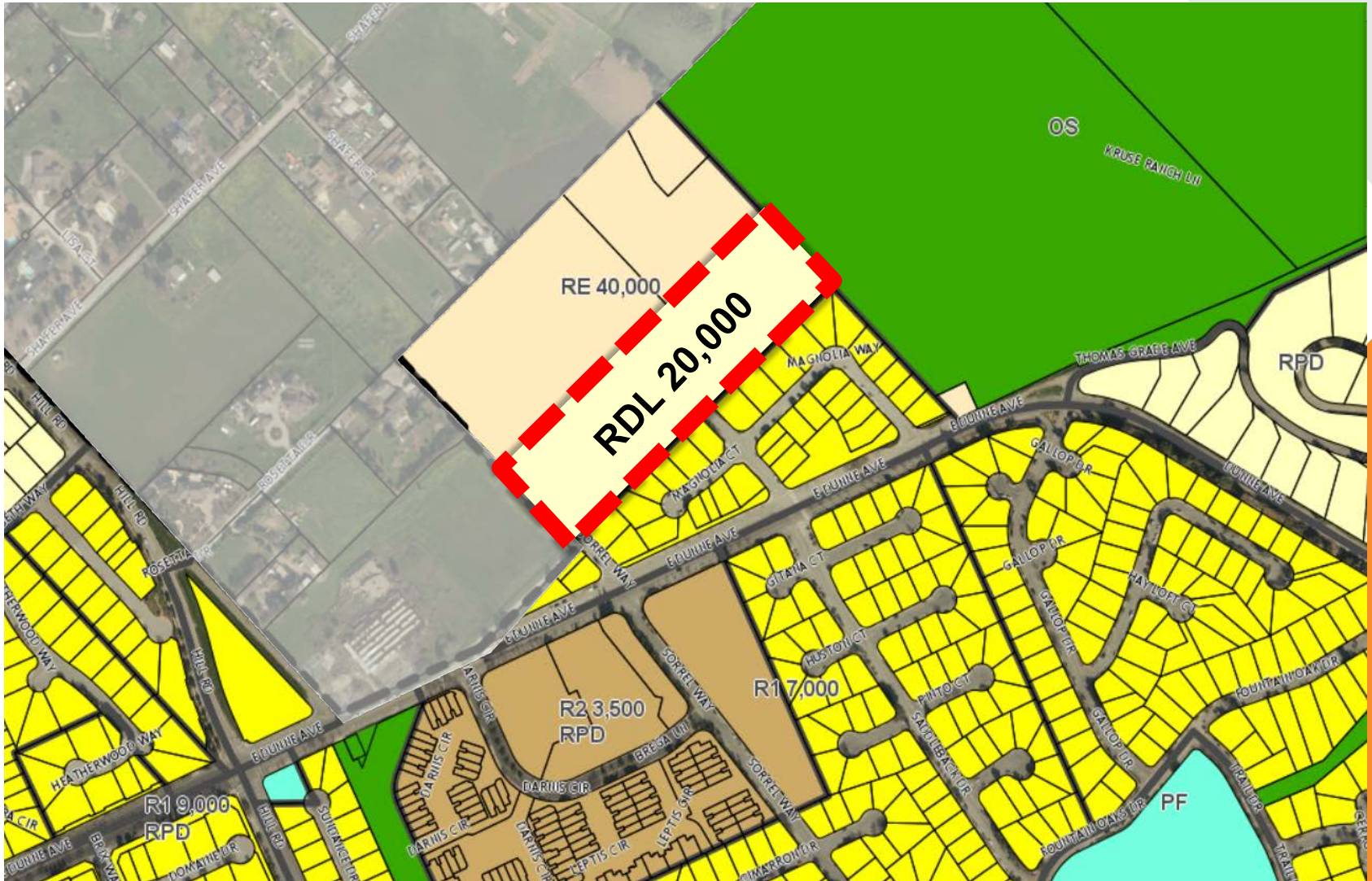
Project Location



Current Land Use and Zoning



Project Proposal



Project Consistency



General Plan

Policy CNF-9.1 – Density Feathering

Policy CNF-10.1 – Range of Residential Densities

Policy CNF-10.4 – Single-Family Housing Supply

Policy CNF-10.5 – Affordable Single-Family Housing

Policy CNF-11.3 – Appropriate Residential Transitions

Zoning

- Consistent with General Plan
- The proposed Amendment will not be detrimental to the public interest, health, safety, convenience, or welfare of the City
- Site is physically suitable in terms of design, location, shape, and size.

Public Comments



September 2018 (12,000 sq. ft lots)

- Oppose an increase in density
- Traffic
- Strain on Resources and Infrastructure
- Visual Character / Existing Wildlife
- Air quality and noise during construction
- Property Constraints
- Feathering

- Initial Study - Program Level Analysis
- Proposed amendments would not result in any significant unavoidable environmental impacts
- Mitigated Negative Declaration (MND) and Reporting Program

Community Engagement



Draft MND

- Circulated for 30 days
- Posted on web site
- Mailed notices to adjacent property owners

Notice for Hearings

- Public notification including site signage, newspaper notice, and direct mail to property owners within 300 feet of the project site.
- Community Meeting Request

Recommendation

1. Open and Close Public Hearing
2. Adopt Resolution approving
 - General Plan Amendment
 - Mitigated Negative Declaration
 - Mitigated Monitoring Program
3. Waive the 1st and 2nd reading of the Zoning Amendment Ordinance
4. Introduce the Zoning Amendment Ordinance

Thank You



Edward A. & Suzanne P. Hines
2525 Magnolia Way
Morgan Hill, CA 95037

DEVELOPMENT
SERVICES

FEB 01 2019

CITY OF MORGAN HILL

Development Service Center
17575 Peak Ave.
Morgan Hill, CA 95037

Jan 29, 2019

Dear Sir or Madam,

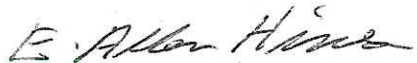
E. Dunne-Ross: Parcel number 728-02-002.

Suzanne and I oppose the proposed changes to this development. The Planning Commission approved this development as estate homes on one acre lots. We think that was a reasonable decision because it did not generate any opposition from the homeowners in the Heritage Greens development. We would like to see the development proceed as originally planned. We see no reason for it to be changed at all and neither did the Planning Commission.

However, the developers feel otherwise. They've tried to get the zoning changed to allow them to develop the property with 12,000 sq. Ft. lots. The Planning Commission rightly refused to make this change. Now they are coming, once again, to the City Council to try to get the City Council to do what the Planning Commission flatly refused to. If a compromise must be reached, double the number of houses in the original plan which means lots of 21,780 sq. ft. and not 20,000 sq. ft. hoping no one will notice.

We don't need the additional traffic in this area. People are taking their lives in their hands trying to cross East Dunne Avenue at Saddleback or Sorrel because there are no traffic lights. There are too many single family houses being built in Morgan Hill on lots that are too small. Thank you for your consideration.

Sincerely,



E. Allen Hines,
President Heritage Greens HOA

February 1, 2019

Project Title: GPA2018-0001/ZA2018-0001/EZ2018-0001: E. Dunne-Ross

FEB 04 2019

CITY OF MORGAN HILL

Dear City Council of the City of Morgan Hill,

I am a resident of Morgan Hill living in the Heritage Greens development that is located adjacent to the above Project. Our address is 2520 Magnolia Way. We have been owner/residents in our home for 15 yrs.

I strongly oppose the proposed General Plan Amendment to change the land use designation from *Residential Estate* to *Residential Detached Low* and the proposed rezoning from *Residential Estate one acre* to *Residential Detached Low Density 20,000 square foot lot*. This is a huge jump in the amount of stress for our neighborhood. *The above party already tried to change to 12,000 sq ft lots and was denied by the Planning commission.*

Doubling the number of homes from 8 to 16 or above will significantly increase traffic and safety issues that would flow through Sorrell and Saddleback, increase strain on resources and infrastructure, and further displace wildlife that roams in that area. As a resident in this neighborhood we already see wildlife such as peacocks, turkeys, deer, hawks, snakes, tarantula's and other wild life that reside in that property lot. Many of which roam our neighborhood in which we are respectful of. When rains fall the pond above that hill side pours into that property area and is a run off area for the hill side. There are several trees and oaks in that area as well that would be extremely disturbed. The current property on our daily walks is an area in which we can get a small taste of what Morgan Hill once was, rural. By taking up this space with even more housing will impact the visual restfulness of our beautiful neighborhood. As a parent of two daughters going through the Morgan Hill School district...the schools in this area are already full. Busing kids to further locations impacts the environment with smog from cars and busses. We are already in dire need of a stop light just with the amount of traffic coming from up the hill in Holiday Estates and beyond. We do not need any more stress on our crowded streets that already exist.

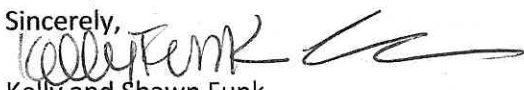
The homes beyond Heritage Greens up to and beyond Main Avenue are all one plus acre lots. This needs to remain to keep the restfulness and beauty of Morgan Hill.

The residents of Heritage Greens all purchased our homes with the disclosure that the area would be 1 acre estates, and to now change the plan to pack homes into that area is unacceptable.

I urge the Morgan Hill City Council to deny the proposed General Plan Amendment at the City Council meeting scheduled for February 6, 2019.

Thank you.

Sincerely,



Kelly and Shawn Funk

2520 Magnolia Way

Morgan Hill, CA 95037



ZA2019-0001

Monterey Corridor Block One

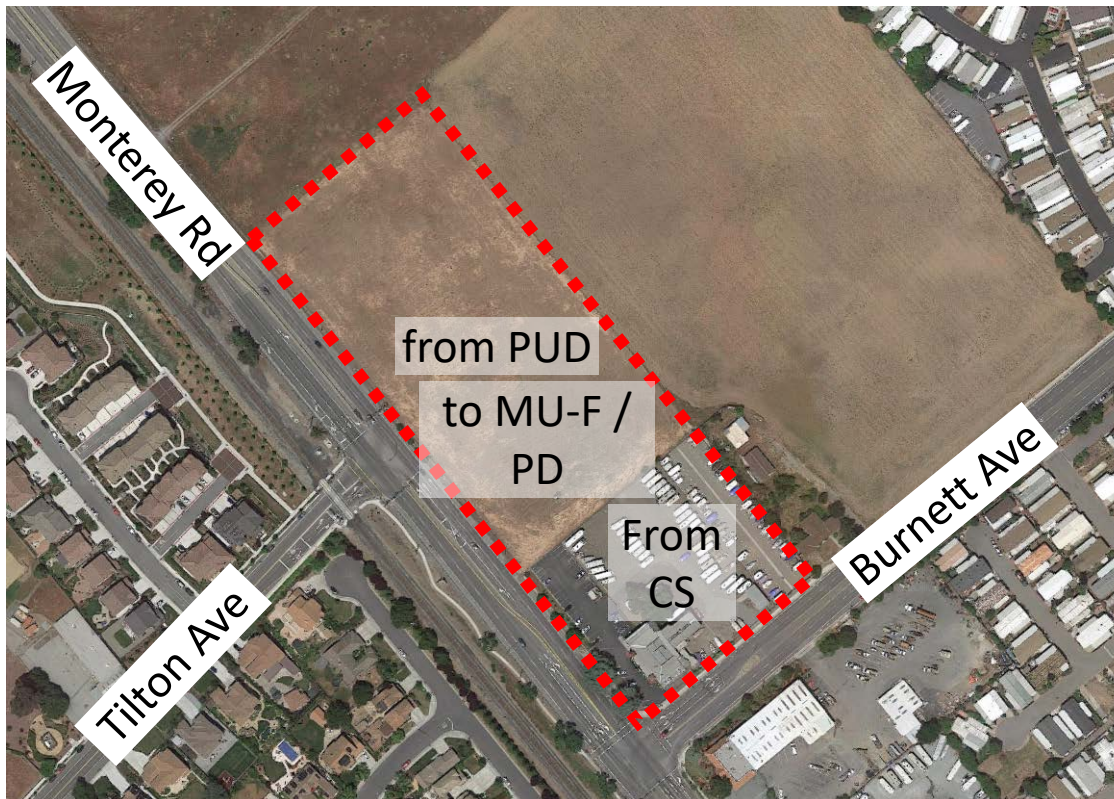
Item #11



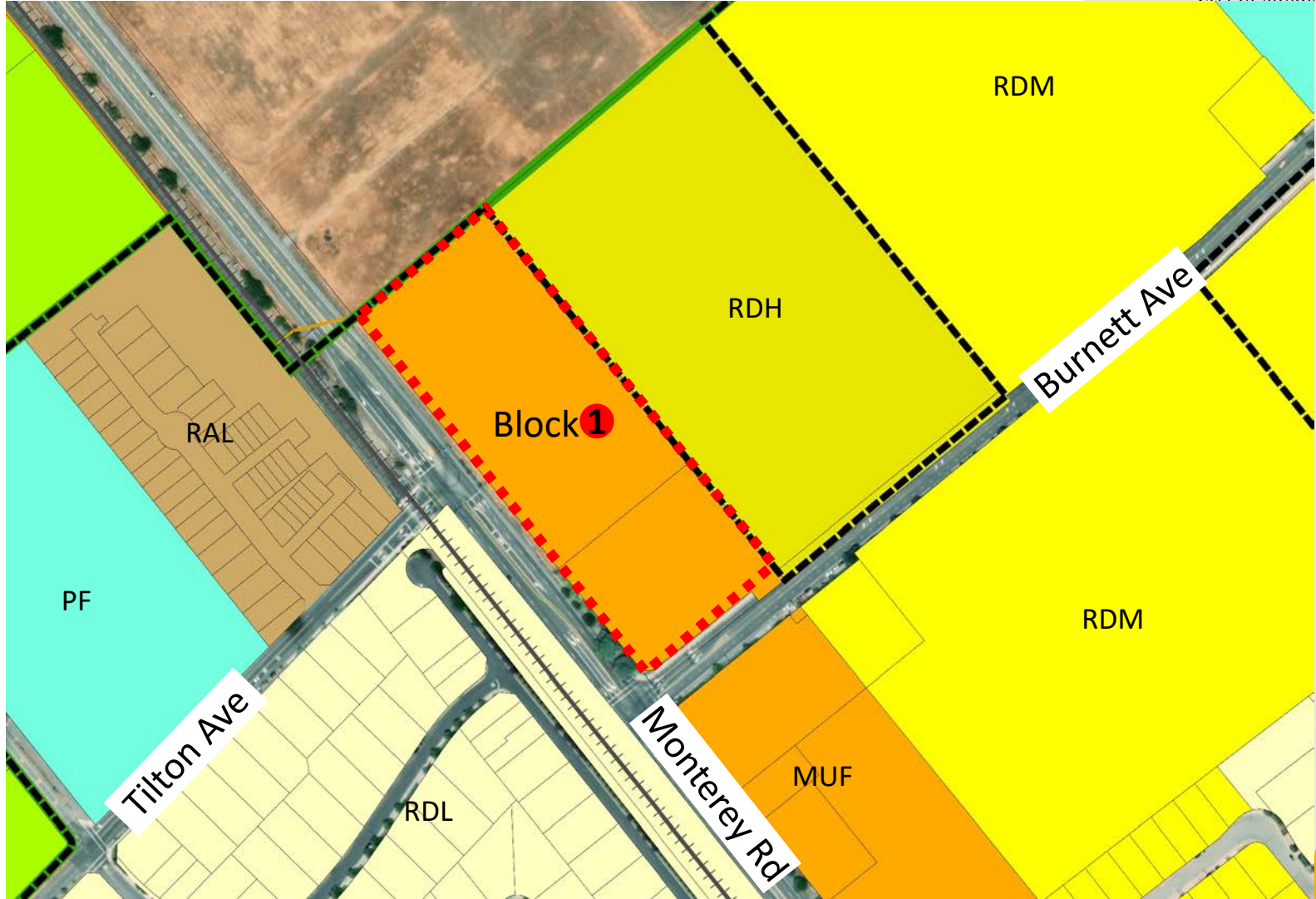
February 6, 2019

Zoning Amendment – BLMP

- 8.55 acres
- Monterey Rd. & Burnett Ave.
- From PUD and CS to MU-F / PD



General Plan Land Use Map – Block One



- | | | | | |
|---|--|-----------------------------|-----------------------|---------------------|
| Residential Detached Low (up to 4 du/ac) | Residential Detached High (6-12 du/ac) | Mixed Use Flex (7-24 du/ac) | Rural County | Sphere of Influence |
| Residential Detached Medium (up to 7 du/ac) | Residential Attached Low (6-16 du/ac) | Public Facilities | Urban Growth Boundary | City Boundary |

Background



- MH2035 General Plan Adopted – Block-Level Master Plan requirement (July 2016)
- Block-Level Master Plan Process (2018)
 - April Market Analysis and Land Use Capacity Study / Implementation Options
 - June Zoning Code Update Adopted – MU-F Zoning District
 - Sept Visioning and Goal Setting Stakeholder Workshop
 - Oct Joint City Council / Planning Commission Workshops
 - Nov/Dec City Council Meetings

Staff and Planning Commission Recommendation



1. Open/Close Public Hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0001: Monterey Corridor Block One; and
3. Introduce Zoning Amendment ZA2019-0001: Monterey Corridor Block One.

EXHIBIT A – BLOCK ONE



Block



Tilton Ave / Burnett Ave Re-Alignment



Preserve Historic Building for Commercial Use



Residential or Commercial



Commercial or Mixed-Use



Open Space Buffer

Exhibit B: Block-Level Master Plan Land Use Regulations - **Block One**

I. Land Use Regulations

- A. Permitted Uses**
- B. Development Standards**
- C. Commercial Requirements**
- D. General Specifications**
- E. Public Gathering Places**
- F. Temporary Uses**

II. Subsequent Approvals

- A. Zoning Amendment/PD Master Plan**
- B. Design Review**

Specific Guidance for Block One

- Accommodate extension/realignment Tilton Ave with Burnett Ave
- Preserve historic building at corner of Monterey and Burnett
- Density feathering
- Address potential HSR alignment
- Provide buffer to Coyote Greenbelt and Monterey
- Site/Building design to reflect location as northerly entry to City

Steps in BLMP / PD Master Plan Process

1. Approved BLMP establishes expectations/requirements for development of block – allows residential applicant to compete in RDCS
2. Applicant files Preliminary Plan Review – receive feedback from PC and CC re: consistency with BLMP
3. With consistent Prelim Plan Review, applicant allowed to continue in RDCS competition
4. After RDCS competition, if project awarded allotments, applicant files Zoning Amendment to establish specific PD Master Plan – reviewed by PC and CC

Tentative Schedule: BLMP/Prelim PD / RDCS

Block-Level Master Plan PDs	RDCS Schedule
Jan. 22, 2019 – PC Study Session / Hearing (BLMP)	
Feb. 6, 2019 – CC Hearing (Introduce BLMP)	
Feb. 8, 2019 – Preliminary PD Master Plan Submittals	
Feb. 20, 2019 – CC Hearing (Adopt BLMP)	
	Mar. 8, 2019 – RDCS Application Date
Mar. 12, 2019 – PC Review Preliminary PD Master Plans	
Mar. 22, 2019 – BLMP Effective	Mar. 25, 2019 – Staff GP/Zoning Consistency Determin.
Apr. 3, 2019 – CC Review Preliminary PD Master Plans	Apr. 4, 2019 – GP/Zoning Consistency Appeal to CC

Zoning Amendment Findings



- A. Consistent with General Plan
- B. Not detrimental to public interest, health, safety, convenience, or welfare
- C. Internally consistent with other applicable provisions of Zoning Code

Staff and Planning Commission Recommendation



1. Open/Close Public Hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0001: Monterey Corridor Block One; and
3. Introduce Zoning Amendment ZA2019-0001: Monterey Corridor Block One.

Thank You



CITY OF MORGAN HILL



ZA2019-0002

Monterey Corridor Block Four

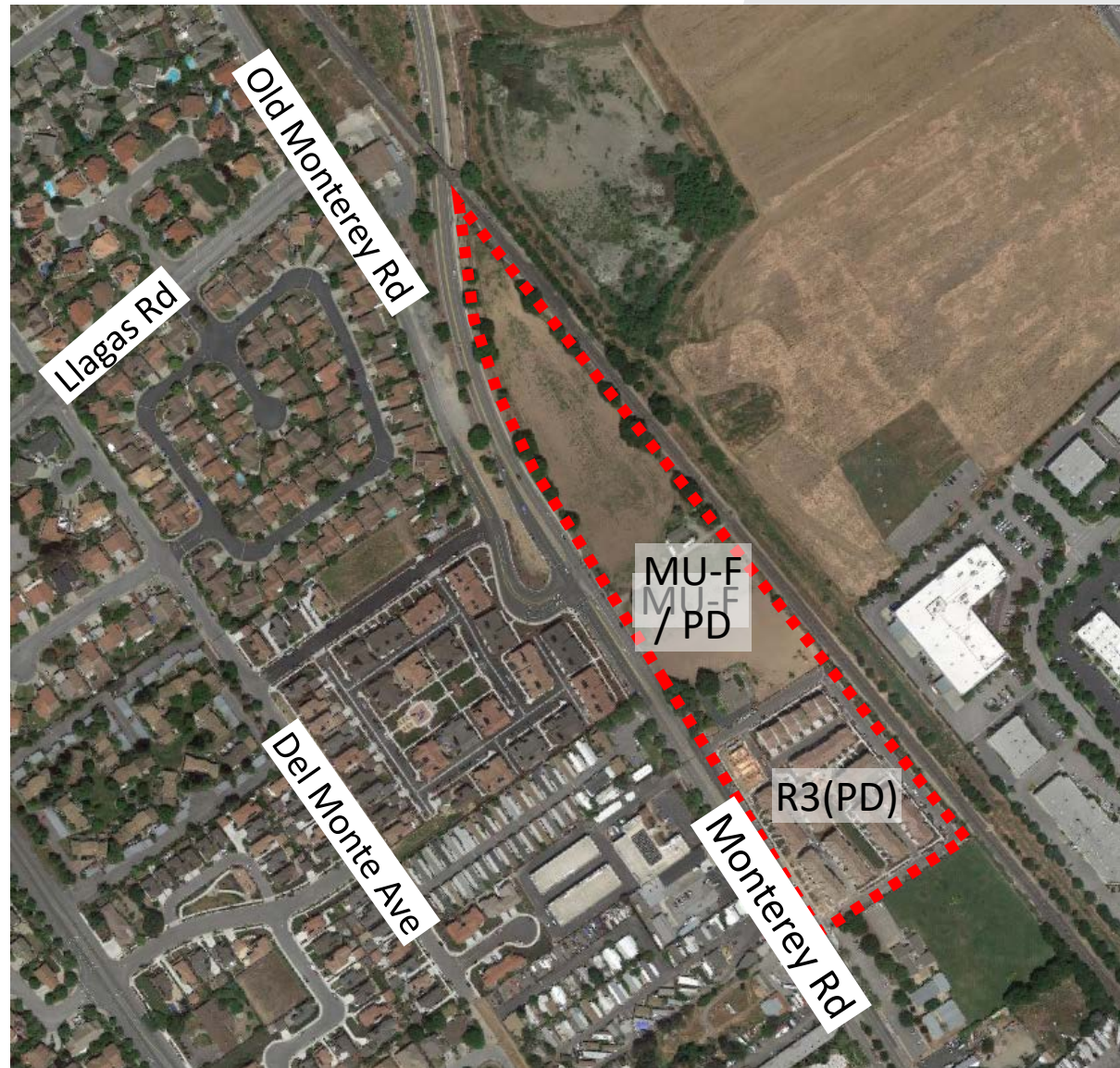
Item #12



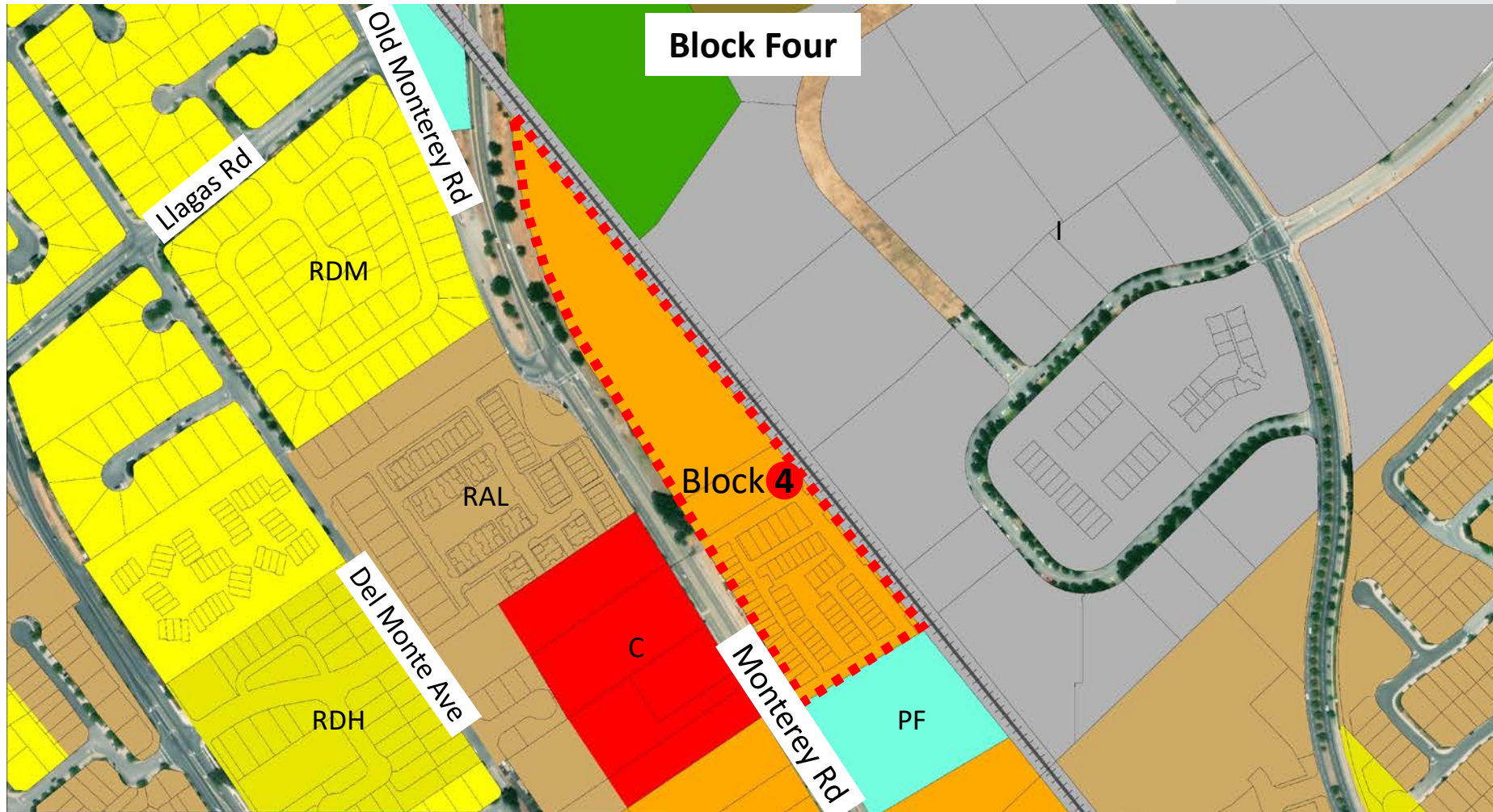
February 6, 2019

Zoning Amendment – BLMP PD

- 7.58 acres
- Monterey Rd.
Opposite
Old Monterey Rd.
- From MU-F to
MU-F / PD



General Plan Land Use Map



- | | | | | |
|---|---|---|---|---|
|  Residential Detached Medium (up to 7 du/ac) |  Residential Attached Low (6-16 du/ac) |  Mixed Use Flex (7-24 du/ac) |  Industrial |  Open Space |
|  Residential Detached High (6-12 du/ac) |  Residential Attached Medium (16-24 du/ac) |  Commercial |  Public Facilities |  Sphere of Influence |

Background



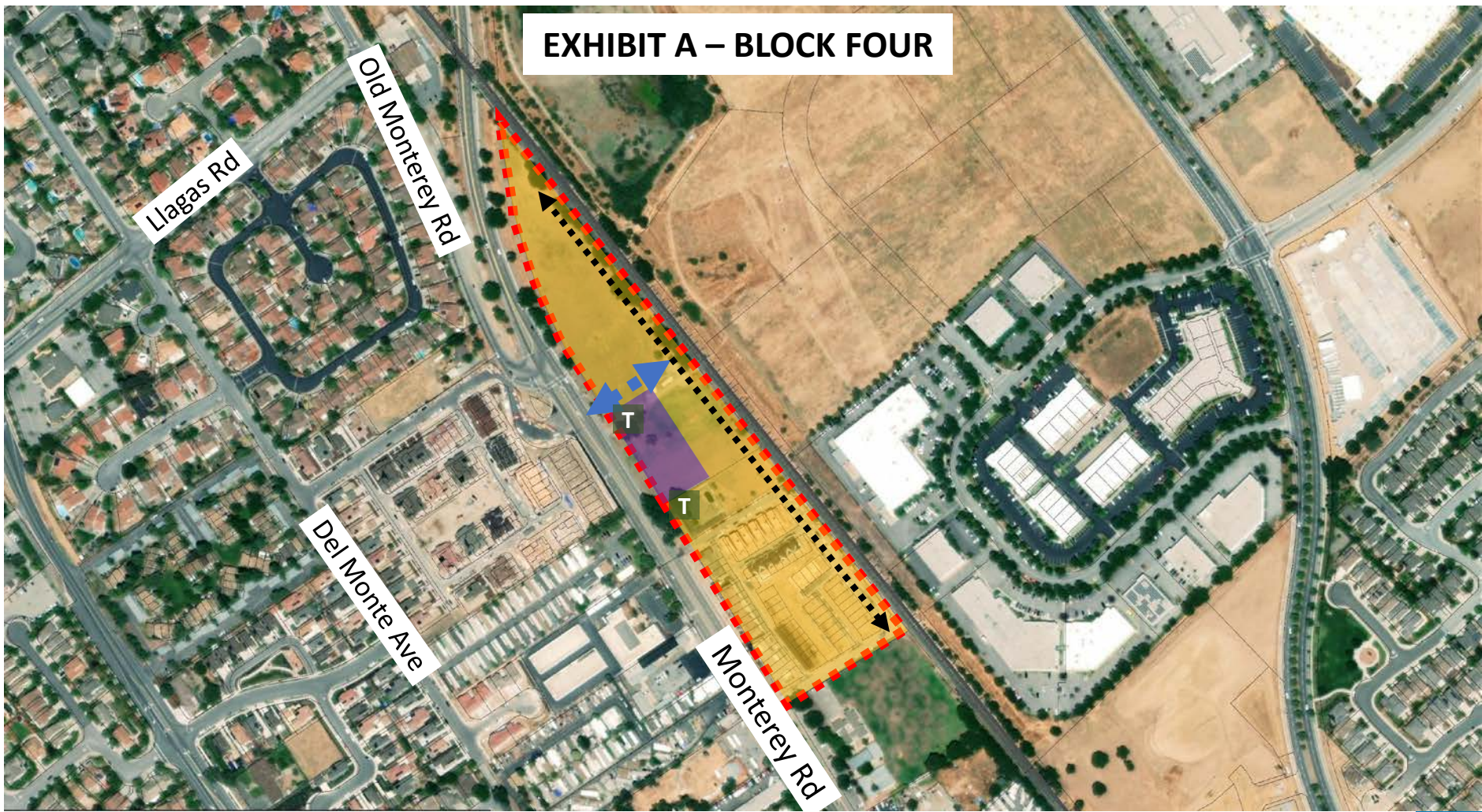
- MH2035 General Plan Adopted – Block-Level Master Plan requirement (July 2016)
- Block-Level Master Plan Process (2018)
 - April Market Analysis and Land Use Capacity Study / Implementation Options
 - June Zoning Code Update Adopted – MU-F Zoning District
 - Sept Visioning and Goal Setting Stakeholder Workshop
 - Oct Joint City Council / Planning Commission Workshops
 - Nov/Dec City Council Meetings

Staff and Planning Commission Recommendation



1. Open/Close Public Hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0002: Monterey Corridor Block Four; and
3. Introduce Zoning Amendment ZA2019-0002: Monterey Corridor Block Four.

EXHIBIT A – BLOCK FOUR



-  Block
-  East Leg of Old Monterey Rd / Monterey Rd
-  Landscape/Private Street Buffer
-  Residential or Commercial
-  Commercial or Mixed-Use
-  Preserve Specimen Tree

Exhibit B: Block-Level Master Plan Land Use Regulations - **Block Four**



I. Land Use Regulations

- A. Permitted Uses
- B. Development Standards
- C. Commercial Requirements
- D. General Specifications
- E. Public Gathering Places
- F. Temporary Uses

II. Subsequent Approvals

- A. Zoning Amendment/PD Master Plan
- B. Design Review

Specific Guidance for Block Four

- Complete fourth leg of intersection Monterey / Old Monterey
- Provide buffer to adjacent railroad ROW and internal connection between developments
- Preserve specimen trees
- Provide commercial/non-residential at new intersection to support new and existing residential
- Preserve other Significant Trees throughout site

Steps in BLMP / PD Master Plan Process

1. Approved BLMP establishes expectations/requirements for development of block – allows residential applicant to compete in RDCS
2. Applicant files Preliminary Plan Review – receive feedback from PC and CC re: consistency with BLMP
3. With consistent Prelim Plan Review applicant allowed to continue in RDCS competition
4. After RDCS competition, if project awarded allotments, applicant files Zoning Amendment to establish specific PD Master Plan – reviewed by PC and CC

Tentative Schedule: BLMP/Prelim PD / RDCS

Block-Level Master Plan PDs	RDCS Schedule
Jan. 22, 2019 – PC Study Session / Hearing (BLMP)	
Feb. 6, 2019 – CC Hearing (Introduce BLMP)	
Feb. 8, 2019 – Preliminary PD Master Plan Submittals	
Feb. 20, 2019 – CC Hearing (Adopt BLMP)	
	Mar. 8, 2019 – RDCS Application Date
Mar. 12, 2019 – PC Review Preliminary PD Master Plans	
Mar. 22, 2019 – BLMP Effective	Mar. 25, 2019 – Staff GP/Zoning Consistency Determin.
Apr. 3, 2019 – CC Review Preliminary PD Master Plans	Apr. 4, 2019 – GP/Zoning Consistency Appeal to CC

Zoning Amendment Findings



- A. Consistent with General Plan
- B. Not detrimental to public interest, health, safety, convenience, or welfare
- C. Internally consistent with other applicable provisions of Zoning Code

Staff and Planning Commission Recommendation



1. Open/Close Public Hearing
2. Waive first and second reading of Zoning Amendment
ZA2019-0002: Monterey
Corridor Block Four; and
3. Introduce Zoning Amendment
ZA2019-0002: Monterey
Corridor Block Four

Thank You



CITY OF MORGAN HILL



City of Morgan Hill

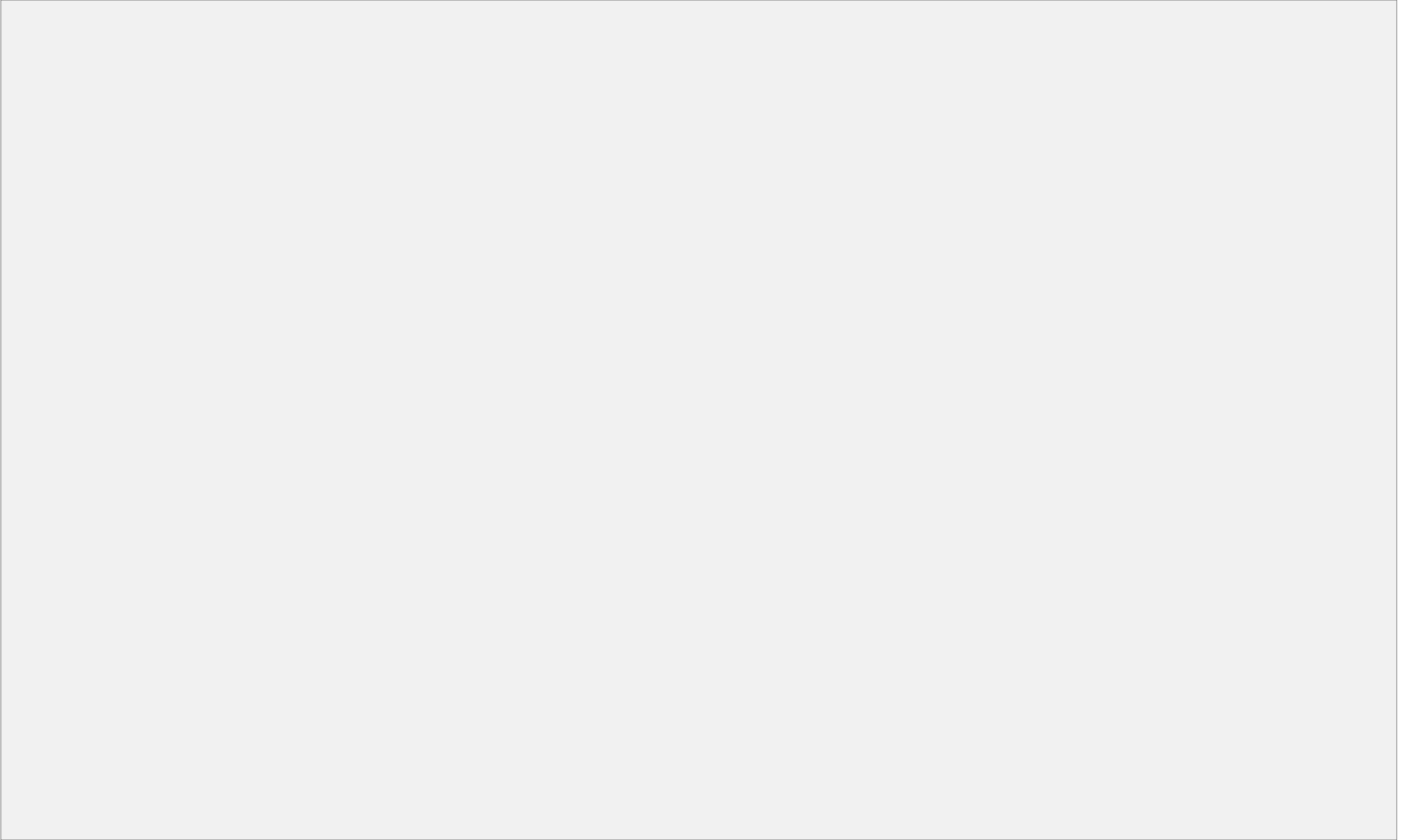
Sewer Rate Study

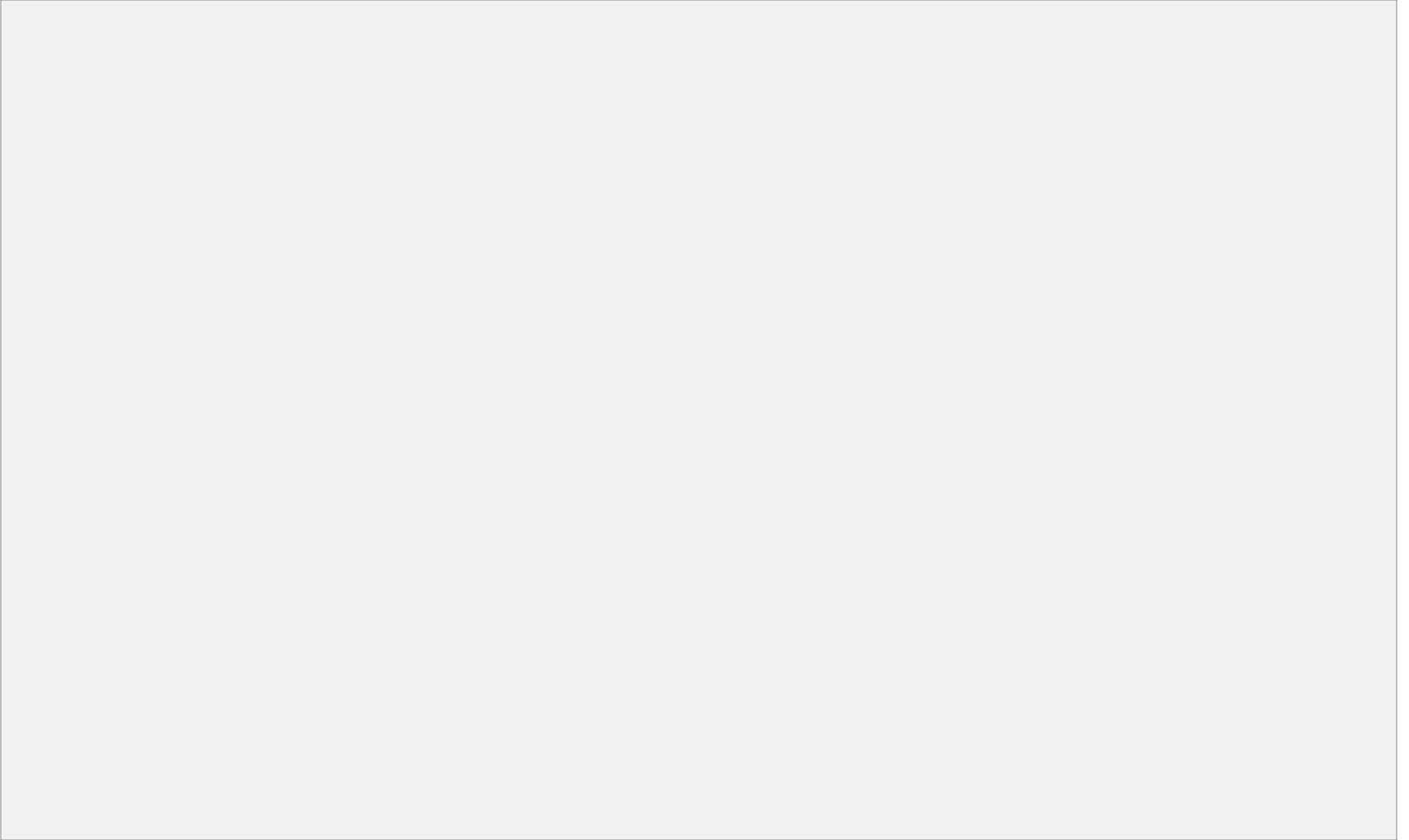
February 20, 2019

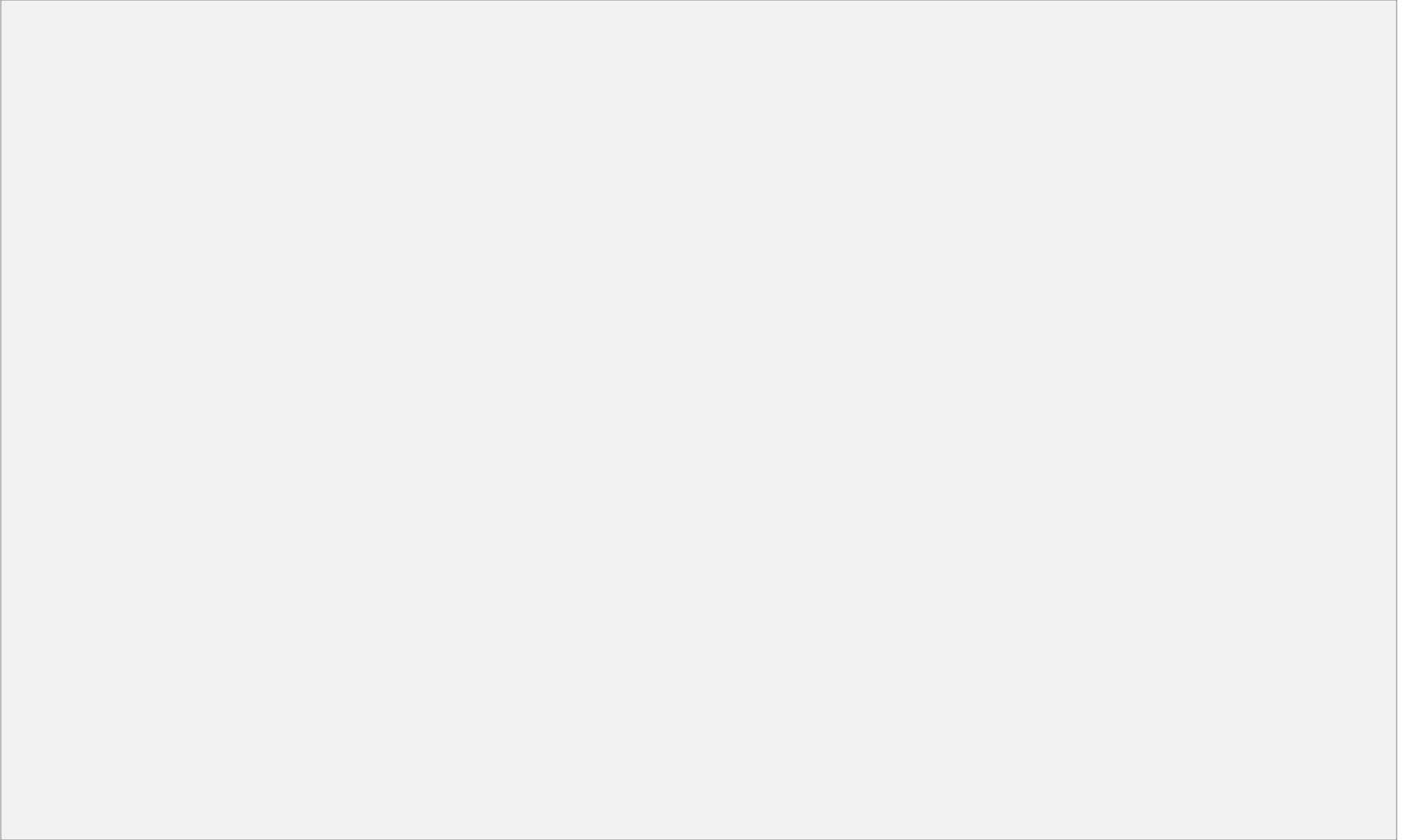
Presented by

Kim Boehler, Director

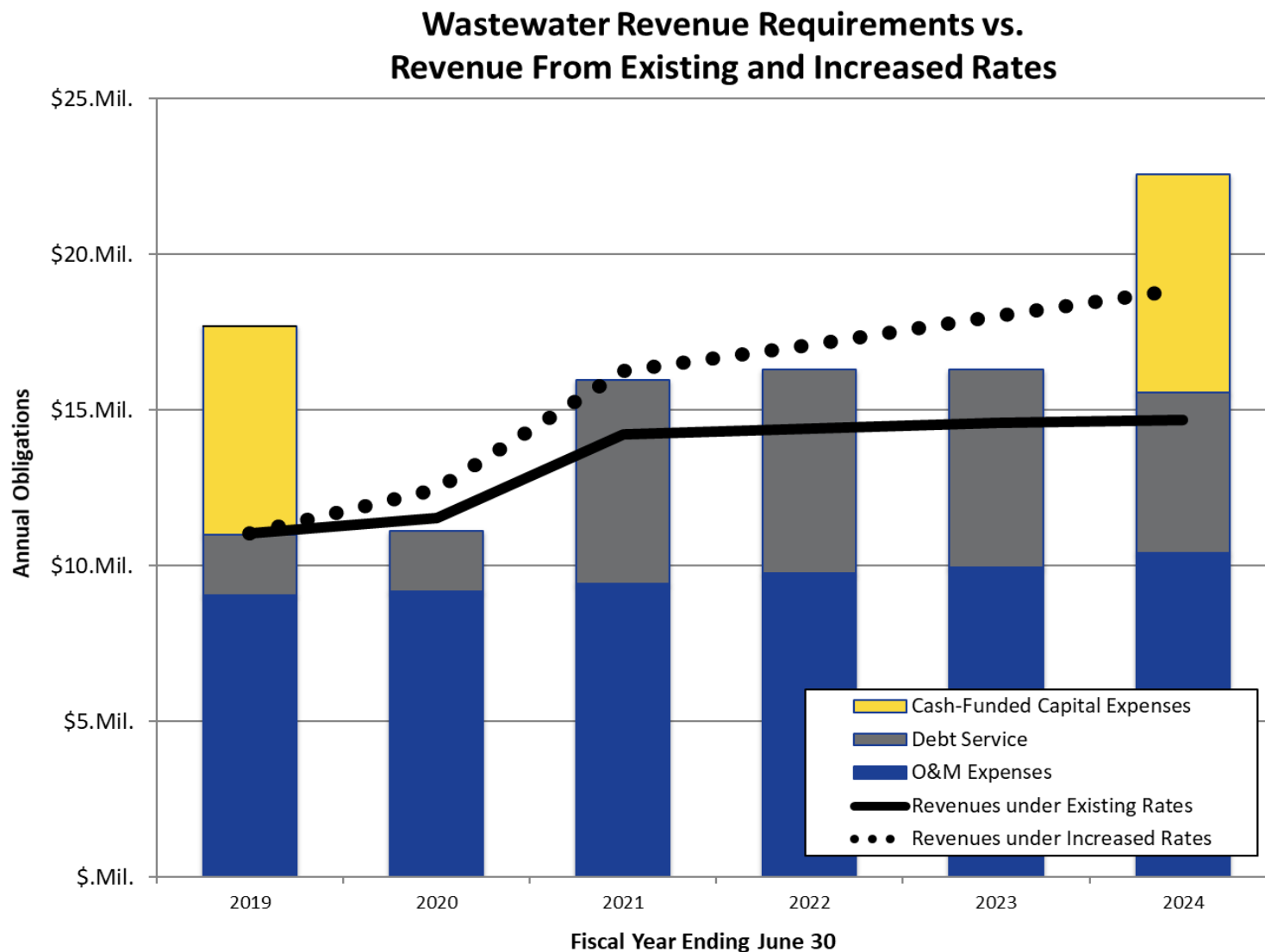
Item 14







Financial Plan



Financial Plan, cont.

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	Projected				
	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
<i>Sources of Wastewater Funds</i>						
Rate Revenue Under Prevailing Rates ¹	\$ 10,391,000	\$ 10,796,865	\$ 10,958,818	\$ 11,123,200	\$ 11,290,048	\$ 11,459,399
Other Operating Revenue	318,700	331,665	345,580	360,109	375,284	391,130
Interest Earnings	96,002	164,115	192,114	198,555	216,301	251,988
Use of Impact Fees for Debt Service	232,695	232,635	2,732,740	2,732,980	2,714,020	2,566,255
Total Sources of Funds	\$ 11,038,397	\$ 11,525,280	\$ 14,229,252	\$ 14,414,844	\$ 14,595,654	\$ 14,668,773
<i>Uses of Wastewater Funds</i>						
Operating Expenses	\$ 9,051,382	\$ 9,177,519	\$ 9,423,428	\$ 9,760,289	\$ 9,931,201	\$ 10,401,015
Existing Debt Service	1,939,125	1,938,625	1,939,500	1,941,500	1,783,500	552,125
Planned Debt Service ²	-	-	4,600,279	4,600,279	4,600,279	4,600,279
Total Use of Funds	\$ 10,990,507	\$ 11,116,144	\$ 15,963,207	\$ 16,302,068	\$ 16,314,980	\$ 15,553,419
Surplus (Deficiency) before Rate Increase	\$ 47,890	\$ 409,136	\$ (1,733,956)	\$ (1,887,224)	\$ (1,719,326)	\$ (884,647)
Additional Revenue from Rate Increases	-	949,218	2,013,623	2,689,301	3,417,554	4,201,961
Surplus (Deficiency) after Rate Increase	\$ 47,890	\$ 1,358,354	\$ 279,668	\$ 802,077	\$ 1,698,228	\$ 3,317,315
Projected Annual Increase to Rate Revenue ³	0.00%	9.00%	9.00%	5.00%	5.00%	5.00%
Net Revenue Requirement ⁴	\$ 10,575,805	\$ 10,620,364	\$ 15,425,514	\$ 15,743,404	\$ 15,723,395	\$ 14,910,301
Projected Debt Coverage After Rate Increase	1.65	2.22	1.76	1.91	2.13	3.16
Debt Coverage Requirement	1.25	1.25	1.25	1.25	1.25	1.25

1. Includes additional rate revenue from removal of consumption cap.

2. The City plans to secure two debt issues to fund the wastewater treatment plant expansion and other capital improvement projects; this is the approximate annual payment.

3. Rate adjustments will be effective on July 1st of each year.

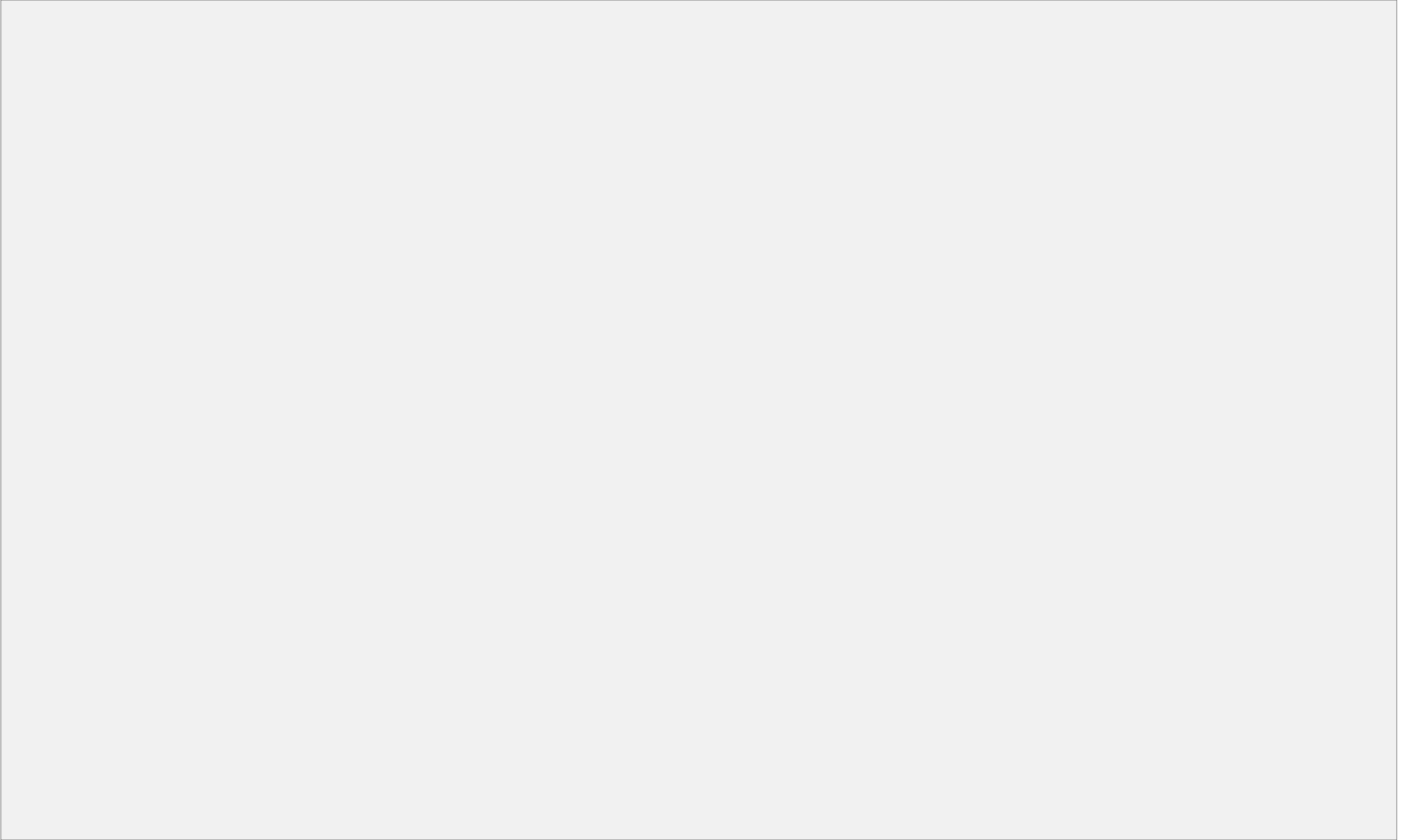
4. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from sewer rates.

Financial Plan, cont.

Five-Year Capital Improvement Program:

Project Description	2019	2020	2021	2022	2023	2024
302018 Sewer System Repair and Replacements	\$ 40,000	\$ 6,045,965	\$ 3,939,405	\$ 4,804,487	\$ 2,694,130	\$ 2,774,954
302m15 Vault Lining Project	25,000	-	-	-	-	-
302n15 Trouble Spot Evaluation and Repair	996,154	51,500	-	-	-	-
302t17 East Dunne Ave & Tennant Ave Sewer Mains	2,285,000	1,648,000	-	-	-	-
304k15 Lift Station Improvements	1,523,000	-	-	-	-	-
308A08 New Trunk Line - CIP Funded	137,500	167,375	265,225	2,260,424	2,609,614	2,687,902
315006 Sewer Capacity - CIP Funded	525,297	-	465,181	-	508,829	-
317a18 Wastewater Planning	735,000	159,650	79,568	81,955	450,204	-
303093 Sewer Plant Expansion (SCRWA)	420,000	489,250	10,609,000	9,157,052	6,617,992	3,681,854
303a11 Sewer Plant Improvements	351,394	379,242	379,506	45,785	9,432	-
308a08 New Trunk Line - Impact Funded	412,500	502,125	795,675	6,781,273	7,828,842	8,063,708
315006 Sewer Capacity - Impact Funded	45,678	-	180,905	-	279,351	-
Total: Capital Improvement Program Costs	\$ 7,496,523	\$ 9,443,107	\$ 16,714,465	\$ 23,130,975	\$ 20,998,394	\$ 17,208,419

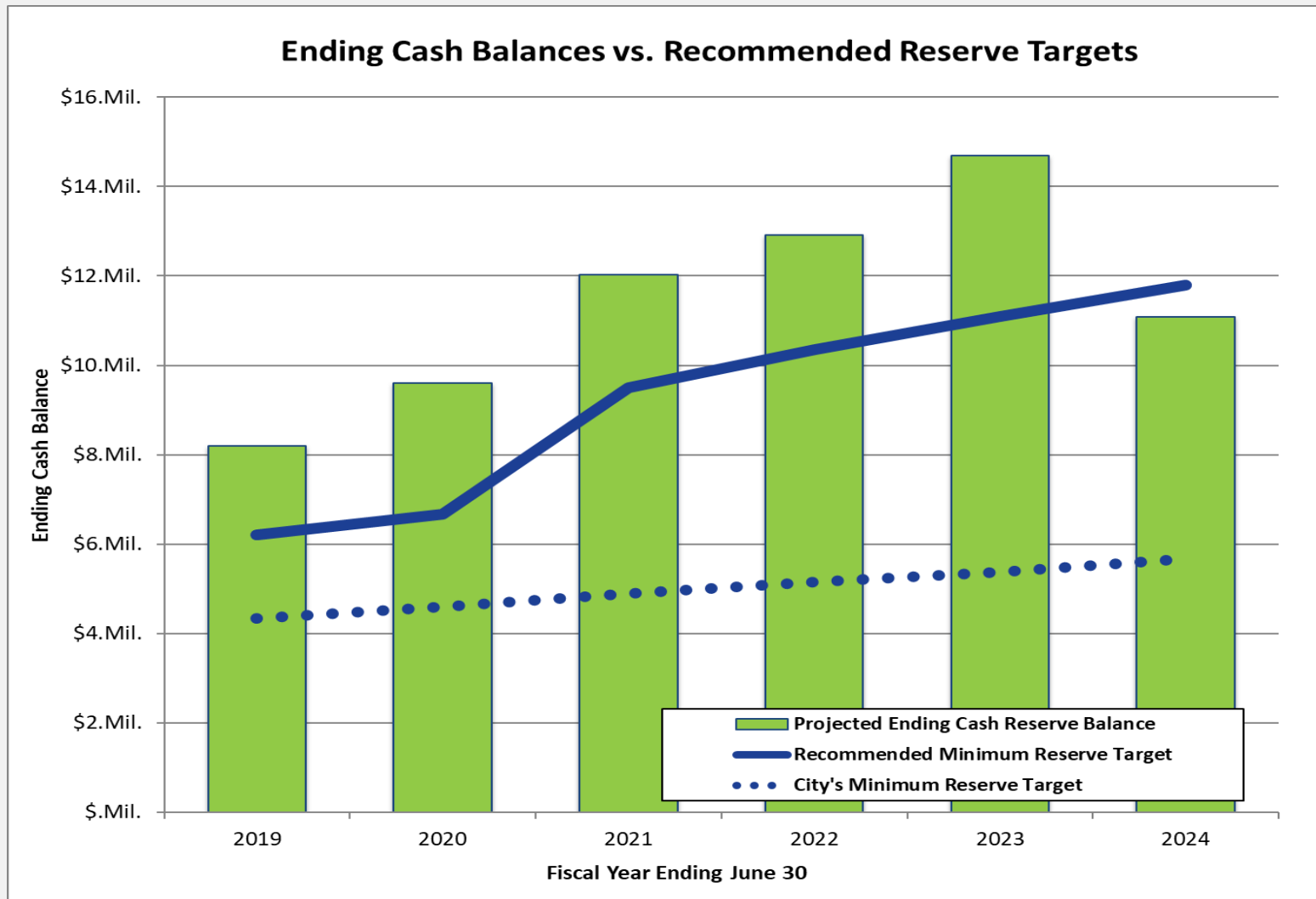
Note: costs are adjusted to reflect estimated cost inflation.



Financial Plan, cont.

Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget	Projected				
	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Sewer Operations Fund (640)	\$ 2,081,319	\$ 2,294,000	\$ 2,356,000	\$ 2,440,000	\$ 2,483,000	\$ 2,600,000
<i>Recommended Minimum Target</i>	<i>2,263,000</i>	<i>2,294,000</i>	<i>2,356,000</i>	<i>2,440,000</i>	<i>2,483,000</i>	<i>2,600,000</i>
Sewer System Replacement Fund (643)	\$ 4,046,243	\$ 5,191,916	\$ 5,409,584	\$ 6,169,667	\$ 7,866,900	\$ 4,091,216
<i>Recommended Minimum Target</i>	<i>1,857,900</i>	<i>2,077,900</i>	<i>2,503,000</i>	<i>3,102,100</i>	<i>3,621,100</i>	<i>4,014,300</i>
Rate Stabilization Fund (642)	\$ 2,078,200	\$ 2,119,764	\$ 2,162,159	\$ 2,205,402	\$ 2,249,511	\$ 2,294,501
<i>Recommended Minimum Target</i>	<i>2,078,200</i>	<i>2,299,217</i>	<i>2,543,738</i>	<i>2,710,989</i>	<i>2,889,237</i>	<i>3,079,204</i>
New Debt Reserve Fund	\$ -	\$ -	\$ 2,100,279	\$ 2,100,279	\$ 2,100,279	\$ 2,100,279
<i>Recommended Minimum Target</i>	<i>-</i>	<i>-</i>	<i>2,100,279</i>	<i>2,100,279</i>	<i>2,100,279</i>	<i>2,100,279</i>
Total Ending Balance	\$ 8,205,762	\$ 9,605,680	\$ 12,028,023	\$ 12,915,349	\$ 14,699,690	\$ 11,085,996
<i>Total Recommended Minimum Target</i>	<i>\$ 6,199,100</i>	<i>\$ 6,671,117</i>	<i>\$ 9,503,018</i>	<i>\$ 10,353,368</i>	<i>\$ 11,093,616</i>	<i>\$ 11,793,783</i>

Financial Plan, cont.



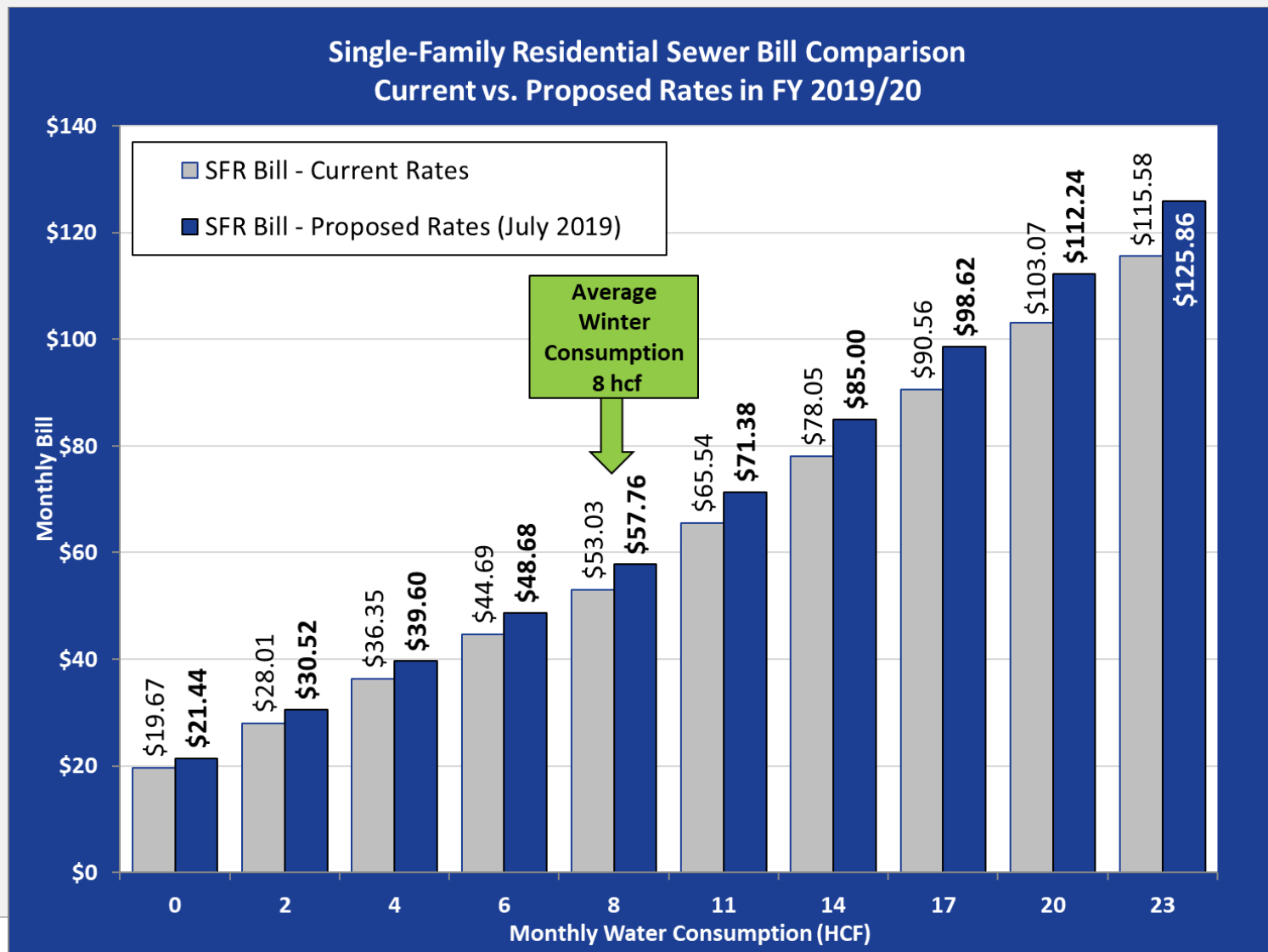
Proposed Sewer Rates – Fixed Charges

Sewer Rate Schedule	Current Rates Effective 1/1/19	Proposed Rates				
		7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
		9.00%	9.00%	5.00%	5.00%	5.00%
Monthly Fixed Charges:						
Residential (5/8-1 inch meters)	\$19.67	\$21.44	\$23.36	\$24.52	\$25.74	\$27.02
All Other Customers:						
5/8 inch	\$19.67	\$21.44	\$23.36	\$24.52	\$25.74	\$27.02
3/4 inch	\$19.67	\$21.44	\$23.36	\$24.52	\$25.74	\$27.02
1 inch	\$19.67	\$21.44	\$23.36	\$24.52	\$25.74	\$27.02
1.5 inch	\$73.63	\$80.25	\$87.47	\$91.84	\$96.43	\$101.25
2 inch	\$117.23	\$127.78	\$139.28	\$146.24	\$153.55	\$161.22
3 inch	\$255.39	\$278.37	\$303.42	\$318.59	\$334.51	\$351.23
4 inch	\$458.73	\$500.01	\$545.01	\$572.26	\$600.87	\$630.91
6 inch	\$1,018.18	\$1,109.81	\$1,209.69	\$1,270.17	\$1,333.67	\$1,400.35
8 inch	\$1,572.90	\$1,714.46	\$1,868.76	\$1,962.19	\$2,060.29	\$2,163.30
10 inch	\$1,966.13	\$2,143.08	\$2,335.95	\$2,452.74	\$2,575.37	\$2,704.13

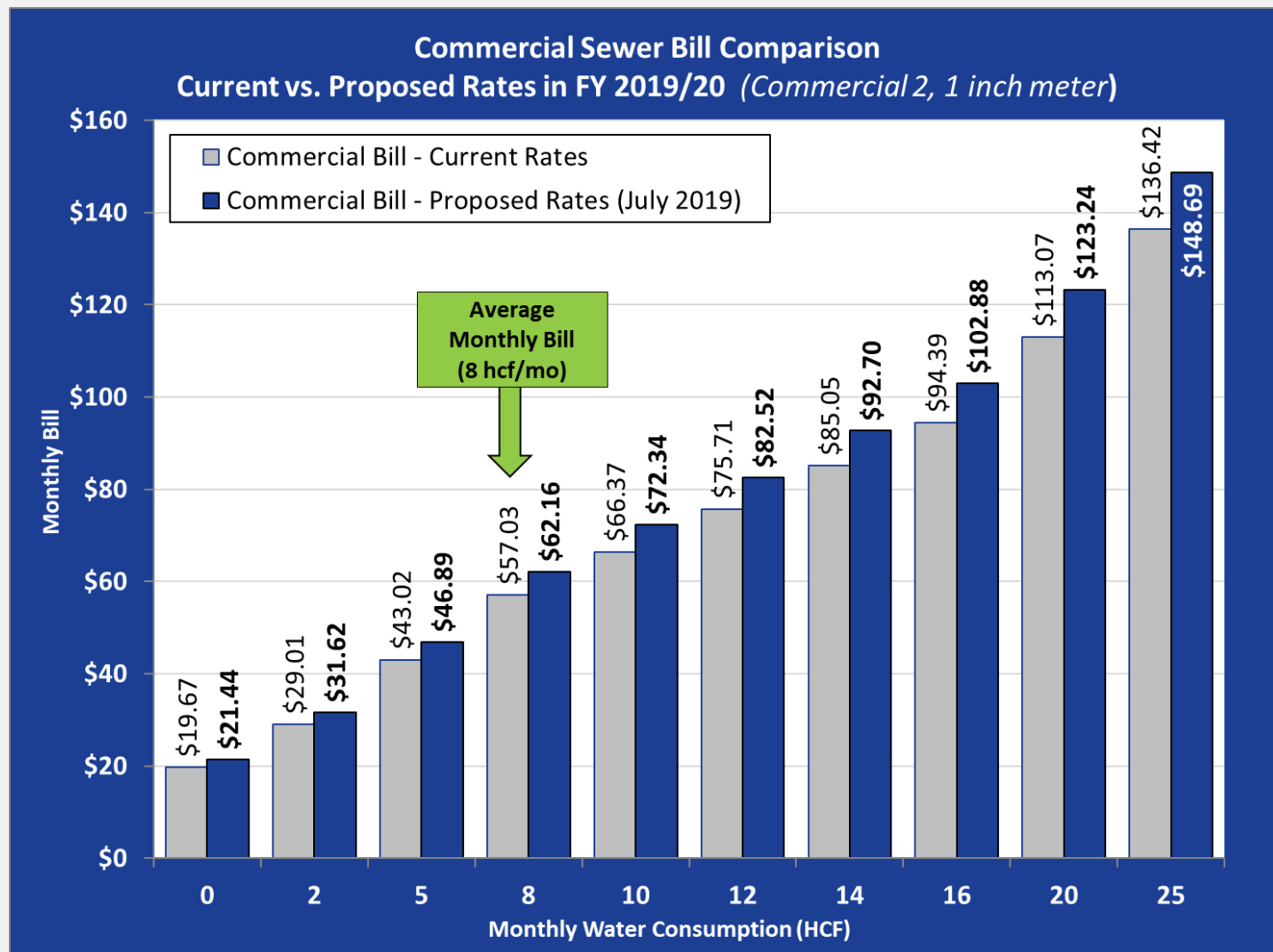
Proposed Sewer Rates – Volumetric Charges

Sewer Rate Schedule	Current Rates Effective 1/1/19	Proposed Rates				
		7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
		9.00%	9.00%	5.00%	5.00%	5.00%
Monthly Volumetric Charges:						
Single-Family	\$4.17	\$4.54	\$4.94	\$5.18	\$5.43	\$5.70
Multi-Family	\$4.17	\$4.54	\$4.94	\$5.18	\$5.43	\$5.70
Commercial Charge						
Commercial 1	\$3.99	\$4.34	\$4.73	\$4.96	\$5.20	\$5.46
Commercial 2	\$4.67	\$5.09	\$5.54	\$5.81	\$6.10	\$6.40
Commercial 3	\$5.68	\$6.19	\$6.74	\$7.07	\$7.42	\$7.79
Commercial 4	\$6.44	\$7.01	\$7.64	\$8.02	\$8.42	\$8.84
Commercial 5	\$7.65	\$8.33	\$9.07	\$9.52	\$9.99	\$10.48
Commercial 6	\$12.77	\$13.91	\$15.16	\$15.91	\$16.70	\$17.53

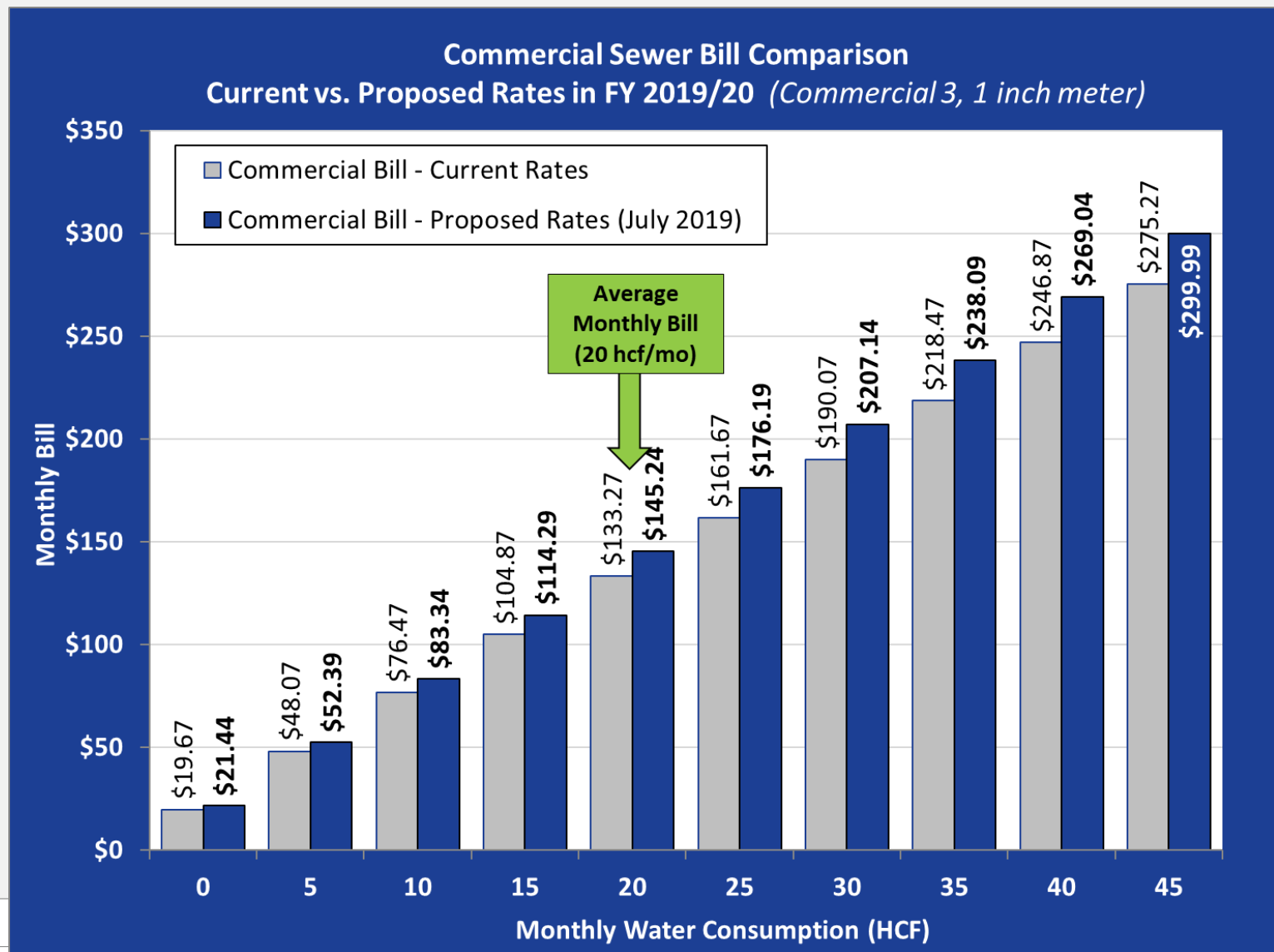
Bill Impact – Single Family Residential



Bill Impact – Commercial Class 2



Bill Impact – Commercial Class 3



Overview of Proposition 218 Process

Procedural Requirements for the Prop. 218 Protest Procedure:

1. Send Notice of Public Hearing to all customers/property owners
2. Collect and count all written protests
3. Hold Public Hearing 45-days after mailing notices
3. If no majority protest (50% + 1), new rates can be adopted

Requested Council Action and Next Steps

Requested Council Actions *(Tonight)*

- ✓ Accept the Draft Rate Study
- ✓ Or, Provide Direction on Modifications

Next Steps *(After Tonight)*

- ✓ February 25th – Public Meeting at 6pm
- ✓ March 6th – Council Meeting - Approve rates and direct commencement of Proposition 218
- ✓ Complete Proposition 218 Process
- ✓ May 1st – Council Meeting - Rate Approval Will be Requested *at Public Hearing, if No Majority Protest, and rates to go into effect July 1, 2019.*

Questions and Answers





Item 16

2019 - 2020 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
- Regional Initiatives

2019-2020 STRATEGIC PRIORITIES



- Agricultural Preservation
- Cannabis
- Community Engagement and Messaging
- Economic Development
- Financial Stewardship
- High Speed Rail

2019-2020 STRATEGIC PRIORITIES (CONTINUED)

- Homelessness
- Housing
- Infrastructure
- Telecommunications
- Traffic/Transportation

Thank you



CITY OF MORGAN HILL



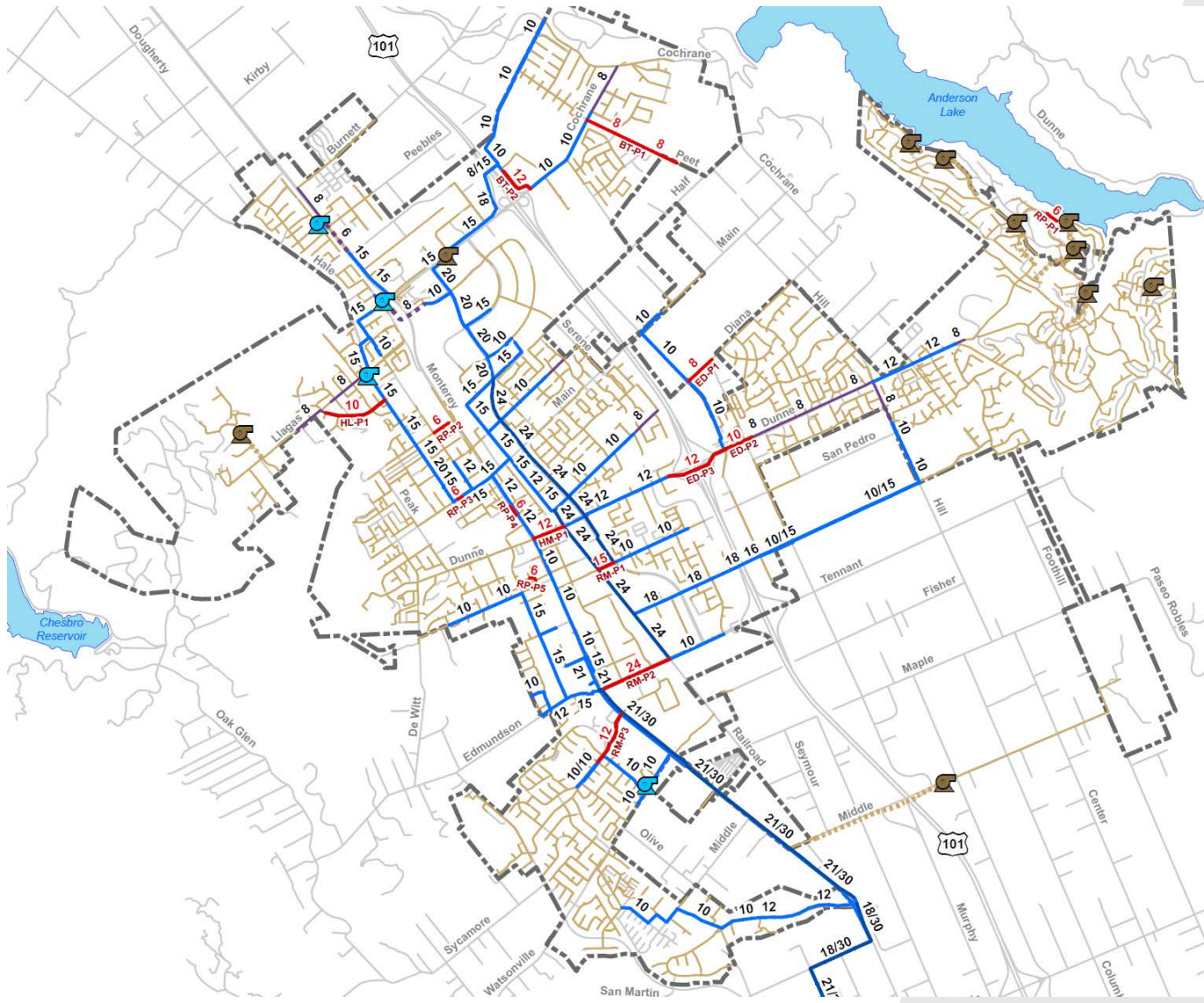
Wastewater System Needs

Item 17



Background

City Wastewater (Sewer) System



Background



- Enterprise Fund
 - **Ratepayers Pay for Ongoing Operations**
 - **Impact Funds Used for Addition/Expansion**
- 2017 Sewer System Master Plan
 - **\$109 Million in Improvements**
 - \$57 Million Capacity/Expansion
 - \$52 Million in Repair/Replacement

Background



- 2017 Storm Events
 - Spills During Significant Storm Events
 - Required Repairs in 5 years
- Infiltration and Inflow (I & I)
 - Required Identification & Repair
- Completed Projects
 - Trunk Line Capacity
 - First I & I Project
 - In House Efforts

Planned Projects

- I & I, Rehabilitation, and Repair Projects
 - **\$20M Ratepayers**
- Relief Trunk Line
 - **\$28M Rates (25%) New Development (75%)**
- Existing Trunk Line Assessment
 - **\$450K Ratepayers**
- SCRWA Treatment Plant Expansion
 - **\$29M New Development**
- Other Future Projects
 - **\$31.5M**

Rate Study



- Need for Rate Increase
 - **Required Ratepayer Funded Repairs**
- Prior Discussions
 - **Master Plan Adoption**
 - **Rate Study included in FY 2018/19 Budget**
 - **Wastewater Rates were not increased with Water Rate increase in 2016**

Rate Study

Proposed Schedule



February 6	Update to Council
February 8	Rate Study Draft Available to Public
February 20	Council Provides Policy Direction
February 25	Public Meeting
March 6	Council Meeting Public Hearing
May 1	Council Meeting Public Hearing & Rate Adoption
July 1	New Rates go into effect

Questions?





Sports Facility Development

Item 18



Policy Questions



- Should the City consider moving forward with sports facility development on City owned property located within the County?
- Understanding considerations relating to agriculture preservation and potential partnerships for development, should discussions on near term development be put on hold?

Sites and Background

RECREATION PROPERTY

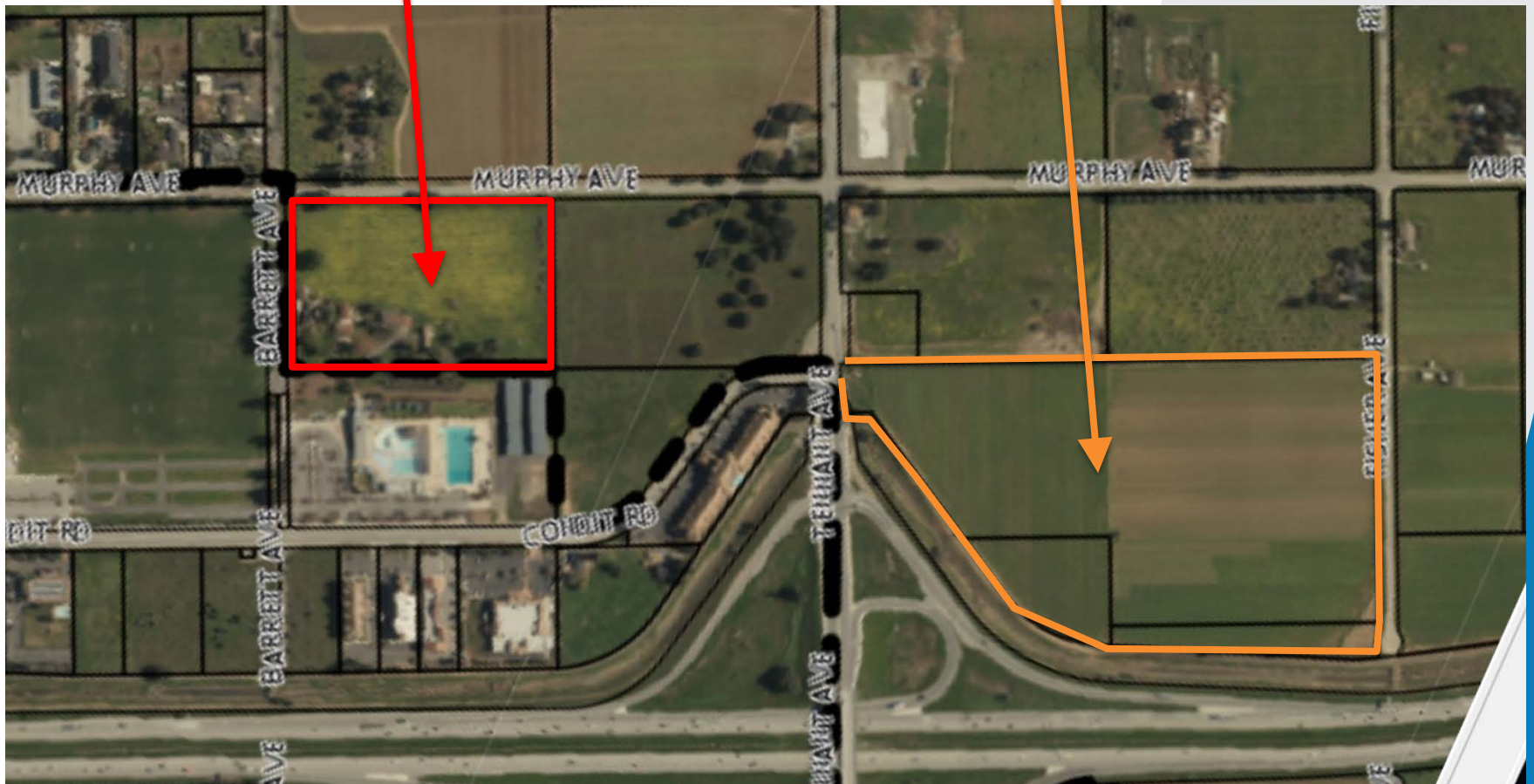
Purchased 2016 – 10 Acres

Parking and Future Recreation
Facility Site

BALL FIELD PROPERTY

Purchased 2015 – 25.8 Acres

Future Baseball/Softball Site



2017 RFP Potential Partners



- **Ball Field Property**
 - Silicon Valley Cricket
 - Potential development of facility that accommodates cricket, baseball, and softball
 - Time sensitive
- **Recreation Property**
 - Partnership opportunities for sand volleyball
 - Site used as temporary overflow parking for Outdoor Sports Center and Aquatics Center

Considerations



- **Development within the County**
 - City can develop through intergovernmental immunity
 - Cannot connect utilities without annexation
- **Agricultural Preservation**
 - Ball Field Property currently farmed
 - Recreation Property has not had ag use for many years
 - Regional entities will not be supportive of development of Ball Field Property

Considerations

- Other Considerations
 - If the properties are not ultimately developed, the Park Impact Fund must be repaid and the funds used for park purchases at another location
 - It will be very difficult or impossible to find replacement property for the Ball Field site within the City

Policy Direction

- Potential Options for Either Property
 - Continue to land bank
 - Begin development process
 - Attempt to work with regional entities on future development of property
 - Transition properties to agricultural easements

Questions?



Dear Council members,

I wanted to take this opportunity to thank you for giving us the opportunity to explain our project and request your support in bringing cricket to Morgan Hill by utilizing the proposed ball fields in Morgan Hill.

Background:

We have been interacting with the city officials in the past year trying to get permission to develop the ball fields for cricket as well as for spring and pony leagues completely with our funds without depending on the city for any funding.

Cricket an enormously popular game in the world, is finally getting a footing in the US, I am forwarding a link giving the details of the following the game has in the world:

<https://www.youtube.com/watch?v=beVKUfxZ104>

Recently International Cricket Council (ICC) the International Body governing cricket has admitted USA into its fold and **USA is now an associate member of ICC** along with 104 other world members. This not only permits USA to compete with other ICC associate members but also **host international matches** in due course. Induction of USA cricket into the ICC fold has opened up the cricketing world to the **enormous market potential in the US** and a lot of corporates have started viewing **USA as a commercially viable market**.

This development has accelerated the **formation of a private league** on the lines of NFL, NBA etc. Cricket League is one of the popular leagues in other parts of the world and the following link gives an idea about the popularity and ranking of the sport as a commercially viable project: <https://www.youtube.com/watch?v=eRrMaxAE-SY>

This league, the APL (American Premier League), is governed by the USA Cricket body which envisages having **6 franchises** all over US in the first instance. **San Francisco Bay Area** is one of the locations chosen for the franchise and the league is to start soon.

Locations being currently considered:

Along with the facility at Morgan Hill The San Francisco Franchise is considering the following potential locations to host their team/games:

1. Fremont (Automall parkway grounds)
2. San Jose (Fair Grounds)
3. Sunnyvale (Twin Creeks Facility)

We (Silicon Valley Cricket) are the facility partners for the San Francisco franchise.

Our personal **preference is the Morgan Hill Grounds** for the following reasons:

1. The current location being considered is very scenic and has a pristine beauty associated to it.
2. Extension/part of the sports corridor (MHYSA, Aquatic Center etc)
3. Proximity to full-fledged hotels
4. The ground location is just off the highway with easy access to it, thereby not affecting city traffic.
5. The local cricket community has been using the MHYSA facility for the past three years and have acknowledged that this is one of the best locations for cricket in the Bay Area.

San Francisco franchise choosing Morgan Hill as their home will open up **tremendous sports tourism** opportunities as teams from the other 5 franchises will be playing here every year. In addition, in due course we could host international games against the USA national team and if all works out well USA is considering hosting the International World Cup in the US in the next 10 years and Bay Area will be the main location to **host this Mega event** given the large resident community that follows cricket in Bay Area. This will positively impact the following:

1. **Employment** (Part time and full time)
 2. **Boost Hotel occupancy**
 3. **Increase restaurant business**
 4. **Tourism**
 5. **Corporate Sponsorship and Investments**
 6. **Direct and Indirect revenue to the city** (Revenue Share, Parking, Concessionaries, Temp employment etc. during games and events)
- And various other associated aspects.

In addition to the positive economic impact all the above parameters would place **Morgan Hill Grounds on the international cricket map.**

The beauty of this project is that the grounds will be open green (similar to a golf course) except for a facility for wash rooms/ restrooms and change rooms and a small pavilion (team dugouts). (This will be something similar to the ones currently in the adjoining sports complex MHYSA). Thus, there is no major construction being envisaged.

For the Franchise games the ground will be used **only for about 8 to 12 weekends**. During this period **temporary bleachers** will be set up for spectator watching. (Something similar to the July 4th weekend event being currently held at the adjacent grounds) For the rest of the year the ground will be used for training school students and youth in cricket, as a training facility for the National Cricket Team, and for local and regional games. **Thus, with large open fields and very limited construction the scenic and natural beauty of this location is preserved.** For most part of the year it is only the weekends being used and since there is **no major construction** it is almost like large open fields with Bermuda grass.

This location being chosen by the Franchise accelerates our commitment to the city of **developing the Pony and Spirit League grounds** for use by the **Morgan Hill youth**. We will not need the four years we had earlier projected to get the grounds going but will be able to have the grounds **ready for the players by the second year itself**. Once the franchise team starts playing, we will be able **to add lights to the facility in the 3rd/ 4th year** so that the **pony and spirit league players have an excellent facility with lights and other associated requisites** like score board, team dugouts etc. which will be part of a top class facility where they play in the evenings as well under lights also subject to city permits.

I look forward to hearing from you on the next steps regarding this and hope that we will be able to move forward on this project at the earliest. I sincerely hope that Morgan Hill City supports us in making Morgan Hill the home for this cricketing franchise thereby benefitting from the enormous potential and placing Morgan Hill as one of the best International Cricket Locations in the world.

Sincerely

Prem Suri
SVCG

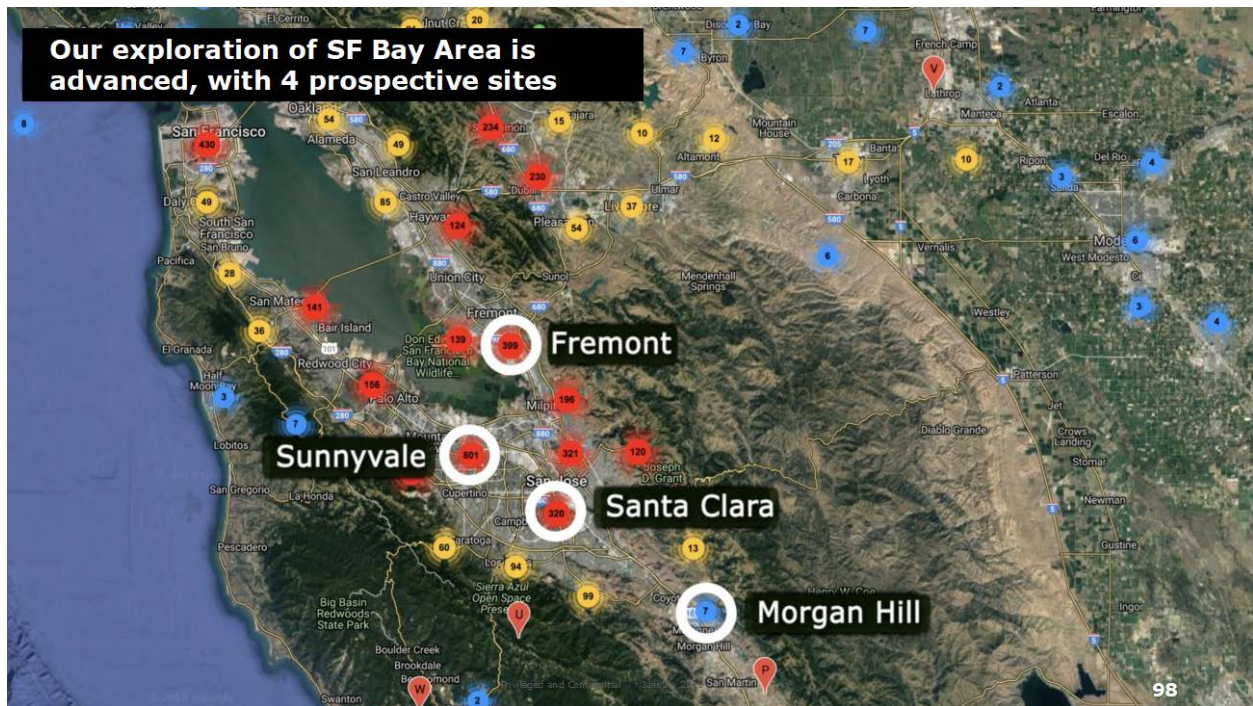
Encl:

1. The three other locations being considered by SVCG for a SF Franchise
2. Typical ground when not used
3. Typical ground when one of the franchise/international matches is being played.

Item # 18

AGENDA DATE: 02/06/19

SUPPLEMENT # 1



Typical Ground on a Non Game Day (Lot of open green)



Typical Ground when the Franchise / International Games are on:





Members of the Morgan Hill City Council,

This letter is to show support of the proposed Baseball/Softball complex in Morgan Hill at the property on Tennant/101. We are a local, private baseball and softball organization that has many travel teams. We also host camps, have an indoor training center in town, and have a non-profit sector of our program that handles our extensive community service and scholarship efforts. We have had over 700 local players participate in our program the last two years. We currently have 110 families that are in our program full time.

The South County area has been in need of a large-scale baseball/softball facility for many years. Baseball and softball is very popular in this area, but there has always been a lack of quality fields for our local athletes and teams. The baseball and softball community has been desperate and waiting patiently for a new facility in this area that we can call our own. There is a buzz in the baseball community about the prospect of building fields in Morgan Hill, as the City provides a perfect location to serve local athletes/teams and attract teams from out of the area. There is very strong support in the local community to further enhance the City's recreation program to include baseball/softball fields. We are constantly seeing our local athletes have to leave the area for quality ballfields. The proposed site on Tennant and 101 is the ideal location for something local that our community can enjoy and benefit from.

The building of a baseball/softball complex would also be a boon for the local economy. Baseball and softball tournaments are huge business, and Morgan Hill is a destination city that could attract many of the large-scale tournaments that are being held in other cities. Our program spends tens of thousands of dollars monthly at various tournaments around Northern California. These costs include tournament fees, dining at the complex and local restaurants, and staying at their local hotels. The cities and complexes we visit are making huge money from all of the teams that play in the tournaments. Morgan Hill is a much better destination than these cities and should be benefiting from everything that hosting these tournaments at a local complex would entail.

Our program, along with other local leagues and teams, are in strong support of the proposed baseball/softball complex in Morgan Hill. We hope that the City can finally approve this project and bring the local community the complex they have been waiting for.

With Honesty and Respect,

Erik Wagle
President/Executive Director
Dub Baseball/Softball, LLC
Dub Baseball/Softball Foundation



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners

Susan Ellenberg
Sequoia Hall
Sergio Jimenez
Linda J. LeZotte
Rob Rennie
Mike Wasserman
Susan Vicklund Wilson

Alteri

Cindy Chavez
Maya Esparza
Yoriko Kishimoto
Russ Melton
Terry Trumbull
Executive Officer
Neelima Palacherla

February 6, 2019

VIA EMAIL [irma.torrez@morganhill.ca.gov]

Honorable Mayor Constantine and City Council Members
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

RE: "Agenda Item #18: Provide Direction on Sports Facility Development Process" of Morgan Hill City Council's February 6, 2019 Meeting

Honorable Mayor Constantine and City Council Members,

This letter concerns Agenda Item #18 "Provide Direction on Sports Facility Development Process" of the City of Morgan Hill's February 6, 2019 Council Meeting Agenda and involves several parcels located within an unincorporated area known as the Southeast Quadrant (SEQ), a predominately agricultural area. This area has been identified as an Agricultural Resource Area by the County in its recent Santa Clara Valley Agricultural Plan.

It appears that the City Council will be considering various options for the future use of unincorporated City-owned properties in the area, including whether to begin the process to develop these parcels within the County, for sports, recreation, and leisure uses.

These City-owned properties ("Ball Field Property" and "Recreation Property") were part of the Morgan Hill Urban Service Area Amendment 2015 application which was considered and denied by LAFCO in March 2016. These lands remain unincorporated, located outside of the City's Urban Service Area, and designated and planned for non-urban, agricultural and rural uses.

As you are aware, LAFCO is a state mandated independent local agency with countywide jurisdiction. Its primary goals are to discourage urban sprawl, preserve agricultural and open space lands, and encourage efficient delivery of services. LAFCO regulates the boundaries of cities and special districts; and the extension of services outside an agency's boundaries. State law and LAFCO policies encourage the development of vacant land within existing city limits and require that urban development be guided away from existing agricultural lands.

As you are also aware, the County of Santa Clara does not allow urban development to occur in the unincorporated area and does not provide urban services such as sewer and water service in the unincorporated area. This limitation is consistent with the long-standing Countywide Urban Development Policies which state that urban development should occur only on lands annexed to cities and not within

unincorporated areas; and that cities should be responsible for planning, annexing and providing services to urban development within their urban service areas in an orderly, planned manner. Additionally, State law does not allow a city to provide services outside of its boundaries without LAFCO's approval and LAFCO policies discourage such extension of services outside jurisdictional boundaries.

Furthermore, in 2003, following LAFCO's approval of the City's request to include Sobrato High School within its USA boundary, LAFCO notified the school districts and cities in the county about the potential issues with speculative property purchases by public agencies in rural unincorporated areas and requested that LAFCO be consulted as early as possible, in order to avoid unnecessary conflicts as there is no guarantee that LAFCO will approve boundary expansions or extensions of service to unincorporated property. This issue was also more recently relayed in letters sent to the Morgan Hill Unified School District and copied to the City.

The Santa Clara Valley Agricultural Plan recognizes the area as an Agricultural Resource Area and the County's Board of Supervisors recently approved seed funding for a program to preserve remaining farmland in Santa Valley, as part of the County's ongoing effort to help support farmers and boost the county's agricultural sector.

Given all of this, the City should defer making a decision on the future use of its properties in the area. Instead, the City should engage in discussions with partner agencies involved in agricultural preservation in order to develop a cohesive shared vision and plan that resolves many of the outstanding issues/concerns that exist surrounding the City's plans for the area.

We respectfully request that you carefully consider the abovementioned policies as you discuss potential options for the future use of these City-owned properties located in the unincorporated county. Development that is anticipated to require City sewer or water services, now or in the future, should be avoided, as such services are not currently available and not anticipated to be available in the unincorporated area, and would only be available if the properties were first located within the City's urban service area and annexed to the City.

If you have any questions regarding the information presented in this letter, please feel free to contact me. Thank you.

Sincerely,



Neelima Palacherla
LAFCO Executive Officer

Cc:

LAFCO Members
Christina Turner, City Manager, City of Morgan Hill
Jacqueline Onciano, Director, County Planning and Development Department



COMMITTEE FOR
GREEN FOOTHILLS

Wednesday, February 6, 2019

Mayor Rich Constantine and City Council Members
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037-4128

Re: Agenda Items 18 – Provide Direction on Sports Facility Development Process

Dear Mayor Constantine and Council Members,

Committee for Green Foothills (CGF) appreciates Council identifying agricultural preservation as a 2019-2020 strategic priority. During your Annual Goal Setting Workshop, it appears Council also expressed an interest in reviewing the placement of the urban growth boundary in what the City now refers to as the Agricultural Priority Conservation Area (i.e. the Southeast Quadrant).¹

We fully support these directives as they provide an opportunity for improved collaboration with all stakeholders and for enhancement of the City's agricultural strategy. Given the Board of Supervisors recent approval of a suite of actions that further the implementation of the Santa Clara Valley Agricultural Plan, this is an ideal time for Council to reexamine the City's agricultural strategy together with the County and the land trusts in the region. Such discussions could help augment the City's partnership with these entities, your agricultural preservation endeavors, and your efforts to reduce greenhouse gas emissions in the face of climate change.

That is why we urge you to prioritize holding such discussions and/or a comprehensive study session/workshop (or set of workshops) *before* providing any further direction on a parcel by parcel basis. This will ensure a holistic and optimal approach that will be most beneficial to the

¹ On page CNF-18 of the City's General Plan - accessible on the City website - this area is referred to as the Southeast Quadrant.

City in the long-term. The alternative piecemeal approach will hinder the stated goal of agricultural preservation and viability for this area.

As stated in the staff report, the City may develop the property in conformance with its land use designations and permitting process. However, there is a high probability that these uses will require urban services that would necessitate the approval of the Local Agency Formation Commission (LAFCO). As LAFCO in the past two years has denied the City's urban service area amendment requests in this area, the City should consider whether it wishes to yet again expend time and considerable resources on projects that you may not be able to fully realize as envisioned.

To that end, we strongly encourage you to land bank the "Ball Field" property – at least for the interim - and work with your regional partners (County of Santa Clara, LAFCO, Santa Clara Valley Open Space Authority, Land Trust of Santa Clara Valley) on the future use of the "Ball Field" and "Recreation" properties in the context of your agricultural strategy. By doing so, you are not "doing nothing", the Council can enter into productive discourse with the regional entities while the land continues to be farmed.

We believe this course of action to be in the City's best interest as the Council has stated that the ultimate goal is to permanently protect agricultural lands in the City's Priority Conservation Area/Southeast Quadrant.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in blue ink that reads "Julie Hutcheson". The signature is stylized with a large, looped "J" and a cursive "Hutcheson".

Julie Hutcheson
Director of Impact



February 6, 2019

City of Morgan Hill
17575 Peak Ave.
Morgan Hill, CA 95037

Subject: February 6, 2019 Morgan Hill City Council Meeting, Agenda Item #18: Provide Direction on Sports Facility Development Process

Dear Mayor Constantine and Council Members Carr, Martinez-Beltran, McKay, and Spring –

On behalf of the County of Santa Clara Department of Planning & Development, we write in support of City staff's policy option to continue to land bank two City-owned properties within the unincorporated Southeast Quadrant and the County's Agricultural Resource Area (ARA).

Outside of City borders, the two properties in question fall under the County's Exclusive Agriculture zoning district. The purpose of this zoning is to preserve and encourage the long-term viability of agriculture and agricultural lands, recognizing the vital contributions agriculture makes to the economy and quality of life within the county. One of these properties continues to be actively farmed.

We understand that the City intends to discuss the Urban Growth Boundary (UGB) in this area and is also taking steps to develop a strategy for its acquisition of agricultural conservation easements and to revisit the preservation of farmland generally.

On January 29, 2019, the County's Board of Supervisors directed our Department to begin re-invigorating our agricultural zoning to limit uses incompatible with farming operations and to support the continued viability of our region's farm businesses. Making amendments to our Zoning Ordinance is one of many approaches now underway, as charted out in the *Santa Clara Valley Agricultural Plan* and approved by the Board of Supervisors. We expect to propose and conduct outreach for such agricultural zoning amendments imminently. Given that the two City-owned properties in question are within the County's Exclusive Agriculture zone, they will be affected by these Ordinance changes.

Moreover, the County is unable to provide urban services to these properties and therefore any future development is likely to require an application for annexation from Santa Clara LAFCO.

For these reasons, until changes have been made to the County's agricultural zones, and until the City has discussed UGB changes and revisited its 1996 agricultural preservation strategy, we support the continued land-banking of City-owned properties outside of City limits.

We commend the City's commitment to agricultural preservation and farm viability and we are eager to work together in developing a regional strategic approach toward this shared goal.

Sincerely,

DocuSigned by:
Eastwood, Rob
AD0368294CE042B...

Rob Eastwood
Planning Manager
Department of Planning & Development

DocuSigned by:
Michael Meehan
186AB6B1AB404D6...

Michael Meehan
Agriculture Plan Program Manager
Department of Planning & Development



CITY OF MORGAN HILL

Regular Meeting Agenda

City Council

Rich Constantine - Mayor
Rene Spring - Mayor Pro Tem
Yvonne Martinez Beltran - Council Member
Larry Carr - Council Member
John McKay - Council Member

Wednesday, February 6, 2019 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 Constantine)

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

PROCLAMATIONS

Proclaiming the week of February 3rd through 9th as Future Business Leaders of America Week
Karrine Leong and Gillian McCaw

RECOGNITIONS

Recognition for Downtown Flower Box Coordinators
Irene Mort and Susan Houghton

Recognition for Supreme Donations for the Downtown Flower Boxes
Dave Vincent, Cal Color Growers

PRESENTATIONS

Morgan Hill Aquatic Foundation \$3K scholarship donation
Tim Thornton

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 NOVEMBER 2018 FINANCIAL AND INVESTMENT REPORT

Recommendation:

Accept and file report.

2. ACCEPT FOURTH STREET & MONTEREY ROAD SIGNALIZATION PROJECT

Recommendation:

1. Accept the Fourth Street & Monterey Road Signalization Project, in the final amount of \$293,582;
2. Authorize the City Engineer to sign the attached Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

**3. ADOPT ORDINANCE 2295 AMENDING THE MADRONE VILLAGE SHOPPING CENTER
PRECISE DEVELOPMENT MASTER PLAN TO ALLOW HOTEL DEVELOPMENT**

Recommendation:

Waive the reading, adopt Ordinance No. 2295, 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.

**4. ADOPT ORDINANCE 2296 ESTABLISHING PROCESS FOR CONTINUITY OF
GOVERNMENT IN THE EVENT OF A DISASTER**

Recommendation:

Waive the reading, adopt Ordinance No. 2296, 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.

**5. ADOPT RESOLUTION OF INTENT TO HOLD SPECIAL BALLOT PROCEEDING FOR
PARSONS CORNER SUBAREA OF MORGAN HILL LANDSCAPE ASSESSMENT
DISTRICT NUMBER 1**

Recommendation:

1. Adopt resolution of intent authorizing a special ballot proceeding to detach the Parsons Corner Subarea from the Morgan Hill Landscape Assessment District Number 1 (District); and
2. Approve and authorize the City Manager to execute a Maintenance Agreement with the Parson's Corner Homeowners Association, subject to successful detachment of the Parsons Corner Subarea from the Morgan Hill Landscape Assessment District Number 1 (District).

6. CITY COUNCIL APPOINTMENTS TO OUTSIDE AGENCIES

Recommendation:

1. Review and approve the City Council Appointments to Outside Agencies as necessary; and
2. Direct the City Clerk to notify the appropriate agencies of the updated assignments and update the Form 806 as necessary.

7. APPROVE THE JANUARY 23, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

8. APPROVE THE JANUARY 25, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

9. APPROVE THE JANUARY 26, 2019 MEETING MINUTES

Recommendation:

Approve Minutes.

PUBLIC HEARING

10. ADOPT GENERAL PLAN AMENDMENT TO CHANGE THE GENERAL PLAN LAND USE DESIGNATION ON AN 8.34 ACRE SITE LOCATED NORTH OF EAST DUNNE AVENUE AND SADDLEBACK DRIVE (APN NO. 728-02-002) FROM RESIDENTIAL ESTATE TO RESIDENTIAL DETACHED LOW AND ADOPT ZONING AMENDMENT ORDINANCE TO CHANGE THE ZONING CLASSIFICATION FOR THE PARCEL FROM RESIDENTIAL ESTATE ONE-ACRE TO RESIDENTIAL DETACHED LOW DENSITY (RDL-20,000)

Recommendation:

1. Open and close public hearing;
2. Adopt resolution approving the General Plan Amendment and approving a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for the project;
3. Waive first and second reading of Zoning Amendment Ordinance; and
4. Introduce Zoning Amendment Ordinance.

Estimated Time: 30 Minutes

11. ADOPT ZONING AMENDMENT FOR APPROXIMATELY 8.55 ACRES OF PROPERTY LOCATED ON THE NORTHEAST CORNER OF MONTEREY ROAD AND BURNETT AVENUE (APN NO. 725-01-018, -032, AND -033) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX/PLANNED DEVELOPMENT (PD) COMBINING DISTRICT TO ESTABLISH A BLOCK-LEVEL MASTER PLAN (BLMP) FOR MONTEREY ROAD CORRIDOR BLOCK ONE.

Recommendation:

1. Open/close public hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0001: Monterey Corridor Block One; and
3. Introduce Zoning Amendment ZA2019-0001: Monterey Corridor Block One

Estimated Time: 30 Minutes

12. ADOPT ZONING AMENDMENT FOR APPROXIMATELY 7.58 ACRES OF PROPERTY LOCATED ON THE EAST SIDE OF MONTEREY ROAD OPPOSITE OLD MONTEREY ROAD (APN NOS. 726-25-006 AND -005) FROM THE PLANNED UNIT DEVELOPMENT (PUD) AND SERVICE COMMERCIAL (CS) ZONING DISTRICTS TO THE MIXED USE FLEX/PLANNED DEVELOPMENT (PD) COMBINING DISTRICT TO ESTABLISH A BLOCK-LEVEL MASTER PLAN (BLMP) FOR MONTEREY ROAD CORRIDOR BLOCK FOUR

Recommendation:

1. Open/close public hearing;
2. Waive first and second reading of Zoning Amendment ZA2019-0002: Monterey Corridor Block Four; and
3. Introduce Zoning Amendment ZA2019-0002: Monterey Corridor Block Four

Estimated Time: 30 Minutes

13. ADOPT RESOLUTION AUTHORIZING THE COUNTY TO COMMENCE 2019 HAZARDOUS VEGETATION ABATEMENT PROGRAM

Recommendation:

1. Open/Close public hearing;
2. Adopt Resolution A authorizing Santa Clara County to commence hazardous vegetation abatement activities on the attached list; and
3. Adopt Resolution B authorizing Santa Clara County to commence hazardous vegetation abatement activities for the remaining parcel.

Estimated Time: 5 Minutes

OTHER BUSINESS

14. RECEIVE CAPITAL IMPROVEMENT PROJECT UPDATE

Recommendation:

Receive an update on City Capital Improvement Projects.

Estimated Time: 20 Minutes

15. PROVIDE DIRECTION REGARDING THE ADOPTION OF A LOBBYIST REGISTRATION ORDINANCE

Recommendation:

Direct the City Attorney to prepare an ordinance requiring registration of paid lobbyists.

Estimated Time: 5 Minutes

16. UPDATES TO SUSTAINABLE MORGAN HILL AND ONGOING PRIORITIES AND ESTABLISHMENT OF 2019-2020 STRATEGIC PRIORITIES

Recommendation:

Adopt updates to Sustainable Morgan Hill and ongoing priorities and establish the City Council's 2019-2020 Strategic Priorities.

Estimated Time: 10 Minutes

17. ACCEPT REPORT REGARDING WASTEWATER SYSTEM NEEDS AND RATE STUDY SCHEDULE

Recommendation:

Receive an update on wastewater system needs and schedule for the upcoming rate study.

Estimated Time: 15 Minutes

18. PROVIDE DIRECTION ON SPORTS FACILITY DEVELOPMENT PROCESS

Recommendation:

Provide staff direction on development of sports facilities on City owned properties.

Estimated Time: 25 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.

CLOSED SESSION

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

Conference with Legal Counsel - Existing Litigation

Authority:	Pursuant to CA Govt. Code Section 54656.9(a).
Case Name:	Neumayer v. City of Morgan Hill and Innovative Claim Solutions, Inc.
Case Numbers:	Workers' Compensation Claim No: MHL1400004, WCAB No: ADJ10003677; ADJ10804856

Conference with Legal Counsel - Existing Litigation

Authority:	Pursuant to CA Govt. Code Section 54656.9(a).
Case Name:	Munoz v. City of Morgan Hill
Case Numbers:	Workers' Compensation Claim No: MHL1800013, WCAB No: n/a

RECONVENE

CLOSED SESSION ANNOUNCEMENT

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.