



Budget Workshop Agenda

City Council

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

Friday, January 24, 2020 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 is called Friday, January 24, 2020 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 25, 2020 at 9:00 a.m. for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING OF AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

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

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

ADJOURNMENT TO SATURDAY, JANUARY 25, 2020 AT 9:00 AM

SATURDAY, JANUARY 25, 2020 9:00 A.M.

GOAL SETTING WORKSHOP CONTINUED

Continuation of the January 24, 2020 City Council Goal Setting Workshop.

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)

ADJOURNMENT

NOTICE

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

PUBLIC COMMENT

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

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

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

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA)

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

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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





CITY COUNCIL STAFF REPORT

MEETING DATE: January 24, 2020

PREPARED BY: Christina Turner, City Manager

APPROVED BY: City Manager

CITY COUNCIL GOAL SETTING WORKSHOP

RECOMMENDATION(S)

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

LINKS/ATTACHMENTS:

1. Goal Setting Workshop Detailed Agenda
2. 3. Exceptional Councils - Western City article
3. 4. How Effective City Councils Work Together
4. 5. Council Norms
5. 6. CP-97-01 Rules for the Conduct of City Council Meetings
6. 7. CP-96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
7. 8. CP-94-09 Proclamation Policy
8. 9. CP-03-02 Ex Parte Contacts
9. 10. Reso 6851 Mayor Authority to take City Position
- 10.11. Complete Sustainable Morgan Hill 6-19-19
- 11.13. Council Follow-up
- 12.14. League of CA Cities Outline of SB 50 (Wiener) Housing Development Incentives



City Council Goal Setting Workshop

January 24 & 25, 2020 9:00 AM – 5:00 PM

ATTACHED MATERIALS:

- 1) PowerPoint Presentation
- 2) 2019 Accomplishments
- 3) After the Campaign is Over: Aim for Exceptional
- 4) How Effective City Councils Work Together
- 5) City Council Norms
- 6) City Council Policy 97-01 Rules for the Conduct of City Council Meetings
- 7) City Council Policy 96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
- 8) City Council Policy 94-09 Proclamation Policy
- 9) City Council Policy 03-02 Ex Parte Contacts
- 10) Reso No. 6851 Authority to Take Legislative Positions
- 11) 2019-2020 Sustainable Morgan Hill
- 12) 2019-2020 Strategic Priorities Workplan
- 13) City Council Follow-Up/Future Business Items
- 14) Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives

FRIDAY, JANUARY 24, 2020

Time	Topic	Presenter
8:30 AM-9:00 AM	1. Arrival and Breakfast	
9:00 AM-10:00 AM	2. Welcome	
	2.1 Pledge of Allegiance	Mayor Constantine
	2.2 Welcome	Mayor Constantine & Christina Turner
	2.3 Introductions	Mayor Constantine
	2.4 City Council Team Building Exercise	Christina Turner
	2.5 Purpose of Goal Setting Workshop, Preview Agenda and Format	Christina Turner
	2.6 Review of 2019 Accomplishments	Leadership Team
	2.7 Public Comment	Mayor Constantine
10:00 AM-12:00 PM	3. City Council Policies, Procedures, & Protocols	

3.1 Summary of Council Member Interviews	Shawn Spano
3.2 City Council Norms	Spano/Turner
3.3 City Council Policy Considerations	Spano/Turner
3.3a 97-01 Rules for the Conduct of City Council Meetings	Spano/Turner
3.3b 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the Council	Spano/Turner
3.3c 94-09 Proclamation Policy	Spano/Turner
3.3d 03-02 Ex Parte Contacts/Quasi-Judicial Hearings	Don Larkin
3.3e Reso No.6851 Authority to Take Legislative Positions	Harjot Sangha

1:00 PM-5:00 PM **4. Sustainable Morgan Hill**

4.1 Review of Sustainable Morgan Hill 2019-2020	Christina Turner
4.2 Review of 2019-2020 Strategic Priorities Workplan	
• Agricultural Preservation • Cannabis Policy • Community Engagement & Messaging • Economic Development • Financial Stewardship	• High Speed Rail • Homelessness • Housing • Infrastructure • Telecommunications • Traffic/Transportation
4.3 Review of Council Follow-Up/Future Business Items	Christina Turner

SATURDAY, JANUARY 25, 2020

9:00 AM-10:30 AM **5. Fiscal Sustainability – Budget & Economic Development**

5.1 Budget Update	Christina Turner
5.2 Balancing Act	Harjot Sangha
5.3 Unfunded Liabilities and Needs	Christina Turner
5.4 Fire Standards of Coverage	Chief Jake Hess
5.5 Economic Development Update	Edith Ramirez

10:30 AM-12:00 PM **6. Engage Morgan Hill**

- | | |
|---|-------------------|
| 6.1 Community Advisory Group (CAG) Update | Maureen Tobin/CAG |
| 6.2 Discussion Engaging Larger Community | CAG |
| 6.3 CAG Recommendations | CAG |

1:00 PM-4:30 PM **7. Other Topics, Time Permitting**

- | | |
|---|---------------|
| 7.1 Agricultural Preservation | Chris Ghione |
| 7.2 Housing - Regional Housing Needs Allocation (RHNA), SB 330 Implementation, Proposed SB 50 | Leslie Little |

4:30 PM-5:00 PM **8. Goal Setting Wrap-Up**

Mayor/Spano/Turner

Executive Director's Message by Carolyn Coleman

CITY HALL

After the Campaign Is Over:**Aim for
Exceptional**

The 2018 midterm election cycle was one of the most divisive, polarizing and competitive election cycles in recent U.S. history. And Election Day came on the heels of an extraordinarily contentious battle over filling a Supreme Court seat — a clash that left some wondering if democracy had reached a new low.

The November ballot in California included 11 statewide ballot initiatives, with proponents and opponents of those measures contributing over \$368 million to win. In addition to voting on ballot measures, California voters elected Assembly and Senate members, a new governor, lieutenant governor, treasurer, controller and superintendent of public instruction, among others. Golden State voters also re-elected Sen. Dianne Feinstein (D-Calif.) for a sixth term and sent 53 returning and newly elected members to the U.S. House of Representatives, where Democrats captured the majority.

Election Day also saw significant action at the local level, where hundreds of Californians ran for local government offices, including city council, mayor, sheriff and more. Besides electing local leaders, California voters weighed in on 386 local tax and bond measures and approved over 300 to support local public services and facilities for police, fire, housing, parks, transportation and schools.

**Campaigns and
Sharp Contrasts**

Campaigns and elections, at their core, often accentuate what divides us. They are designed to set a given candidate or issue apart from another. In a campaign, candidates strive to present their positions on policy issues or problems as sharply contrasting with those of their opponents. It's all part of the effort to persuade voters and win their votes.

At the municipal level, this can take on a highly personal tone, as local officials regularly find themselves campaigning against an opponent who is also their neighbor or fellow council member. He or she may shop at the same grocery store as you, may attend the same place of worship and visit the same commercial establishments and local farmers markets. Your children may even attend the same school. In other words, your opponent is often no stranger.

**Moving From Campaigning
to Collaborating**

However, after the campaign is over, the final ballots have been counted (which may take several weeks) and the oaths of office taken, your constituents — those who voted for you and those who may not have — expect their officials to faithfully and impartially perform and discharge the duties of their office according

continued

to the law and the best of their ability, as the oath of office requires. These duties include collaborating with council colleagues (and sometimes former opponents) and others in City Hall to:

- Protect the public's safety;
- Improve the quality of life by effectively delivering essential community services;
- Grow the local economy;
- Create jobs;
- Be a responsible steward of public resources; and more.

Campaigns may highlight our differences; however, after every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance and carry out the duties that voters expect them to fulfill. This transition is a hallmark of a functioning democracy. And presumably that is why, according to a 2018 Pew Research report, two-thirds (67 percent) of Americans surveyed had a favorable opinion of their local government, compared with only one-third (35 percent) who viewed the federal government favorably.

When writing this column, I thought about my time serving as director of the Department of Metropolitan Development for Indianapolis and later as deputy mayor under former Mayor Bart Peterson. In a partisan election system, Peterson was the first Democratic mayor elected since 1967 and would share governing with a 29-member city-county council led by a Republican majority.

Peterson wasted no time transitioning from candidate to mayor of the nation's then-12th largest city. He turned his attention to carrying out his campaign promises, which included improving the delivery of services to all neighborhoods. This soon became the focus of my role in the administration. Like Peterson, I quickly realized there were no Republican or Democratic potholes, just dangerous potholes that constituents expected the city to repair.

Immediately after the election, the mayor began visiting diverse neighborhoods throughout the city to meet with residents,



some of whom had voted for him and others who had not, to understand their priorities and what they needed from their local government. While not every neighborhood leader agreed with his priorities, they were included in the decisionmaking process regardless of how they had voted. Peterson was also inclusive in his outreach and collaboration with all city-county council members — four who were elected at large and 25 who were elected in districts; some were Republicans and others were Democrats.

Although local government races in California are nonpartisan, it can still be challenging to put aside the competitive mindset after the election is over and work together as a cohesive team to do what's best for the community.

The Qualities of Exceptional Councils

As we move beyond the 2018 midterm election cycle, I believe the public will continue to look favorably on local government and a functioning local democracy if newly elected and re-elected mayors and council members embrace the following attributes of exceptional councils.

Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city. The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strate-

gically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

Exceptional councils have clear roles and responsibilities that are understood and adhered to. Exceptional councils understand their role is to serve as policy-makers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.



Exceptional councils treat each other and staff with dignity and respect.

After every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance.

CITY HALL

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decisionmaking.

Exceptional councils honor the relationship with staff and each other. Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the

operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

Exceptional councils routinely conduct effective meetings. Open and public meetings are central to democratic decisionmaking. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
- Spend time planning and organizing the agenda with the aim of having a focused meeting;
- Allocate the council's time and energy appropriately, focused on its role and responsibilities and on meeting short- and long-term priorities; and
- Honor the public's participation and engagement.

Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decisionmaking, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

Exceptional councils hold themselves and the city accountable. They operate openly and ethically and work to engage residents in myriad decisions affecting the community's prosperity and well-being.

Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness. They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.

Exceptional councils have members who practice continual personal learning and professional development. Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.

This material is drawn from resources provided by the Institute for Local Government. For more information on effective governance, visit www.ca-ilg.org/effective-governance.

Focusing on What Unites Us

Leading in a post-election environment can be challenging, but our democracy depends on it. As the League's executive director, I am inspired every day by the efforts of city managers, council members, mayors and city staff to bridge what divides us and to focus instead on the ties that unite us as individuals and communities. ■

**Morgan Hill City Council Goal-Setting Workshop:
How Effective City Councils Work Together
January 24 – 25, 2020**

Council-to-Council Norms

The facilitator, Shawn Spano, developed the following norms for effective City Council relations based on his experience facilitating numerous Council goal-setting and teambuilding workshops over the past several years.

- 1. Build Good Relationships:** Create trust, demonstrate respect, and engage in open and honest dialogue with each other.
- 2. Seek Understanding:** Make efforts to understand each other's concerns, issues, interests, and perspectives.
- 3. Manage Differences:** Address disagreements and differences constructively; concentrate on issues, not personalities; engage in problem solving together.
- 4. Find Common Ground:** Seek areas of agreement; identify shared interests, values, and positions.
- 5. Commit to Decisions:** Move forward without animosity after decisions are made and votes taken; avoid undermining the decision or denigrating Council colleagues.
- 6. Be Candid:** Provide each other with constructive feedback and suggestions in supportive and non-threatening ways (e.g. off line conversations).
- 7. Use Council Meeting Time Wisely:** Move efficiently toward decisions on non-controversial items when it is apparent that there is broad Council support. Facilitate a sharing of perspectives and dialogue among Council Members on complex or controversial items for which there is a range of views to be explored. Avoid long speeches.

Qualities of Exceptional Councils

The following qualities of exceptional councils were identified by Carolyn Coleman, Executive Director for the League of California Cities, in an article published in the *Western City* (January 2019).

- 1. Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city.** The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative

manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strategically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

- 2. Exceptional councils have clear roles and responsibilities that are understood and adhered to.** Exceptional councils understand their role is to serve as policymakers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decision-making.

- 3. Exceptional councils honor the relationship with staff and each other.** Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

- 4. Exceptional councils routinely conduct effective meetings.** Open and public meetings are central to democratic decision-making. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
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- Allocate the council's time and energy appropriately, focused on its role and responsibilities and on meeting short- and long-term priorities; and
- Honor the public's participation and engagement.
- Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decision-making, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

- 5. Exceptional councils hold themselves and the city accountable.** They operate openly and ethically and work to engage residents in myriad decisions affecting the community's

prosperity and well-being. Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

6. **Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness.** They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.
7. **Exceptional councils have members who practice continual personal learning and professional development.** Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.



City Council Norms

Established January 26, 2019

- ❖ Be respectful of each other
- ❖ Address issue, not person
- ❖ Be honest and real
- ❖ “Clear air” if needed; have hard discussions
- ❖ Listen to each other
- ❖ Be aware of how we represent the City as leaders in the community
- ❖ Be accurate in statements
- ❖ Be open minded; avoid concluding on your position prior to an item being heard
- ❖ Recognize that experience comes in diverse ways
- ❖ Be mindful of time
- ❖ Keep decorum of meeting throughout
- ❖ No side conversations
- ❖ Come prepared
- ❖ Give enough time to discuss issues
- ❖ Ok to ask City Council to continue an item if not ready
- ❖ Don't be repetitive on requests and comments
- ❖ Wait to be recognized before speaking
- ❖ Keep the order of meetings (questions, public comment, and then discussion)
- ❖ Provide early notice of request for alternates to attend outside appointment meetings
- ❖ Speak into the microphone
- ❖ Cell phones silenced
- ❖ Be punctual
- ❖ Send questions in advance of meeting; let City Manager know if you plan to pull a consent item
- ❖ Be engaged
- ❖ Be concise

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS

EFFECTIVE DATE: May 7, 1997

REVISED DATE(S): June 21, 1998, April 1, 1998, April 26, 2000, November 7, 2001, October 16, 2002, June 27, 2007, July 25, 2018

ORIGINATING DEPARTMENT: CITY MANAGER

SECTION 1 - SCOPE

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

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution. Regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority vote of the City Council pursuant to Section 5.3 of this policy.
- 2.3** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.4** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law.
- 2.5** Quorum: Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.6** Adjourned Meetings: The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

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

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters: All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Availability of the Agenda to the Public: The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.
- 4.3 Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
 - a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.

SECTION 5. ORDER OF BUSINESS

- 5.1 The order of business at meetings of the City Council shall be as follows:
 - a. CALL TO ORDER
 - b. ROLL CALL ATTENDANCE
 - c. DECLARATION OF POSTING AGENDA

- d. WORKSHOP (5:00-6:00 p.m., or as deemed appropriate)
- e. CLOSED SESSION (6:00-7:00 p.m., or as deemed appropriate)

Closed Sessions of the City Council can only be held for matters specifically authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an important closed session item. Closed session items may be continued to the conclusion of the agenda.

- f. SILENT INVOCATION
- g. PLEDGE OF ALLEGIANCE
- h. CITY COUNCIL REPORTS

These are updates on activities of individual members of the Council and are non-action items.

- i. CITY MANAGER'S REPORT

These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.

- j. CITY ATTORNEY'S REPORT

These are updates on reportable actions of the City Council in Closed Sessions and/or current litigation.

- k. OTHER REPORTS
- l. PROCLAMATIONS
- m. RECOGNITIONS
- n. PRESENTATIONS
- o. PUBLIC COMMENT

This item refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.

- p. ADOPTION OF AGENDA

q. CONSENT CALENDAR

These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the Consent Calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the Consent Calendar and before moving on to public hearings.

r. PUBLIC HEARINGS

These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.

s. OTHER BUSINESS

These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.

t. CLOSED SESSION

Continued closed session for matters not concluded earlier in the evening.

u. FUTURE COUNCIL INITIATED AGENDA ITEMS

These are items which members of the City Council wish to have placed on future agendas.

v. ADJOURNMENT

5.2 Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.

5.3 Review Status of Agenda at 11:00 p.m.: If, at 11:00 p.m., the City Council has not concluded its business, it shall review the status of the agenda and determine by majority vote whether to extend the meeting beyond 11:00 p.m., continue any remaining items, or adjourn the meeting to another date and time.

SECTION 6. PUBLIC COMMENT

6.1 Public Comment: Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda.

- 6.2** Limitations: The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speakers cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments. The Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins.
- 6.3** Procedure: To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name and contact information and the subject, or subjects upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be recognized by the City Clerk.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

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

d. Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
2. Council Members may question a person addressing the Council at the conclusion of the person's comments or upon expiration of the person's time to speak. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.
3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
4. Members of the public shall direct their questions and comments through the Presiding Officer.

7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to The Standard Code of Parliamentary Procedure by Alice Sturgis (McGraw Hill) as a guide for the conduct of meetings. The Sturgis guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.

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

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

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

7.5 Debate:

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

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

- b. Obtaining the Floor for Debate:

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

- c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

- d. Relevancy of Debate:

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

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

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

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

e. Mayor's Duties During Debate:

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

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

SECTION 8. DECORUM

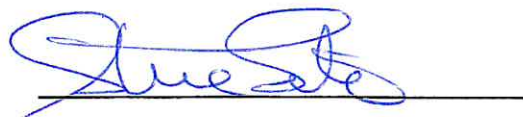
- 8.1 Council Members: Members of the City Council value and recognize the importance of the trust invested to them by the public to accomplish the business of the City. Council Members shall accord the utmost courtesy to each other, to City employees, and to the public appearing before the City Council.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

SECTION 9. VIOLATIONS OF PROCEDURES

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

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

APPROVED:



STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-96-01

SUBJECT: PLACEMENT OF ITEMS ON THE AGENDA AND
MATTERS TO BE RECONSIDERED BY THE CITY
COUNCIL

EFFECTIVE DATE: July 17, 1996

REVISED DATE: June 27, 2007; July 25, 2018

ORIGINATING DEPT: City Manager

1. Members of the City Council and City Manager may place items on the agenda.
2. Reconsideration – Under City Council Policy 97-01, a matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council.
3. Items raised by the public during public comment may be referred to a future City Council agenda for formal action. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but a member of Council may request consideration of the item at a future meeting.
4. Members of the City Council may identify items to be added to future agendas at the end of each Council meeting under the section titled, "Future Council Initiated Agenda Items." Before beginning substantive work on an item raised under Future Council Initiated Agenda Items, staff will evaluate the staff-time involved and bring a report back to the City Council. A majority of the City Council must decide to move forward with the item, if the item will require more than two hours of staff time.

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

APPROVED:


STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

SUBJECT: PROCLAMATION POLICY

CP 94-09

DATE: JUNE 15, 1994, REVIEWED 6/27/07

Procedures for proclamations to be presented at a City Council meeting:

- A. The subject is relevant to the citizens of Morgan Hill.
- B. The person or group is a member of the City of Morgan Hill community.
- C. The requesting group will have a representative at the City Council meeting to receive the proclamation from the Mayor or Mayor Pro Tem.
- D. Requests shall be received 10 days prior to meeting.

Procedures for proclamations requested without presentation at a City Council meeting:

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor only.
- C. Proclamation will be mailed.
- D. Requests shall be received 10 days prior to requested receipt.

Procedures for proclamations requested by the Mayor or City Council Member to be personally presented at an event.

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor.
- C. Proclamation will be presented by Mayor/Council Member.

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

APPROVED:


JOE R. MARTUCCI, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP 03-02

SUBJECT: Ex Parte Contacts

EFFECTIVE DATE: November 5, 2003, REVIEWED JULY 18, 2007

ORIGINATING DEPARTMENTS: City Attorney

INTRODUCTION:

In addition to its legislative functions, the City Council, or its subordinate boards and commissions, may be called upon to act in a quasi-judicial capacity. "Quasi-judicial" means proceedings in which a property interest is at stake, and the body is charged with applying legal standards to a specific factual situation. Common quasi-judicial proceedings in the City include issuance of discretionary land use permits, rent control hearings, and appeals of all kinds.

In quasi-judicial proceedings, due process principles apply. Due process requires that participants be afforded a meaningful opportunity to prepare and be heard before an impartial decision maker, and that the decision be made on the record before the decision maker. Receipt of information outside the quasi-adjudicative hearing may deprive participants of due process, as the decision-maker may be basing his or her decision on evidence outside of the administrative record, and/or not be impartial. In order to ensure due process, the Council hereby adopts the following rules.

POLICY:

Council members, or members of any appropriate subordinate body, may discuss with any member of the public or listen to discussion of the facts of any quasi-judicial matter while such matter is pending before the City or such subordinate body, if the following guidelines are followed. (Matters involving permits are pending before a city agency, board or commission when an application for a permit has been filed with the appropriate City department; otherwise a matter is pending when the appropriate notice of appeal has been filed.)

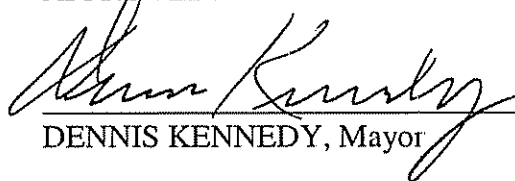
1. The fact of such discussions, and any content of such discussion which is germane to the pending matter, should be disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

2. Council members may attend noticed public hearings before subordinate boards and commissions but should not comment or engage in any discussion at such hearings. Information and evidence gained by Council members via their attendance at noticed public hearings before subordinate boards and commissions need not be disclosed at later Council consideration of the same or related matter.

3. Council members and appropriate members of subordinate bodies may visit sites and properties that are subject of pending proceedings, as long as the fact of such visits and any observations which are germane to the subject matter of the proceeding are disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

This policy is meant to augment, not supplant, any other legal obligations Council members or members of subordinate boards and commissions have regarding such contacts, including but not limited to disclosure of conflicts of interest under the Political Reform Act, Government Code section 81000 *et seq.*, and/or adherence to open meeting laws such as the Ralph M. Brown Act, Government Code section 54950 *et seq.*

APPROVED:



DENNIS KENNEDY, Mayor

RESOLUTION NO. 6851

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING THE MAYOR OR CITY MANAGER TO PREPARE, EXECUTE AND TRANSMIT COMMUNICATIONS INDICATING A POSITION ON PROPOSED STATE LEGISLATION ON CERTAIN MATTERS THAT MAY HAVE IMPACTS UPON THE CITY IN CERTAIN CIRCUMSTANCES AND DIRECTING A REPORT BACK TO CITY COUNCIL ON ANY SUCH COMMUNICATIONS TRANSMITTED

WHEREAS, the City of Morgan Hill, a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"), is authorized to indicate City's position on proposed legislation of the State of California and is sometimes requested to so indicate City's position on such legislation for the benefit of the City; and

WHEREAS, the reasons supporting the adoption of this Resolution are set forth in detail in that certain City Council Staff Report entitled "City Position on Pending State Legislation" submitted for City Council consideration at its meeting of April 16, 2014, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which meeting the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council prefers, whenever possible, that determinations on whether to take a position on pending State legislation be brought before

the City Council as a whole for consideration and action. However, the City Council recognizes that occasional, limited situations arise where communications indicating support or opposition on pending State legislation that could be important to City are requested from cities within timeframes that have deadlines occurring prior to the next scheduled meeting of the City Council as a whole at which the City Council could consider and determine City's position on such pending legislation. For these reasons, the City Council does further resolve, order and/or direct as follows:

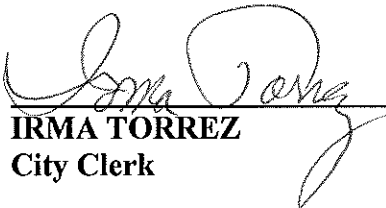
- a. That the Mayor and/or the City Manager is delegated authority to and is authorized to prepare, execute and transmit written or verbal communications indicating a City position on proposed pending State legislation that may have impacts upon City when all of the following criteria are met:
 - i. The League of California Cities, or a successor or similar organization, has requested City comment or position on a piece of pending State legislation or the City has otherwise become aware of such pending State legislation; and
 - ii. A public hearing and an opportunity for City to comment or take a position upon such pending State legislation is occurring in a timeframe and with a deadline to comment or express a position that occurs prior to the next scheduled meeting of the City Council at which the City Council could consider and determine City's comment or position on such pending State legislation; and
 - iii. The pending State legislation clearly supports or clearly hinders the implementation or fulfillment of an adopted City Council Priority, Goal or Strategy in a substantial manner such that it is in the best interests of City to indicate its comment or position on such pending State legislation.
- b. That the Mayor and/or City Manager is hereby directed to provide a written report to the City Council for the Council's comment and acceptance at the City Council's next possible meeting whenever the Mayor or City Manager prepares, executes and transmits a communication indicating a comment or position on pending State legislation pursuant to the authority delegated under this Resolution, which report shall include a copy of such pending State legislation and the comment or position transmitted.

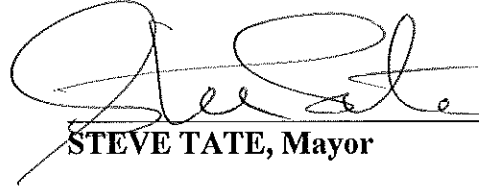
Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 16th day of April, 2014 by the following vote:

AYES: **COUNCIL MEMBERS:** Rich Constantine, Marilyn Librers, Gordon Siebert, Steve Tate
NOES: **COUNCIL MEMBERS:** None
ABSTAIN: **COUNCIL MEMBERS:** None
ABSENT: **COUNCIL MEMBERS:** Larry Carr

ATTEST:


IRMA TORREZ
City Clerk

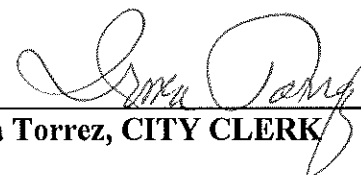

STEVE TATE, Mayor

∞ 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. 6851, adopted by the City Council at the meeting held on April 16, 2014.

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

DATE: 4/21/2014


Irma Torrez, CITY CLERK

Attachment: 10. Reso 6851 Mayor Authority to take City Position (2632 : City Council Goal Setting Workshop 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
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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



CITY OF MORGAN HILL

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 Policy

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

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 (CONTINUED):

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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.



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 and 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.



morganhill.ca.gov

City Council Follow-up/Future Business Items

<u>January 15, 2020</u>		
<u>Follow up items</u>		<u>Teammate</u>
14. Census	Carr - Bring the item back periodically for updates including how the grant money is used	Tobin 03/4/2020
<u>December 18, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked that staff look into bringing forward an ordinance prohibiting Diesel Engine Braking		
Martinez Beltran would like a workshop regarding the UGB		Goal Setting 2020
Martinez Beltran would like more signage for tourism		Referral to TBID
<u>October 23, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
7. Building Electrification	Carr asked staff to explore requiring battery back ups for new construction	Eulo Spring 2020/Memo
<u>Future Business Items</u>		<u>Teammate</u>
Spring asked for a Legislative Update in regard to Police Services		Swing 2/5/2020
Spring asked for a conversation about how our City will look in the future as a "Smart City"		Lang 02/2020
Council Member Martinez Beltran asked staff to look into Mobile Cancer Screenings		Larkin Memo
<u>October 2, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
website update	Carr asked that staff come back to Council in a few months with analytics on the new website	Tobin 02/2020
5. Depot-Latala	Follow up on CCC Parking Enforcement	Ghione April 2020
<u>September 18, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
10. Use of Herbicides	Report back to Council in Summer 2020 and incorporate options into the budget	Dapp/Ghione 06/2020
11. Citywide Traffic	Traffic workshop/Vision Zero	Ghione spring/2020
12. GIS Strategic Plan	Spring asked that staff bring report back to Council in a year to see if we have accomplished what we hoped	Van der Leeden fall/2020
<u>July 17, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Agreement with Boys and Girls Club	Council asked staff to return to Council with an update (6 months) on the program including an update on the budget for the program	Dabel 2/19/2020
<u>Future Business Items</u>		<u>Teammate</u>
Spring proposed that we look into a responsible construction ordinance		Larkin/Carman 3/4/2020
Carr requested that we get an update on the Santa Clara Valley Habitat Agency		Carman 2/5/2020

Attachment: 13. Council Follow-up (2632 : City Council Goal Setting Workshop 2020)

<u>June 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked staff to explore creating a social media page or web page called "Rumors" to have a place where people can go to find out what the truth is.		Tobin
<u>April 17, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Spring requested that staff bring a climate action plan back to Council		Eulo Memo
<u>March 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Downtown Special Events Update	Bring this item back to Council as the residential projects on 3rd street near completion	Martin 05/2020
<u>February 27, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Constantine would like the City to look into providing power and energy (i.e. acting as our own power company) to our residents and businesses		Turner/Ramirez
<u>February 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
15. Lobbyist ordinance	Bring forward suggestions regarding a Council Policy vs. an Ordinance (City Council policy on ex-parte contacts)	Larkin Goal Setting 2020
<u>Goal Setting - January 25 & 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Additions to Council Policy 97-01 for policies on community meetings		Turner Goal Setting 2020

Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives.
As Amended 01/06/2020

Key Elements of SB 50 as Amended 01/06/2020

- Allows developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, and parking requirements. These overrides are called “equitable communities incentives (ECI).” [Please see pages 2-3 for more detail].
- SB 50’s requirements are applied differently based on city population and the population of the county in which the city is located.
- Requires all cities to allow up to fourplexes in single-family neighborhoods, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.
- Allows “sensitive communities” identified by councils of governments to develop a community plan, as prescribed, and not be required to grant an ECI as long as the “community plan” achieves similar objectives and goals.
- Allows cities to develop a HCD-approved “local flexibility plan”, as an alternative to the requirements in SB 50.

The “Local Flexibility Plan:” Amendments adopted on January 6, 2020

The amendments offer an alternative: Cities and counties can adopt a “local flexibility plan” approved by HCD by January 1, 2023 or be required to grant ECI overrides of density, height and parking) of SB 50.

A “local flexibility plan” submitted on or after July 1, 2021 to HCD, must do all of the following:

- Affirmatively further fair housing, as that term is defined in Section 8899.50, to an extent as great or greater than if the local government were to grant an ECI.
- Achieve a standard of transportation efficiency as great or greater than if the local government were to grant an ECI.
- Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.

On or before July 1, 2021, OPR, in consultation with HCD, will develop guidelines for the submission and approval of a local flexibility plan. Rules, regulations and guidelines may be adopted with limited public process.

A local flexibility plan is an alternative to granting an ECI. A local flexibility plan does not exempt a city from ministerial approval of a fourplex in a single-family zone, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.

Comments Regarding the Amendments Adopted on January 6, 2020

- It appears that the intent of the amendments is to provide local governments with an opportunity to develop their own plans to meet the goals and objectives of SB 50. Unfortunately, the amendments, as drafted, raise the following concerns:
 - OPR and HCD are tasked with developing “rules, regulations, or guidelines for the submission and approval of a local flexibility plan” without sufficient Legislative direction. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.

- The elements of the plan are not clear: “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” SB 50 does not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- Without clearly identified criteria, we are unable to evaluate whether the “local flexibility plan” is actually an alternative planning option.

The Community Plan: Sensitive Communities

Unchanged by the amendments are SB 50’s alternative for “sensitive communities.” Sensitive communities are determined by councils of governments (or by MTC in the ABAG region). The ECI provisions of SB 50 will apply to a “sensitive community” after January 1, 2026 unless the community adopts a “community plan” aimed toward increasing residential density and multifamily housing choices near transit stops. The community plan must:

- Permit increased density and multifamily development near transit with all upzoning linked to onsite affordable housing requirements;
- Include provisions to protect vulnerable residents from displacement;
- Promote economic justice for workers and residents; and
- Be developed in partnership with a nonprofit or community organization.

Equitable Communities Incentives

City must grant an Equitable Community Incentive (ECI) to “jobs-rich” or “transit-rich” project on a site zoned to allow housing with certain site exclusions as described below unless city makes finding that incentive would have a specific, adverse impact on any real property or historic district. Project must comply with city’s conditional use or other discretionary permit approval process and with certain affordability requirements (or local inclusionary ordinance) and is subject to CEQA review.

Counties with a population less than or equal to 600,000: Cities with population OVER 50,000

- Equitable Community Incentive to a jobs-rich or transit-rich housing project located within ½ mile of a major transit stop with a minimum density of 30 units/acre in “metropolitan” community or 20 units/acre in “suburban” community:
 - 1 additional story or fifteen feet in height.
 - Waiver of 0.6 Floor Area Ratio.
 - Maximum 0.5 parking spots per units; and no minimum parking requirement if within ¼ mile of rail transit station in city with population greater than 100,000.
 - Waiver of maximum controls density.
 - Site exclusions: architecturally or historically significant district; special flood hazard area.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Counties with a population over 600,000: All cities (except those under 50,000 in the coastal zone)

- Equitable Community Incentive to a jobs-rich or transit-rich housing project:
 - Waiver of maximum controls on density.
 - 0.5 parking spots per unit.
 - Within 1/2 mile of a major transit stop – height up to 45 feet, Floor Area Ratio of 2.5, and no parking requirements.
 - Within 1/4 mile of a major transit stop – height up to 55 feet, Floor Area Ratio of 3.25, and no parking requirements.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Key Definitions

“Jobs-rich area” means an area identified by HCD in consultation with OPR that is high opportunity and either is jobs rich or would enable shorter commute distances based on whether, in a regional analysis, the tract meets both of the following:

- The tract is high opportunity, meaning its characteristics are associated with positive educational and economic outcomes for households of all income levels residing in the tract.
- The tract meets either of the following criteria:
 - New housing sited in the tract would enable residents to live near more jobs than is typical for tracts in the region.
 - New housing sited in the tract would enable shorter commute distances for residents, relative to existing commute patterns and jobs-housing fit.

HCD shall, commencing on January 1, 2021, publish and update, every five years thereafter, a map of the state showing the areas identified by the department as “jobs-rich areas.”

“Job-rich housing project” means a residential development within a jobs-rich area. A residential development shall be deemed to be within a jobs-rich area if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the jobs-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the jobs-rich area.

“Transit-rich housing project” means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within the radius if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“High-quality bus corridor” means a corridor with fixed route bus service that meets all of the following:

- It has average service intervals for each line and in each direction of no more than 10 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. to 7 p.m., inclusive, on Monday through Friday.

- It has average service intervals for each line and in each direction of no more than 20 minutes during the hours of 6 a.m. to 10 p.m., inclusive, on Monday through Friday.
- It has average service intervals for each line and in each direction of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.
- It has met the criteria specified above for the five years preceding the date that a development proponent submits an application for approval of a residential development.

“Major transit stop” means a rail transit station or a ferry terminal that is a major transit stop pursuant to subdivision (b) of Section 21155 of the Public Resources Code.

“Sensitive community” means either of the following:

- Except as provided in paragraph (2), an area identified pursuant to subdivision (b) of Section 65918.58.
 - (b) On or before July 1, 2023, sensitive communities in each county shall be identified and mapped in accordance with the following:
 - The council of governments, or the county board of supervisors in a county without a council of governments, shall establish a working group comprised of residents of potentially sensitive communities within the county, ensuring equitable representation of vulnerable populations, including, but not limited to, renters, low-income people, and members of classes protected under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2).
 - The working group shall develop a map of sensitive communities within the county, which shall include some or all of the areas identified as potentially sensitive communities pursuant to subdivision (i) of Section 65918.50. The working group shall prioritize the input of residents from each potentially sensitive community in making a determination about that community.
 - Each board of supervisors or council of governments shall adopt the sensitive communities map for the county, along with an explanation of the composition and function of the working group and the community process and methodology used to create the maps, at a public hearing held on or before July 1, 2023.
 - In the Counties of Alameda, Contra Costa, Marin, Napa, Santa Clara, San Francisco, San Mateo, Solano, and Sonoma, areas designated by the Metropolitan Transportation Commission on December 19, 2018, as the intersection of disadvantaged and vulnerable communities as defined by the Metropolitan Transportation Commission and the San Francisco Bay Conservation and Development Commission, which identification of a sensitive community shall be updated at least every five years by the Department of Housing and Community Development.



2019-2020

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January 14, 2020

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
State Capitol Building, Room 2206
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Portantino:

The League of California Cities must continue to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 do not take into account our primary objections to SB 50. However, the League of California Cities is pleased to see that recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones. Unfortunately we can’t evaluate whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

It appears that the intent of the amendments are to provide local governments with an opportunity to develop their own plan to meet the goals and objectives of SB 50. Although the goal of increased density around transit is clear; the goal of the bill regarding a jobs-rich housing project is not. The amendments, as drafted, raise the following concerns:

- **Without clearly identified criteria, we are unable to evaluate** whether the “local flexibility plan” is actually viable alternative planning option.
- **Office of Planning and Research (OPR) and HCD are tasked with developing “rules, regulations, or guidelines”** for the submission and approval of a “local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **Further legislative direction is required, the elements of the plan are not clear:**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- o “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
- o SB 50’s “community plan” for sensitive communities provides a much clearer alternative and should be considered as a possible alternative planning process for all jurisdictions.

Remaining Objections to SB 50

If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers.

Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, the League has significant concerns with the following:

- **Wasting time and money.** SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
- **Gives housing developers and transit agencies, who are unaccountable to local voters, the power to determine** housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit.

- **What is the full scope of SB 50?** As presently drafted, it is very difficult to determine what constitutes a “jobs-rich area” since the HCD and OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Greater density but no public transit?** SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled.
- **Two-tiered process that exempts** cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.

For these reasons, the League of California Cities must continue to oppose SB 50 unless it is further amended to address the above concerns. We continue to be committed to finding solutions to the housing supply and affordability crisis gripping many regions of the state and look forward to working with you and all other stakeholders in the coming Legislative Session. If you have any questions, please feel free to contact me at (916) 658-8264.

Sincerely,



Jason Rhine
Assistant Legislative Director

cc. Senator Scott Wiener
Members, Senate Committee on Appropriations
Mark McKenzie, Chief Consultant, Senate Committee on Appropriations
Ryan Eisberg, Consultant, Senate Republican Caucus



January 14, 2020

Honorable Scott Wiener
California State Senate
State Capitol, Room 5100
Sacramento, CA 95814

RE: **SB 50 (Wiener) Planning and zoning: housing development: streamlined approval: incentives.**
Oppose Unless Amended (as amended 1/6/20) as recommended

Dear Senator Wiener,

I write to you today in response to your January 6, 2020 amendments to SB 50. In line with you and other legislative leaders, the Los Angeles County Division of the League of California Cities® (Division), representing 86 cities in the county, recognizes the urgent and unprecedented housing crisis that our state is facing and we commend you and other legislative leaders for your efforts to develop concepts to tackle this challenge. In this spirit, the Division has proactively made continued efforts to engage with you, beginning with our July 12, 2019 driving tour through Southeast Los Angeles County, to initiate consistent personal messages and most recently to produce our December 15, 2019 letter and white paper outlining our concerns with your bill. We offered viable and proactive solutions that could increase housing, provide affordability and sustain community services, in order to meet our state's collective housing needs sooner rather than later.

Our Division Board was intentional and proactive in creating the SB 50 Working Group that developed our alternative proposal. Our group was comprised of mayors and council members with diverse backgrounds, political perspectives, professional disciplines, and represented different regions with varying populations in Los Angeles County. We invested an incredible amount of time and resources to demonstrate our genuine goal and sincerity to be a partner with you and provide viable solutions to the state's housing crisis. Additionally, I took personal efforts to reach out to you with our proposal prior to distributing the letter to our Los Angeles Delegation and other stakeholders. This is why we are very disappointed that despite our efforts to create an open dialogue, our proposal, from the largest Division and group of cities in our state, was unanswered and not reflected in the amended version of your bill.

We are left with no alternative but to continue to oppose SB 50 unless amended not only on its lack of sound planning and real affordability measures, but because our good-faith efforts to work with you have not been reciprocated.

Our alternative proposal to SB 50 is updated below. We have also attached our white paper that includes an expanded discussion based on the proposed amendments.

Recommended Locally-Led Alternatives to Addressing the Housing Crisis

- **Create entitlement certainty for multi-family housing.** The "local flexibility plan" developed under the amended version of SB 50 is duplicative of existing

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planning processes, and establishes hypothetical development baselines that depend on a city speculating developer interest in equitable community incentives.

Alternative: A mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) could give certainty to the development community while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, could be replicated and required.

- **Density must be combined with long-term funding tools.** SB 50 does not provide funding for local governments to sustain exponential long-term density.

Alternative: Incentives should be offered that provide permanent, ongoing funding sources for multi-family and affordable housing projects to ensure their sustainability and success. These can include housing block grants or tax increment programs like SB 795 (Beall/Portantino/McGuire) that provide a long-term financing tool for cities to address increased vital services for infrastructure, park, public safety and other community priorities resulting from the greater demand for such services that occurs with new construction. We recognize the state's effort to provide funding through SB 2 and AB 101/SB 102. However, those funding sources are either one-time uses or insufficient to sustain the state's housing goals.

- **Affordability must be prioritized and sensitive communities must be protected from displacement.** SB 50 gives generous "equitable community incentives" to a developer within a specified radius of a "transit rich or "jobs rich" area. However, the affordability requirement in SB 50 does little to address rising housing costs that affect our communities' most vulnerable residents.

Alternative: Multi-family housing developments must provide a minimum of 25% inclusionary housing, unless a local agency has enacted a higher minimum, to receive any development incentives and entitlement certainty incentives for multifamily developments. The State should also encourage the development of more local Housing Authorities to facilitate construction of affordable housing.

Why SB 50 (as amended 1/6/20) is Not a Practical Solution to the Housing Crisis

Notwithstanding the alternatives to SB 50 recommended above, there continues to be unsustainable flaws to the bill in its current form:

- **The Local Flexibility Plan established under the amended SB 50 is duplicative of existing planning process.** This Plan lacks any real local flexibility and would establish a hypothetical development baseline that depends on a city speculating developer interest in and use of various equitable community incentives. The Division remains concerned that "one size fits all" metrics of SB 50 do not work in real world circumstances that exist in many of our communities. Cities and California's Department of Housing and Community Development (HCD) have an established Housing Element process created through state law along with financial penalties for non-compliance. The Housing Element process requires significant city resources to develop, obtain public input, and receive approval from HCD. SB 50 would require cities to use precious time and resources to create a duplicative process that competes with the Housing Element.

Alternative: The Division proposes amending SB 50 to "create entitlement certainty for multi-family housing" in urban areas of California. The mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) would give entitlement certainty to the development community, while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, is proposed to be replicated and required in SB 50.

- Carve outs must have merit.** The proposed carve-outs in SB 50 are arbitrary and will do little to solve the crisis.

Alternative: While the Division believes that the entire state should contribute to solving our unprecedented housing crisis, we believe that carve outs should only be carefully considered for the most dense and sensitive areas of the state, as well as coastal zones and historical districts. Carve outs for coastal zones recognizes the unique landscape in these areas and carve outs for historical districts would prevent the demolition of historic resources and protect the planning and architectural character of neighborhoods with a high number of historic residences and other historically significant buildings.
- Focus Should be on Multi-Modal Transportation Options.** Definitions of “transit rich” areas in SB 50 are poorly defined, in many cases, based on routes that were established decades ago and in some cases, temporary in nature.

Alternative: Access to transit varies widely throughout the state, including providing limited or no weekend services, which do not fulfill the mobility needs for residents to reach employment or other destinations. Local leaders are in the best position to address transportation options and transit access as part of the multi-family housing development planning process.
- Jobs Accessibility Areas should be defined by the local agency.** Current definitions of “jobs rich” is loosely defined in SB 50.

Alternative: Replace the ambiguous “jobs rich” definition with the locally defined “jobs accessibility areas”. Local leaders have the most intimate knowledge of their communities to map these areas based on real local data that will take into account local zoning, the safety and appropriate co-location of jobs and housing, and to successfully connect them with effective transportation options and development.
- Recent State legislation already eliminates Single Family Residential (SFR) neighborhoods.** Four-plexes or other small developments in former SFR zones are unnecessary as new legislation currently allow up to three units of housing in existing SFR neighborhoods. Further, none of these units are required to have an affordability requirement.

Alternative: Remove language related to four-plexes to allow local governments to implement Accessory Dwelling Unit legislation.
- Commercial/Multi-Family areas need flexible ratios to accommodate different neighborhoods.** SB 50 requires commercial/multi-family ratios that may not be logistically or financially feasible in some communities.

Alternative: Allow a lower residential threshold that may expand the number of commercial developments open to mixed-use residential uses.

Conclusion

The state and our region have faced many housing crises. The causes of the latest crisis are multi-faceted and complex. There is no single solution. Our discussion on solutions cannot happen in a vacuum without tackling various related issues such as CEQA obstacles, potential revisions of the housing element and zoning laws and practices. It will take a long-term effort of engagement, education and consensus building with all stakeholders. It is our hope that our proposal is included in that spirit of open dialogue and cooperation.

Again, we acknowledge your and other state leaders’ bold efforts to tackle our state’s housing crisis. We appreciate efforts to work with all stakeholders to ensure that the goals of any housing solutions are balanced with community essentials like equity, infrastructure, and public safety, among other important values. We continue to be prepared to work with the legislature in January 2020 and beyond to find long-term, viable and sustainable solutions to this crisis, and look forward to discussing our proposals with you in greater detail and context in the near future. Despite the aforementioned lack of response from you, I continue to be hopeful that, through a collaborative and sincere approach in resolving our state’s comprehensive housing needs,

together we can all contribute towards solving this problem and especially help those most vulnerable in our mutual communities.

If you have any questions, please contact Division Staff, Jennifer Quan at jquan@cacities.org or 626-786-5142.

Regards,



Juan Garza
President, Los Angeles County Division, League of California Cities
Mayor, City of Bellflower

cc: Office of Governor Gavin Newsom
Los Angeles County Legislative Delegation

Attachment: Goals and Objectives for Amendments to SB 50 as approved by the Los Angeles County Division, League of California Cities, November 22, 2019



Budget Workshop Agenda

City Council

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

Friday, January 24, 2020 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 is called Friday, January 24, 2020 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 25, 2020 at 9:00 a.m. for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING OF AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

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

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

ADJOURNMENT TO SATURDAY, JANUARY 25, 2020 AT 9:00 AM

SATURDAY, JANUARY 25, 2020 9:00 A.M.

GOAL SETTING WORKSHOP CONTINUED

Continuation of the January 24, 2020 City Council Goal Setting Workshop.

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)

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.

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VISION

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

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- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
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- Fostering a Positive Organizational Culture
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- Preserving our Community History
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- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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





CITY COUNCIL STAFF REPORT

MEETING DATE: January 24, 2020

PREPARED BY: Christina Turner, City Manager
APPROVED BY: City Manager

CITY COUNCIL GOAL SETTING WORKSHOP

RECOMMENDATION(S)

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.



Budget Workshop Agenda

City Council

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

Friday, January 24, 2020 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 is called Friday, January 24, 2020 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 25, 2020 at 9:00 a.m. for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING OF AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

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

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
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ADJOURNMENT TO SATURDAY, JANUARY 25, 2020 AT 9:00 AM

SATURDAY, JANUARY 25, 2020 9:00 A.M.

GOAL SETTING WORKSHOP CONTINUED

Continuation of the January 24, 2020 City Council Goal Setting Workshop.

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)

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)

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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.

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LINKS/ATTACHMENTS:

1. Goal Setting Workshop Detailed Agenda
2. 1. Council Goal Setting Presentation 2020
3. 2. 2019 Accomplishments
4. 3. Exceptional Councils - Western City article
5. 4. How Effective City Councils Work Together
6. 5. Council Norms
7. 6. CP-97-01 Rules for the Conduct of City Council Meetings
8. 7. CP-96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
9. 8. CP-94-09 Proclamation Policy
10. 9. CP-03-02 Ex Parte Contacts
11. 10. Reso 6851 Mayor Authority to take City Position
12. 11. Complete Sustainable Morgan Hill 6-19-19
13. 12. Strategic Workplan 2019-2020
14. 13. Council Follow-up
15. 14. League of CA Cities Outline of SB 50 (Wiener) Housing Development Incentives
16. 15. 2020-1-23 SB 50 opposition unless amended final _
17. CAG Presentation
18. Supplement



City Council Goal Setting Workshop

January 24 & 25, 2020 9:00 AM – 5:00 PM

ATTACHED MATERIALS:

- 1) PowerPoint Presentation
- 2) 2019 Accomplishments
- 3) After the Campaign is Over: Aim for Exceptional
- 4) How Effective City Councils Work Together
- 5) City Council Norms
- 6) City Council Policy 97-01 Rules for the Conduct of City Council Meetings
- 7) City Council Policy 96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
- 8) City Council Policy 94-09 Proclamation Policy
- 9) City Council Policy 03-02 Ex Parte Contacts
- 10) Reso No. 6851 Authority to Take Legislative Positions
- 11) 2019-2020 Sustainable Morgan Hill
- 12) 2019-2020 Strategic Priorities Workplan
- 13) City Council Follow-Up/Future Business Items
- 14) Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives
- 15) CA Cities Position Letter on SB 50

FRIDAY, JANUARY 24, 2020

Time	Topic	Presenter
8:30 AM-9:00 AM	1. Arrival and Breakfast	
9:00 AM-10:00 AM	2. Welcome	
	2.1 Pledge of Allegiance	Mayor Constantine
	2.2 Welcome	Mayor Constantine & Christina Turner
	2.3 Introductions	Mayor Constantine
	2.4 City Council Team Building Exercise	Christina Turner
	2.5 Purpose of Goal Setting Workshop, Preview Agenda and Format	Christina Turner
	2.6 Review of 2019 Accomplishments	Leadership Team
	2.7 Public Comment	Mayor Constantine

10:00 AM-12:00 PM **3. City Council Policies, Procedures, & Protocols**

3.1 Summary of Council Member Interviews	Shawn Spano
3.2 City Council Norms	Spano/Turner
3.3 City Council Policy Considerations	Spano/Turner
3.3a 97-01 Rules for the Conduct of City Council Meetings	Spano/Turner
3.3b 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the Council	Spano/Turner
3.3c 94-09 Proclamation Policy	Spano/Turner
3.3d 03-02 Ex Parte Contacts/Quasi-Judicial Hearings	Don Larkin
3.3e Reso No.6851 Authority to Take Legislative Positions	Harjot Sangha

1:00 PM-5:00 PM **4. Sustainable Morgan Hill**

4.1 Review of Sustainable Morgan Hill 2019-2020	Christina Turner
4.2 Review of 2019-2020 Strategic Priorities Workplan	
• Agricultural Preservation • Cannabis Policy • Community Engagement & Messaging • Economic Development • Financial Stewardship	• High Speed Rail • Homelessness • Housing • Infrastructure • Telecommunications • Traffic/Transportation
	Spano/Turner
4.3 Review of Council Follow-Up/Future Business Items	Christina Turner

SATURDAY, JANUARY 25, 2020

9:00 AM-10:30 AM **5. Fiscal Sustainability – Budget & Economic Development**

5.1 Budget Update	Christina Turner
5.2 Balancing Act	Harjot Sangha
5.3 Unfunded Liabilities and Needs	Christina Turner
5.4 Fire Standards of Coverage	Chief Jake Hess
5.5 Economic Development Update	Edith Ramirez

10:30 AM-12:00 PM **6. Engage Morgan Hill**

6.1 Community Advisory Group (CAG) Update	Maureen Tobin/CAG
6.2 Discussion Engaging Larger Community	CAG
6.3 CAG Recommendations	CAG

1:00 PM-4:30 PM **7. Other Topics, Time Permitting**

7.1 Agricultural Preservation	Chris Ghione
7.2 Housing - Regional Housing Needs Allocation (RHNA), SB 330 Implementation, Proposed SB 50	Leslie Little

4:30 PM-5:00 PM **8. Goal Setting Wrap-Up**

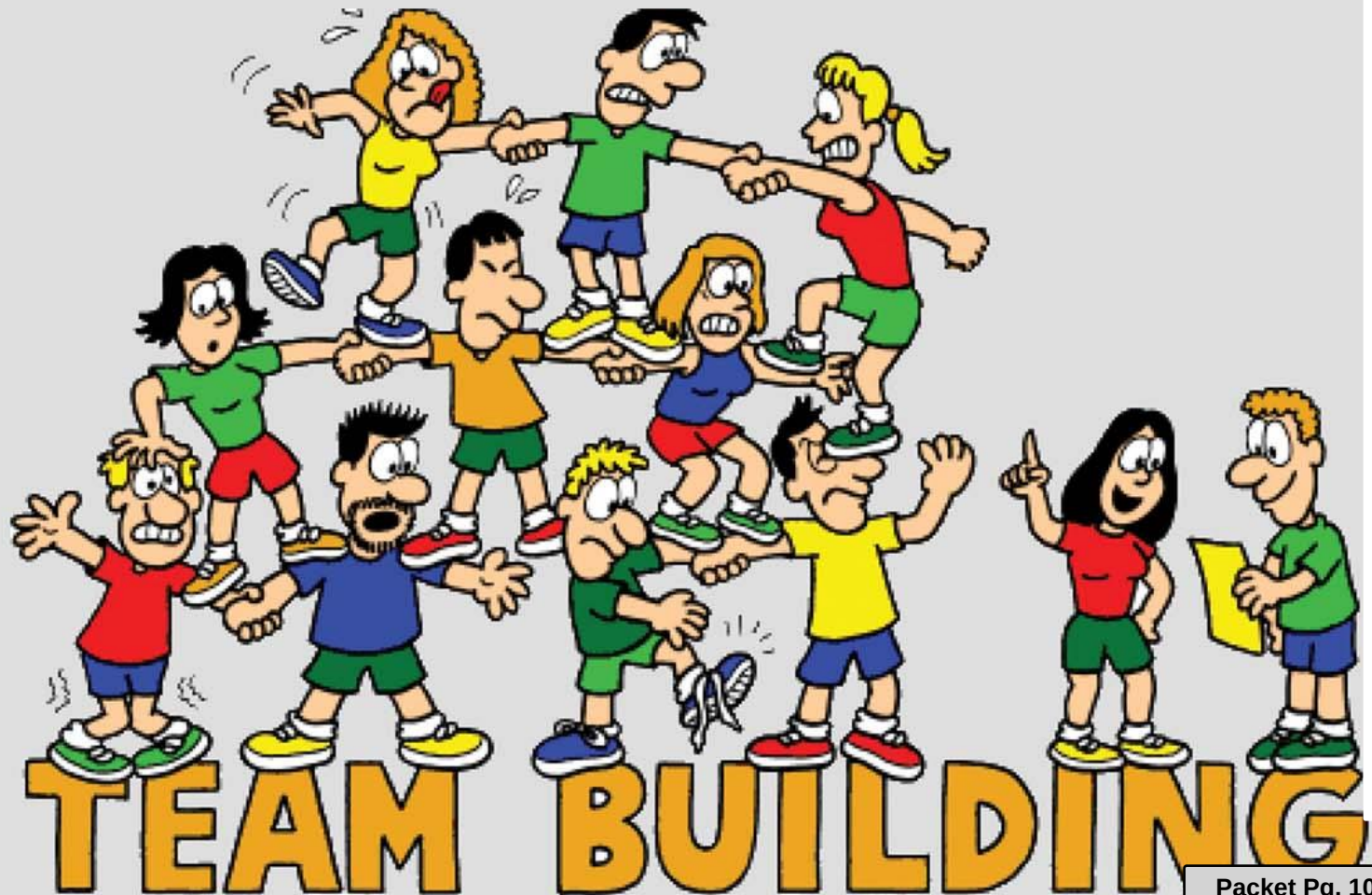
Mayor/Spano/Turner



2020 City Council Annual Goal Setting Workshop



City Council Team Building



Choose Morgan Hill!

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



Workshop Agenda

Friday, January 24th

- 2019 Accomplishments
- City Council Policies, Procedures, & Protocols
- Sustainable Morgan Hill and workplan

Saturday, January 25th

- Fiscal Sustainability – Budget & Economic Development
- Engage Morgan Hill Community Advisory Group

If time permits:

- Agricultural Preservation
- Housing

2019 Accomplishments



City of Morgan Hill, CA



Tips



Police



Crime Map



Crime



Summary of Council Member Interviews



City Council Norms



City Council Policy Considerations



City Council Policy Considerations

- 97-01 Rules for the Conduct of City Council Meetings
- 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the City Council
- 94-09 Proclamation Policy
- 03-02 Ex Parte Contacts
- Resolution No. 6851 Authority to Take Legislative Positions

Sustainable Morgan Hill 2019-2020



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Review of 2019-2020 Strategic Priorities Workplan



Strategic Priority: 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.

Strategic Priority: Cannabis Policy



1.b

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: High Speed Rail

1.b



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.

Strategic Priority: 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.

Strategic Priority: 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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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 and 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.

Council Follow-Up/Future Business



Questions?



Fiscal Sustainability

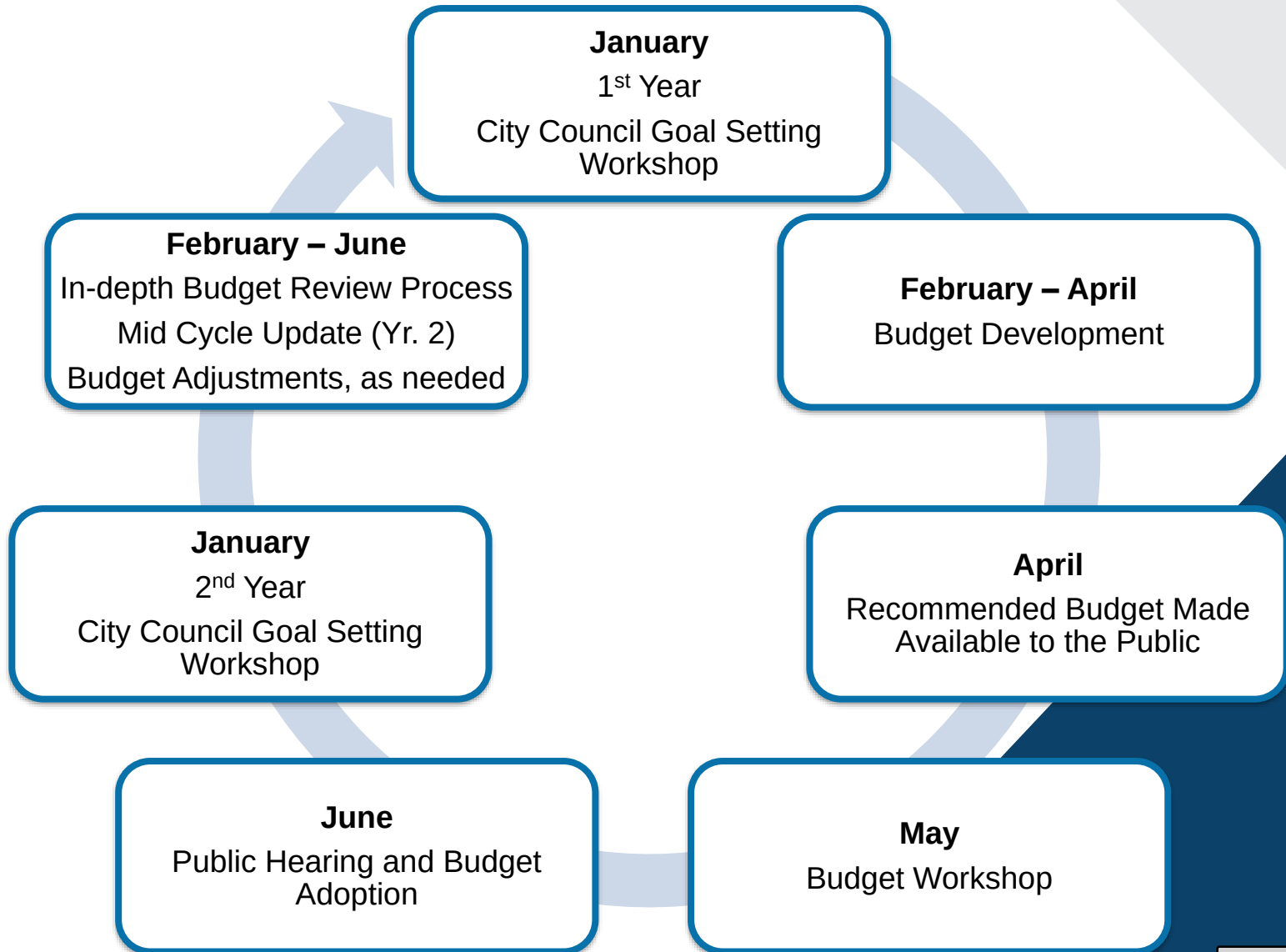
Budget & Economic Development Update

2 Year Budget Process

1.b



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

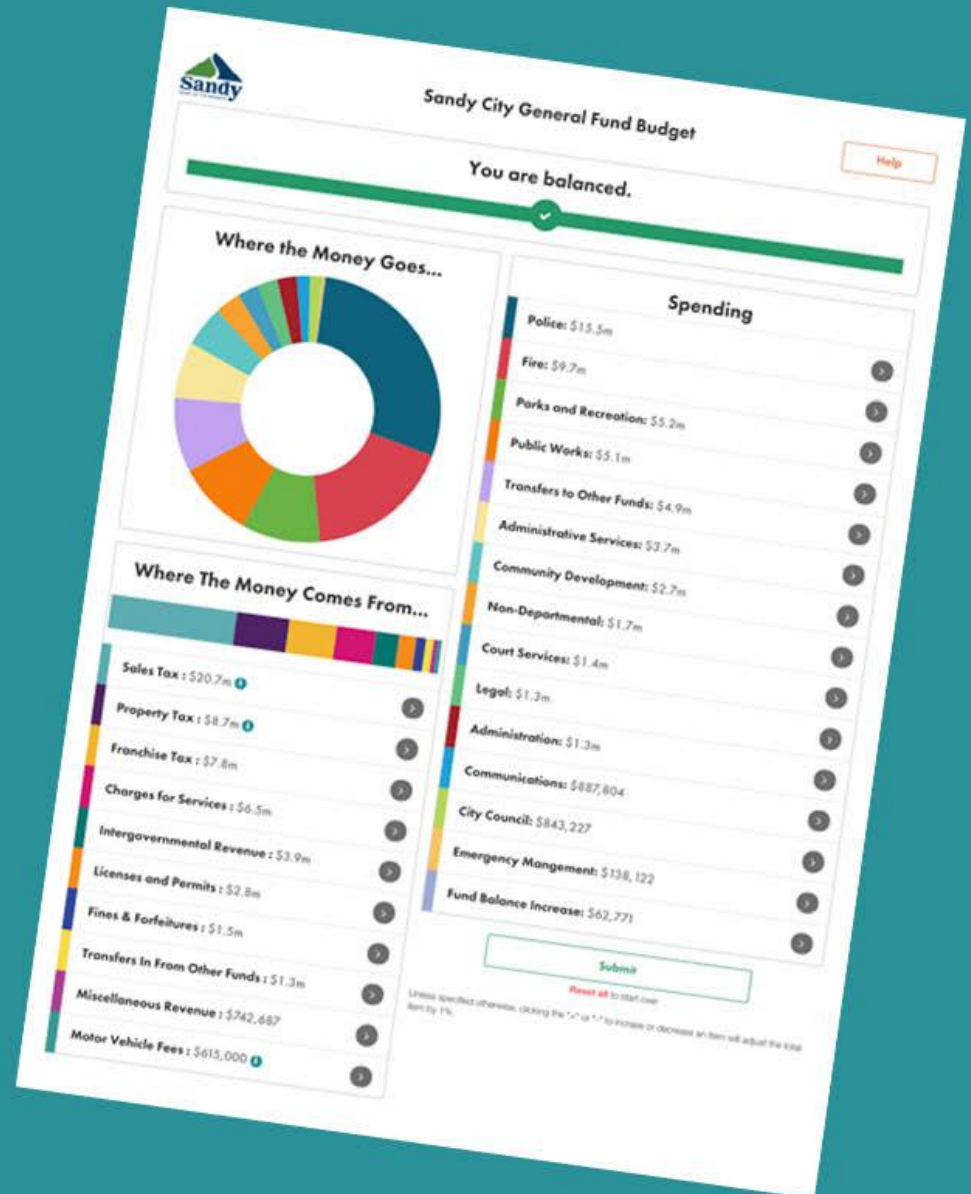


Budget Calendar

Key Dates:

Meeting	Dates
Community Engagement Budget Workshop	Saturday, March 21 st
Community Engagement Budget Workshop	Thursday, March 26 th
Recommended Budget Presented to Council	Wednesday, April 22 nd
Community Engagement Budget Workshop	Thursday, April 30 th
City Council Budget Workshop	Friday, May 15 th
Budget Public Hearing	Wednesday, June 17 th

Balancing Act



Budget Development Message

Provide high quality services for a low cost:

- Citywide staffing levels per capita lower today than 10 years ago
- Innovative partnerships
- Employee cost sharing for pension cost increases – reduced pension benefits for new employees
- Actively and successfully pursuing grants
- Economic development guided by the Economic Blueprint

Budget Development Message (con't)



1.b

Challenges Ahead:

- Increased Public Safety service levels
- Deferred maintenance of City facilities
- Loss of RDCS = loss of local control and funding
- Increased housing = increased demand for services

Budget Development Message (con't)

Revenue Strategies:

- Potential new taxes
- Continue to focus on Economic Development opportunities
- Continue to look for innovative approaches to providing services
- Review service levels and areas of service

Budget Development Message (con't)

Recommendations on what will not be considered this budget cycle:

- Layoffs
- Salary freezes
- Opening employee contracts
- Service level enhancements/new programs unless there is cost recovery or associated decreases to expenses

Budget Development Message

(con't)



1.b

What may be considered this budget cycle:

- Strategic hiring freeze before rehiring
- Staffing schedules and operating hours
- Additional strategic partnerships

Budget Update

General Fund Revenue Updates:

- **Sales Tax** - HdL's latest forecast, no significant change since mid-cycle
- **Property Tax** - based on County's latest forecast (November 2019)
 - Approx. \$900K increase (Additional ERAF and RDA Apportionment)
- **TOT** – reflects rate increase from 10% to 11%
 - Includes New Downtown hotel coming online FY 2020-21
 - Excludes 2 hotels until completion of the referendum

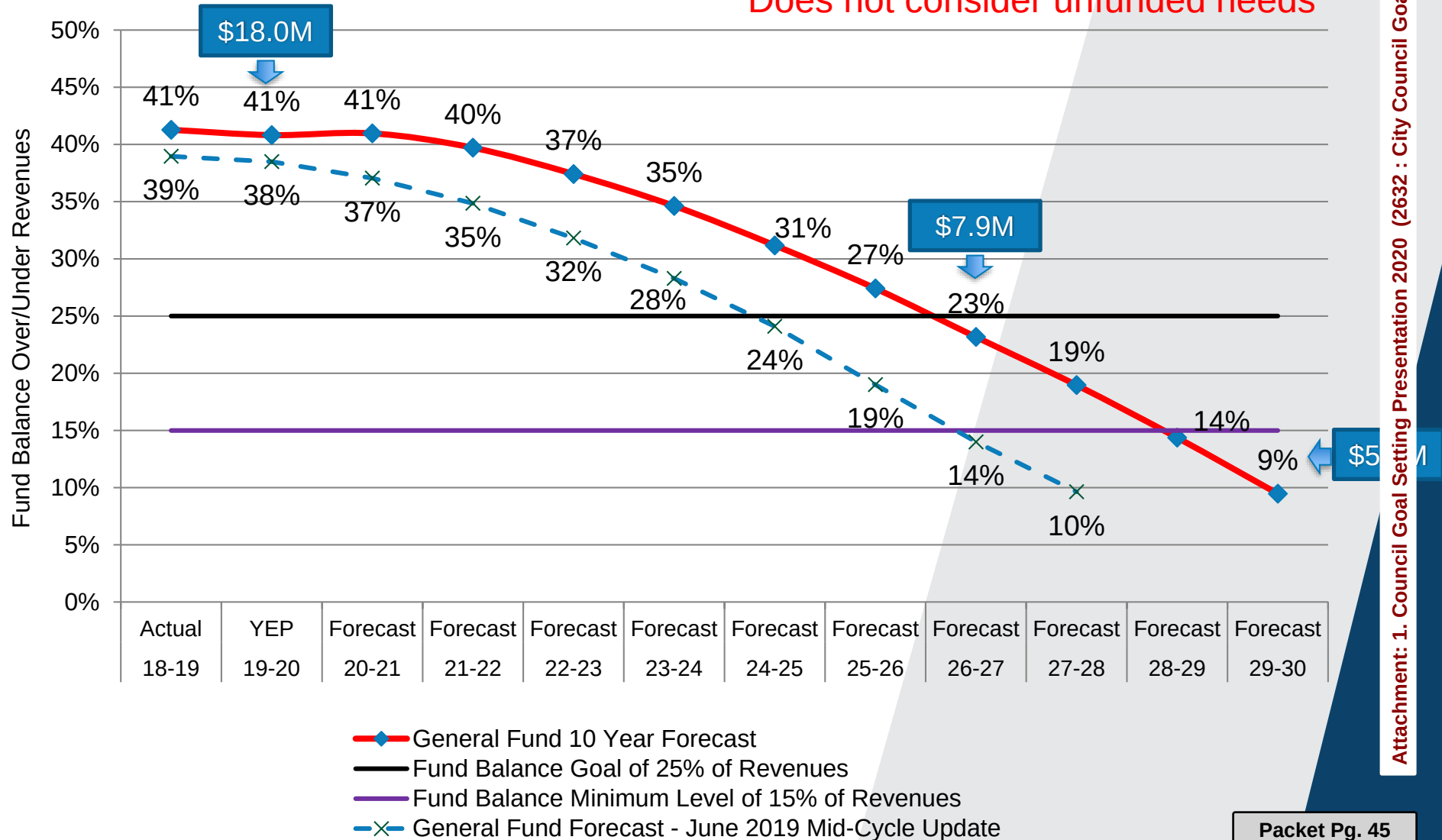
Budget Update (cont'd)

Strategic Use of General Fund Reserve/Budgetary Surplus

- Building Replacement Fund - increased by additional \$250K/yr
- Park maintenance - increased by additional \$150K/yr (from \$200K/yr to \$350K/yr)
- OPEB – One-time \$400K contribution
 - Plus, increased annual contribution by \$100K/yr (from \$300K/yr to \$400K/yr)
- Pension Trust – One-time \$400K contribution
- Outfitting of donated ambulance \$75K

General Fund Balance

Does not consider unfunded needs



Fiscal Sustainability

Unfunded Liabilities and Needs

Unfunded General Fund Needs

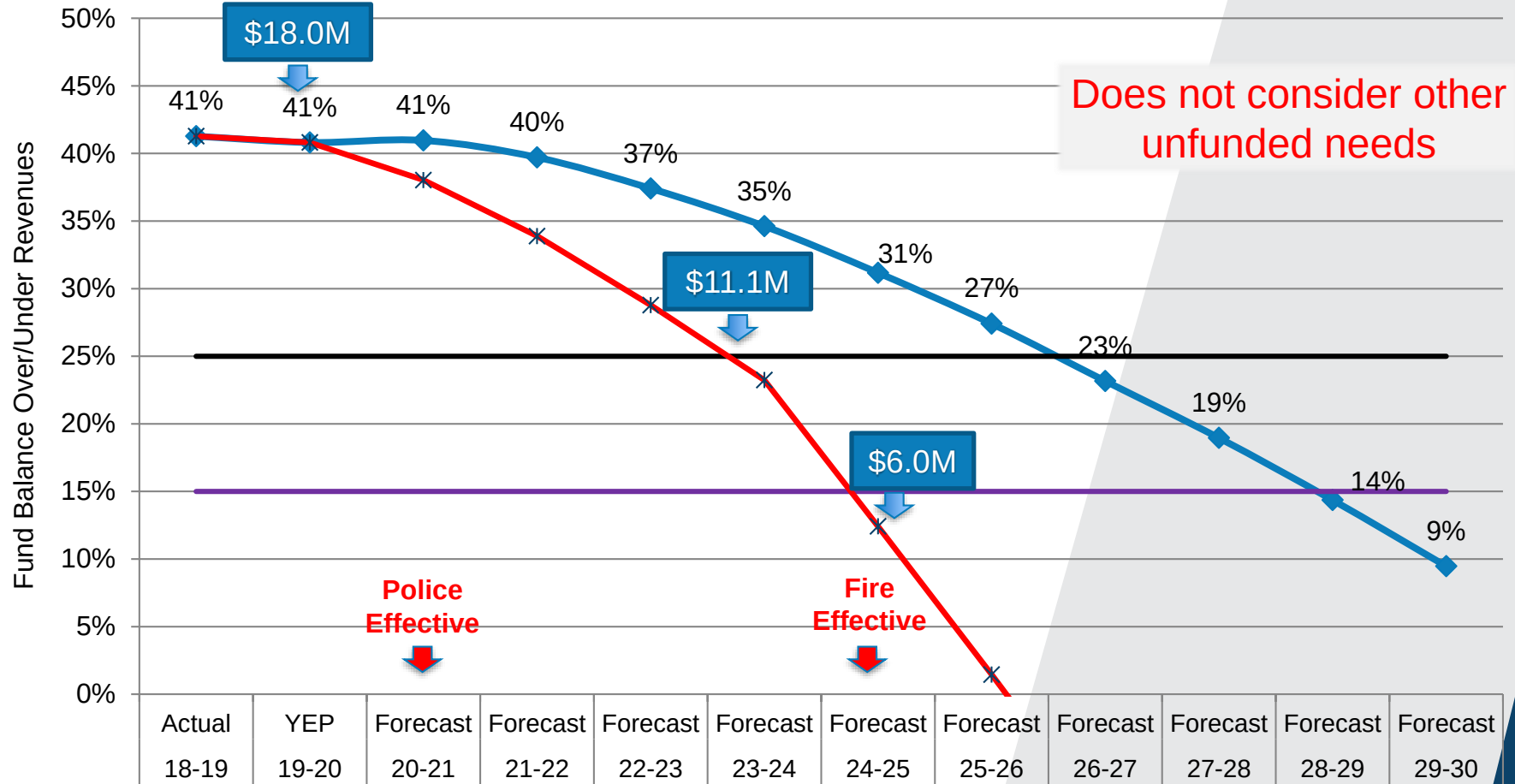
Total Annual Unfunded General Fund Needs = **\$7.3M**

- Police \$1.3M
- Fire \$2.3M
- Building Maintenance \$0.2M
- Pavement Rehabilitation \$2.3M
- Street Maintenance \$0.2M
- ~~Park Maintenance \$0.7M~~ ← Addressed via Quimby Fee
- NEW** • Operational loss due to RDCS Suspension \$1.0M

Unfunded Liabilities

- Total Unfunded Liabilities = **\$56.4M** Updated
(up from \$49.0M)
 - Public Employees Retirement System (PERS) - \$51.6M
 - Other Postemployment Benefits (OPEB) - \$4.8M
- General Fund Share = 67% or \$37.8M
- Current Funded Status
 - Misc. Plan = 71.6%
 - Safety Plan = 68.3%

General Fund Balance (With Public Safety Master Plan Only)



- ◆ General Fund 10 Year Forecast - Current
- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- * General Fund 10 Year Forecast - With Additional PD & Fire

Fire Standards of Coverage



Fire Service Background

- Early 1900's single station department
- 1970's 2 station department
- 1990's contracted with Santa Clara County Fire Department
- 2013 transitioned to a regional fire protection model with CAL FIRE

This includes a shared facility at the CAL FIRE/South Santa Clara County Fire Protection District headquarters and a crucial Regional Boundary Drop Agreement with the South County District and the City of Gilroy.

2014 Fire Service Study



1.b

Center of Public Safety Management study

- In 2014 City Council contracted with the Center of Public Safety Management to provide operational and administrative analysis of the city and surrounding Fire District
- In the report to Council in January 2017, CPSM provided 11 findings including the recommendation to conduct a "formal fire risk analysis"

Standards of Coverage Study

1.b



- November 2018 Council approved participation in a 3-agency study with Morgan Hill, Gilroy and the South County Fire District
- Study included a 3-year historical assessment of incident type, risk of incident type on the community and current resource deployment
- This study would also include evaluations for future fire station locations, personnel staffing models, and delivery methods

Highlights of the Study

Daily Staffing Capacity:

The consultant recommends that both Cities construct and staff an additional fire station as soon as fiscally feasible

First Due Response:

MH stations do not meet the intended 7:30 best practice goal for urban fire service response. 1200 calls per year are simultaneous calls in the City

Mutual Aid Isolation:

The best long-term solution is to use the cooperative service delivery model due to the fact that all three agencies rely heavily on each other for fire/EMS response. Geographically all three agencies are isolated from "outside" aid from San Jose, Pajaro Valley, Hollister, and Watsonville

Where are we now?

From 911 call to engine company arrival at scene.
(3-year study 2016 to 2018)

Dunne Hill Station:
9 mins 51 seconds

El Toro Station:
8 mins 31 seconds

Morgan Hill Station: (shared Engine 67)
9 mins 25 seconds

NOTE: 7 mins 30 seconds is the performance standard. Brain death generally occurs at 8 mins as well as fire propagation

Where do we need to be?

3rd Fire Station

- Building and staffing the 3rd station is the only way to handle the longer than desired travel times in Morgan Hill

Incremental Steps Towards Proper Staffing

- Staffing the truck with 3 additional personnel daily at El Toro Station
- or**
- Staff a 2-person Rescue/Squad at El Toro Station

Next Steps

Adopt Recommended Performance Objectives

- 7 min 30 secs for first due engine company (3 FF's)
- 11 min 30 secs for first alarm assignment (14 FF's)

Benefits to Adopting Performance Objectives

- We need to have a target in order to achieve a goal of providing excellent public safety
- Establishing performance objectives will ensure we do not decrease our level of service as the City grows

Economic Development Update

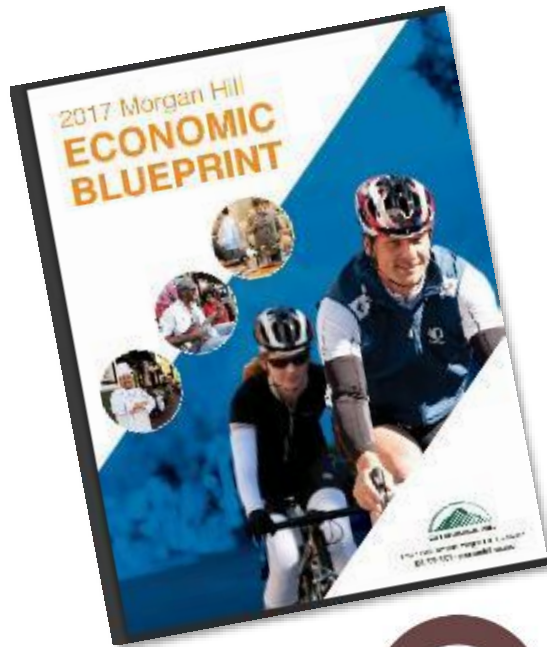
1.b



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

January

Packet Pg. 58



Economic Blueprint



Four Industry Areas



Innovation and Advanced Manufacturing
Grow existing companies, attract new industry and grow professional jobs.

Retail
Grow retail offerings and strengthen commercial nodes.

Tourism
Grow leisure, agriculture, wine country and recreational tourism.

Healthcare
Grow and foster the medical service and diagnostics industry by attracting services and facilities.

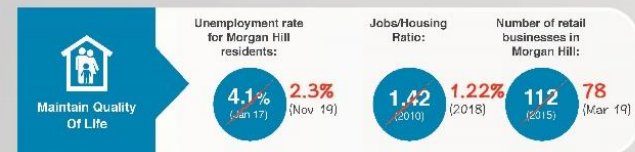
Economic Blueprint Indicators 2020 Update

- ✓ Increased sales, property and transient occupancy tax revenues
- ✓ Low unemployment industrial vacancy rates
- ✓ Limited growth on number of businesses, number of jobs in Morgan Hill, and business to business revenue
- ✓ High number of residents that commute to work

Economic Indicators

Updated
Jan 2020

The City will evaluate the success of the Economic Blueprint through different measures of success that are based upon the four economic pillars.



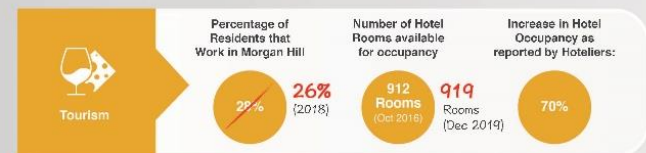
Source: State of California Employment Development Department, Census Bureau, ACS 2016



Sources: Santa Clara County Assessor's Office, State of California Board of Equalization, CoStar International



Sources: State of California Employment Development Department, CDTFA



Source: Individual Hoteliers

Applied Motion Products

(Madrone Pkwy)



48,000 SF of Office, R&D, Manufacturing & Assembly
Groundbreaking in February

Butterfield Technology Park

(Butterfield & Jarvi

1.b



- 600,000 SF Industrial Park with 383 Units of Residential
- Design & Grading Permits Submitted

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Carpenters Training Center

(Madrone Pkwy, North of Lightpost Way)

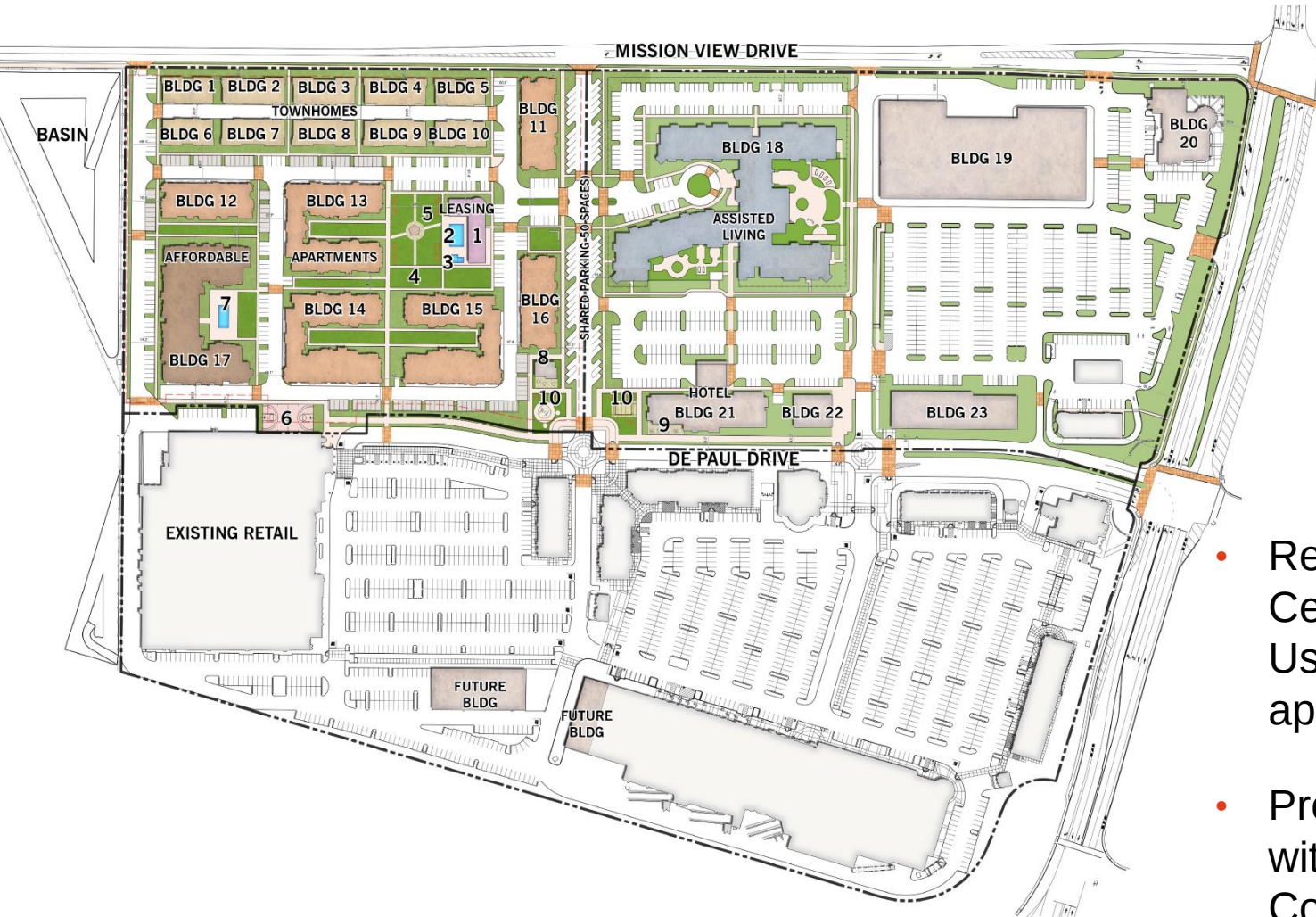
55,000 SF expansion

Building entitlements in process



Cochrane Commons Phase II

(Cochrane Rd. & Hwy 101)



- Repositioning Retail Center as Mixed-Use project with 26 apartments
- Preliminary review with Planning Commission in February 2020

Edes Building

(Second St. & Monterey Rd.)



Mixed-use project
with roof-top lounge

Entitled

Evergreen Village Shopping Center

(Cochrane Rd. & Butterfield Blvd)



20-acre commercial development Uses:
Hotel, Gas Station,
Grocery Store, Retail,
Skilled Nursing

Street improvements
underway

Project to be developed
in phases

Fairfield Inn & Home2 Suites

(Madrone & Woodview)



- 206 Hotel Rooms
- Entitlements Completed
- Voter Referendum Scheduled for March 2020



Golden State Assembly Expansion

(18220 Butterfield Blvd.)



40,000 SF Expansion

Manufacturing, Warehouse &
Distribution

Grading complete

Granada Hotel

(Monterey Rd & First Street)

- Construction underway
- Anticipated completion in 2021



Granary Expansion

(Depot Street)

5,000 SF Retail
Under Construction



Level 10 Construction

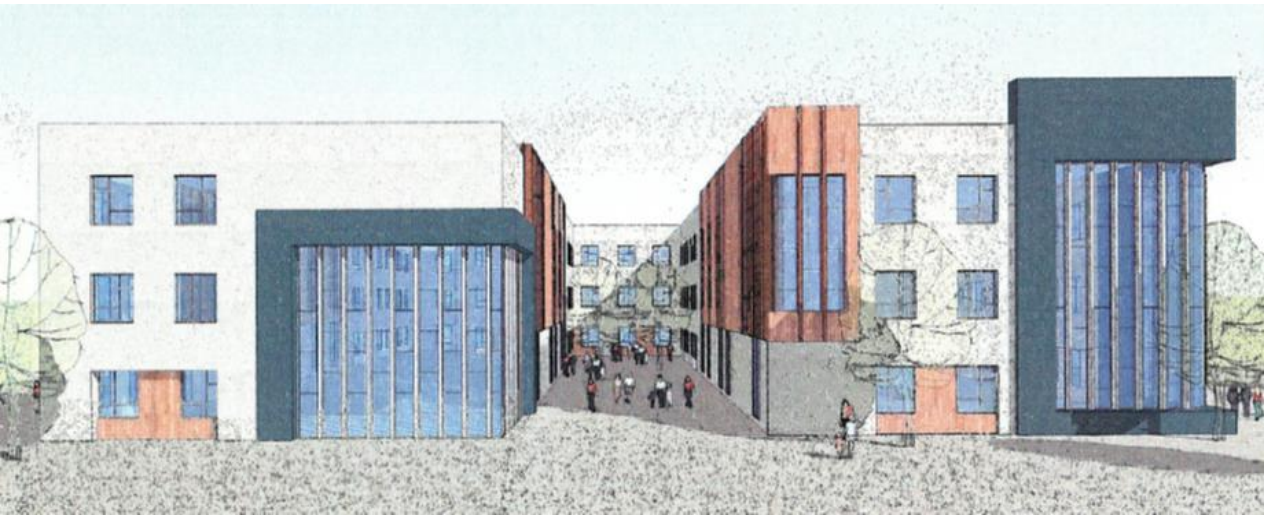
(Railroad & Barrett)

- 70,226 SF Construction office & yard
- Design Review underway



Lillian Commons

(Juan Hernandez & Barrett Ave)



Conceptual Mixed-Use Project for:

- ✓ 55-bed hospital
- ✓ 10,000 SF medical office
- ✓ 4,000 SF urgent care facility
- ✓ 10,000 SF retail space
- ✓ 200 multi-family units

General Plan & Zoning Amendments required

Preliminary Review with Planning Commission on January 28th

Lumber Yard-Latafa

(Depot Street)

46-Unit Mixed-Use Project
Construction to begin Fall 2020

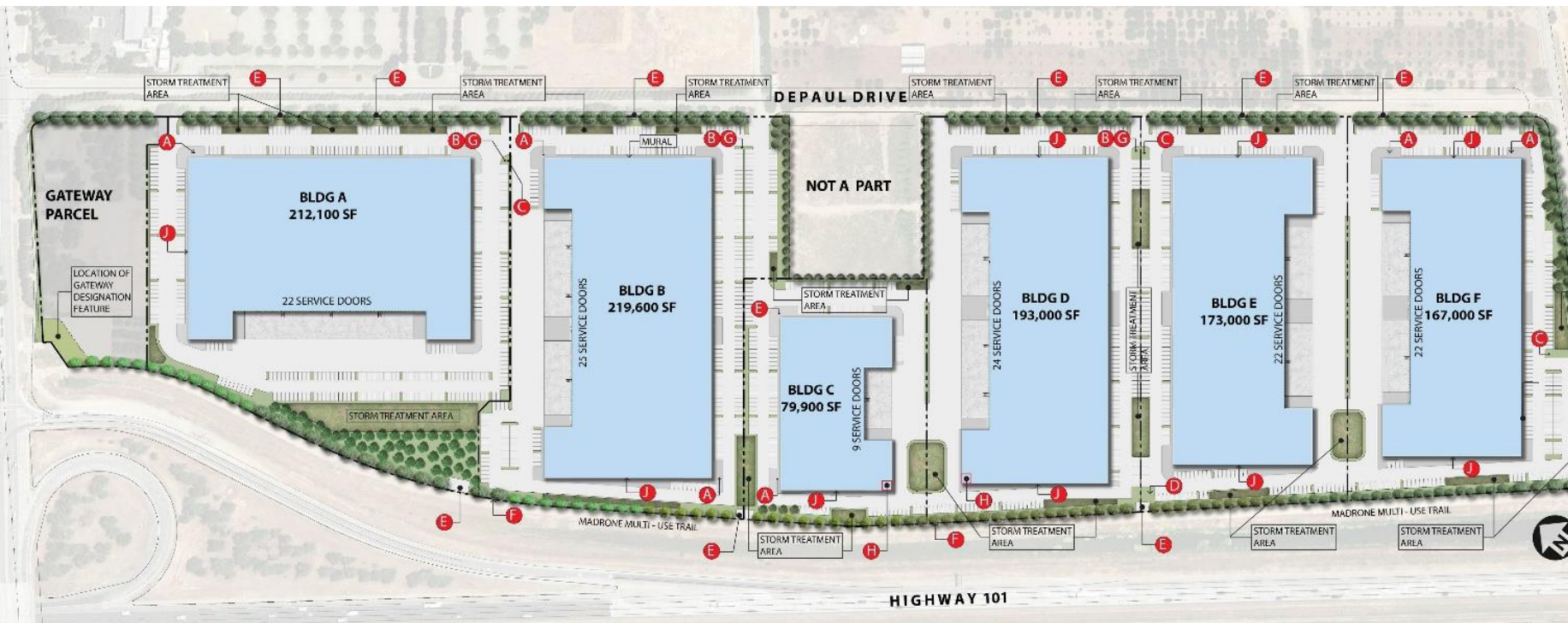


Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Morgan Hill Technology Park

(De Paul Dr. & Hwy 101)

- 1.1 MSF of Industrial Spec buildings with 3+ acres of commercial
- Environmental study underway



Shoe Palace Expansion

(745 Jarvis Dr.

503,000 SF Expansion

Office, Warehouse &
Distribution

Under Construction



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Speculative Industrial Building

(Madrone Pkwy & Butterfield Blvd.)

1.b



- 31,000 SF Industrial Spec Building
- Building permit issued

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Techcon Corporation Expansion

(Monterey Road & Cochrane Road, Fronting Cochrane Circle)

- 40,399 SF R&D, manufacturing and office facility
- Design Review is underway





ENGAGE MORGAN HILL

A conversation about services, funding, and priorities.

www.EngageMorganHill.org

Engage Morgan Hill Topics

- Budget Basics
- Pensions
- Economic Development
- Recreation
- Infrastructure Replacement/Maintenance
- Traffic/Congestion
- State Housing Legislation
- Public Safety
- December – wrap up

Community Advisory Group Discussion



Agricultural Preservation



Agricultural Preservation

- Funding for direct City purchase of easements in the future is financially unrealistic due to the loss of RDCS.
- Potential transfer of development credit program and “stay ahead” provision are now no longer possible due to RDCS suspension.
- City staff will continue to engage County and our regional partners about opportunities for aligning strategies for agriculture preservation on borders of Morgan Hill.
- City is working directly with County and regional partners on City sports and recreation facilities related to City owned property adjacent to/or within the County.

Housing Update



Current Regional Housing

Current RHNA #'s (2014-2019) - HCD									Projection		
Income Level	RHNA # Allocated to MH	Permits Issued 2014/ 2015	Permits Issued 2016	Permits Issued 2017	Permits Issued 2018	Permits Issued 2019	Total	HCD % Met	HCD Remaining Allocation	Pipeline	Units Still needed
Very Low Income up to 50% AMI (includes ELI)	273	12	29	0	39	0	80	29%	193	98*	95*
Low Income 51% to 80% AMI	154	118	23	13	24	11	189	123%	0	66*	-101*
Moderate Income 81% to 120% AMI	185	107	6	9	263	14	399	216%	0	352**	-566**
Above Moderate Income/Market Rate more than 120% AMI	316	647	219	192	193	142	1393	441%	0	TBD	-1077
Total	928	884	277	214	519	167	2061	222%	193	516	95

* MWest included (78 VLI) * Beacon Included (20 VLI and 61 LI)

Non – Deed Restricted Moderate Units Included – NOT yet issued: (311 MWest, 8 Borello (ADU's), **Already Issued and Reported: 167 Evergreen, 83 Sunsweet 11 Borello, and 61 Diamond Creek

Housing Units In Pipeline

Year	Permits Issued or Expected to be Issued
2014/2015	884
2016	277
2017	214
2018	519
2019	167
2020	755
2021 - on	959

SB 330: City Preparedness

- Attended Realtors Association and Rotary meetings to discuss impact to City
- Prepared media campaign and press releases to discuss changes including placing full page ads in two local media resources
- Adopted Objective Design Criteria
- Re-Designed application and other permit forms
- Created Information sheets regarding changes and website instructions related to SB 330 and processing requirements

SB 330: City Preparedness (Con't)

- Established on-line application submission appointment system for use by Development Community
- Mailed informational letters to all architects, engineers and developers who regularly work in City or who have asked to be placed on DS mailing list
- Held team implementation meetings to discuss process changes
- Collaborated with Community Engagement program to share information on various social media sites
- Estimated housing permits in next 5 years 1500-2000

SB 50: Equitable Communities Incentive (ECI) Benefits

- Requires local governments to grant transit-rich and jobs-rich housing projects certain benefits and waivers of local development regulations based on their location.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)

County with a population that is greater than 600,000, the following incentives apply:

- Any transit-rich or jobs-rich housing project that meets the eligibility criteria above shall receive waivers from maximum controls on density and minimum automobile parking requirements greater than 0.5 parking spots per unit.
- A residential development that is located within one-half mile radius, but outside one-quarter mile radius, of a major transit stop shall also receive waivers from maximum height requirements less than 45 feet, maximum FAR requirements less than 2.5, and any minimum automobile parking requirements.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)

County with a population that is greater than 600,000, the following incentives apply (Con't):

- A residential development that is located within one-quarter mile radius of a major transit stop shall also receive waivers from maximum height requirements less than 55 feet, maximum FAR requirements less than 3.25, and any minimum automobile parking requirements.
- Must meet local inclusionary requirements

SB 50: Option for Local Flexibility Plan – Submit by July 2021

- Plan must increase feasible housing capacity of lower, moderate and above moderate income, considering costs of construction, affordable housing requirements, and local development fees
- Increase transportation efficiency as great or greater than if the local gov. were to grant an ECI

SB 50: Neighborhood Multifamily Projects

- SB 50 would also provide for a specified streamlined ministerial approval process of specified “neighborhood multifamily projects” that would either construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure. A neighborhood multifamily project must consist of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019

SB 50: Community Plan for Sensitive Communities

- Very small part of MH eligible by ABAG/MTC determination. No big housing opportunity sites envisioned without GP/Zoning amendment

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

CASA Sensitive Communities



City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA

Other Bills to Watch

- AB 1484 (Grayson) Mitigation Fee Act
– 2-year bill
 - Shell bill intended to set standards for Impact Fees and other development related City infrastructure costs
 - Numerous changes proposed could significantly limit how local governments impose fees to mitigate the impact of housing development
 - Broad support from Builders and Housing Advocates

Other Bills to Watch (Con't)

- AB 1356 (Ting) Retail Commercial Cannabis Activity – 2-year
 - Requires Cities where more than 50% of voters voted in favor of Prop 64, to permit and issue a minimum number of licenses authorizing retail cannabis activity
 - 1 retail cannabis license for every 4 liquor licenses or one per every 10,000 residents

Other Bills to Watch (Con't)

- AB 1907 (Santiago) Homeless and Affordable Housing CEQA Exemptions
 - Exempts Homeless Shelters and Affordable housing projects from CEQA review
 - Affordable Housing to 80% AMI and below
 - Expands bill that was approved and impacted the City of Los Angeles only, in 2019.

Goal Setting Wrap-Up





ACCOMPLISHMENTS 2019

ADMINISTRATIVE SERVICES

Council Services and Records Management

- Implemented an online appointment system for passport services.
- Completed the second phase of the City's records retention schedule update.

Finance/Budget/Utility Billing

- Completed mid-cycle budget review and adjustments.
- Revised City's purchasing policy to ensure compliance with Federal regulations.
- Completed wastewater rate study update.
- Completed Development impact fee study update.
- Researched and evaluated potential revenue measure options.
- Successfully implemented the increased Transient Occupancy Tax (TOT) and Tourism Business Improvement District Assessment with hotel operators.
- Reinstated City's Cafeteria Plan.
- Procedural improvements in EOC finance section to make financial operations resilient during emergencies.
- Continued to promote paperless billing and electronic payment enrollment. Over 64% of Citywide accounts are now enrolled online, of which, 64% are enrolled in paperless statements and 53% are now enrolled in autopay.
- Continued to promote the City's WaterSmart feature, allowing customers to monitor their water consumption in near real time.

Geographic Information Services (GIS)

- The City's first strategic plan for GIS was completed, the new GIS system architecture was built, and the replacement for MHMaps application is 75% complete- all are part of the GIS Services project contract.
- The first amendment to GIS Services agreement was put in place for fourteen additional tasks that are possible with our new GIS infrastructure.
- Testing and development environments were added to GIS system architecture.
- Extended desktop GIS licensing to 11 additional users, doubling the number from the original 12.
- Participated in County consortium to acquire aerial imagery and LiDAR for the City over the next three years.
- Produced maps needed to show which utilities were designated by PG&E for power shutoff during PSPS events.
- Produced poster map of affordable apartments showing additional locations of interest from new GIS layers such as mobile home parks, houses of worship, and non-profits.
- Produced maps for City grant application to CalFire for funding of a Wildfire Risk Mitigation Plan.

Human Resources

- Completed 15 recruitments for regular, benefitted positions since January 1, 2019 and onboarded 16 new teammates.
- Completed Harassment Prevention and Diversity Inclusiveness Training to City Teammates and certified three City teammates to conduct training on the topic of "Creating a Respectful Workplace: Harassment Prevention and Inclusiveness."



ACCOMPLISHMENTS 2019

Human Resources (continued)

- Partnered with Innovative Claim Solutions and Safety Committee to update the Workers Compensation process and packet.
- Partnered with Concern Employee Assistance Program (EAP) to provide workshops to teammates on personal and professional growth and health and wellness.
- Partnered with the City's Work On Wellness committee promoting health and wellness, encouraging fitness and healthy living through various activities.

CITY ATTORNEY

- Prepared the flavored tobacco and vaping prohibitions adopted by Council in December.
- Successfully prosecuted a hotel owner for failure to comply with TOT requirements.
- Successfully defended the Zoning Ordinance against a challenge that it did not conform to the General Plan.
- Successfully defended the City Council's adopted ballot language for the hotel referendum.
- Obtained favorable settlement in tort litigation matters.

CITY MANAGER

- Participated in regular meetings with County of Santa Clara, MHUSD, Santa Clara Valley Transportation Agency (VTA), Chamber of Commerce, Emergency Operational Area Council, Gilroy, and South County Regional Wastewater Authority (SCRWA).
- Served as the President/Chair of the Santa Clara County/Cities Managers Association
- Periodically spoke at League of California Conferences and Academies.
- Facilitated Council discussion on cannabis policy.
- Performed a refresh of the City's website.
- Continued to represent Morgan Hill's interests as they relate to High Speed Rail.
- Engaged City Council and the community through Engage Morgan Hill efforts and the Community Advisory Group to educate and strategize on fiscal sustainability.
- Conducted polling to measure support for March 2020 revenue measure.
- Updated Teammate vehicle use policy.
- Participating in the Countywide EMS 2022 Vision Group to represent the Morgan Hill and South County interest for ambulance services.
- Continued to address City's unfunded Other Post-Employment Benefits (OPEB) liability by making one-time contributions to irrevocable trust.
- Participated in the planning of the 2020 Census Count.

COMMUNITY SERVICES

Recreation

- Recreation Division obtained 91% cost recovery for Fiscal Year 2018/19.
- The Aquatics Center had another safe and successful summer season with over 59,000 visitors.
- The Centennial Recreation Center Group Exercise Studio expansion kicked off.



ACCOMPLISHMENTS 2019

Recreation (continued)

- 4TH annual Summer Fun in the Park events were held at Galvan Park.
- Sold out Father Daughter Dance and new Mother Son event both held at CCC.
- Get Fit Family Fun Run was brought back in October 2019.

Environmental

- Successfully presented the Reach Code (electrification ordinance) to the City Council for adoption.
- Coordinated the planting of over 200 new trees.
- Permanently preserved 40 acres of agricultural lands adjacent to Morgan Hill.

Maintenance

- Completed the 2019 Sidewalk Repair Project, repairing 81 locations and 4,336 square feet of sidewalk, reducing trip hazards throughout the City.
- Completed the Trail Asphalt Sealing Project for the Paradise Trails, Wildlife Trail, and Butterfield Linear Park.
- Successfully responded to 2019 storms, reducing flooding issues across the City.
- Supported weed and brush abatement on City owned properties, limiting fire risk.
- Completed several projects to ensure the maintenance of City facilities including: Playhouse curtain replacement, Aquatics Center Water Slides resurfacing, Railroad Park play surfacing recoating and the Library Tot Lot Shade Structure addition.

DEVELOPMENT SERVICES

Building

- All Inspectors are now Certified Combination Inspectors in both Residential and Commercial category. Typically this takes 4 years, by obtaining 2 individual certifications per year. In order to achieve this status within a year, the team achieved 10 individual certifications and 23 hours of testing all in one year. Each inspector spent many hours of studying on their own.
- Issued 1,710 permits.
- Performed 9,473 inspections.
- Issued 167 new residential permits.
- Completed the 3-year code cycle update and adopted the 2019 Building Codes.
- Converted to a paperless filing system for permits and plans.

Code Compliance

- Opened 334 code compliance cases in 2019.
- Closed 314 cases.

Economic Development

- Update to Convenience Store Ordinance which now sets separate definitions for convenience markets and liquor stores. It eliminates the 300-square-foot sales area limit as well as the 1,000-foot separation between convenience stores. This ordinance will give convenience stores more freedom to expand and reinvest in their facilities.



ACCOMPLISHMENTS 2019

Economic Development (continued)

- Developed a new Vaping Ordinance - bans all sales of E-cigarettes and products associated with E-cigarettes within the City's limit. The City's ordinance adds to existing local efforts to combat youth smoking, such as the tobacco retailers licensing program and ongoing enforcement operations.
- In May 2019, Morgan Hill hosted the largest men's cycling event in the U.S., the Amgen Tour of California, for the second year in a row. The team collaborated with local partners to celebrate the race and bike week with a Movie Night, a Friday Night Ride, and a Kids Bike Rodeo. The City secured a financial contribution from Visit Morgan Hill which saved the City over \$25,000.
- Planned and executed the first annual Choose Morgan Hill Speaker Series. Five discussions were focused on the business sectors that drive the Morgan Hill economy: economic development overview, retail, innovation & manufacturing, tourism, and healthcare. Each speaker series event had experts and industry leaders that shared their thoughts on successes, challenges, and opportunities facing their sector.
- Provided Business Assistance to small and large businesses by working with several existing and new companies to address City regulations, workforce development, ADA regulations and other issues. Businesses included: SunBasket, A-Jays, Kettle Cuisine, My Pizza, Yoga One, Toni's Kitchen, Digital Storm, Lawson's Bakery, and Chevron Gas Station.
- Provided Development Assistance to attract new commercial and industrial developments that resulted in multiple new projects that are through various stages of entitlements and construction, including: Carpenters Training Union, Applied Motion Products, Shoe Palace Expansion, Granary Expansion, Level 10, Golden State Assembly Expansion, Techcon, Evergreen Village, Madrone Spec Building, Hotels on Madrone, Butterfield Technology Park, Morgan Hill Technology Park, and Lillian Commons.
- Updated the City's Wireless Ordinance to address a recent ruling by the Federal Communications Commission (FCC) requiring the City to identify Small Cell Design Standards for public right-of-way by April 15, 2019. The new ordinance supports the City's desire to increase broadband opportunities in the City and meets the FCC Order for streamlining the permitting for wireless antennas within 60 days of application for existing poles and 90 days for new poles.
- Launched a new Tourism Based Improvement District (TBID) - collaborated with hotels and community stakeholders to create a TBID which is expected to generate approximately \$400,000 annually for the promotions of the area as a tourism destination. The team is actively supporting the new Visit Morgan Hill Board that began a Strategic Planning process and funded the Tourism Symposium with over 100 attendees at Rosewood Cordevalle.

Housing/Homelessness

- Issued 12 BMR permits, issued 13 ADU permits, finalized 8 BMR's, and finalized 15 ADU's.
- Homeless Safe Park – serves 30 people per night, meals, case management.
- Began leasing of 39 UHC units in December 2019 to homeless individuals and families.
- Collaboration with Beacon Senior Affordable Housing Development (75 units) and First Community Housing (50 Homeless family units) to identify sites and begin discussion of 100% affordable housing.
- Partnered with County and Abode to outreach to homeless.
- Partnered with Rebuilding Together to help 30 households (seniors and low-income residents) with home repairs.



ACCOMPLISHMENTS 2019

Housing/Homelessness (continued)

- Participated in the Santa Clara County Regional Assessment of Fair Housing Draft Goals and Strategies to promote residential racial and ethnic integration and reduce displacement by increasing the supply of affordable housing in both high opportunity areas, areas with ongoing displacement, and areas that are at risk of displacement.
- Received an “A-” from the Mercury News and East Bay Times/Southern California News Group journalists for our Regional Housing Needs Allocation (RHNA) production goals.
- Partnered with Catholic Charities Shared Housing Program to match people with available rooms with renters in South County.

Land Development Engineering

- Successfully passed 5-year audit by the Federal Emergency Management Agency (FEMA) of the City’s implementation of floodplain management activities as a participant in the National Flood Insurance Program’s Community Rating System (CRS).
- Mailed out Citywide a new version of the annual Flood Report as part of the City Floodplain Management Program’s community outreach on flood risk reduction.
- Began bi-weekly coordination meetings with the Engineering & Utilities Department to enhance the engineering review and processing of development applications.
- Began full implementation of the annual Spring inspection and testing of private, on-site stormwater treatment facilities for over 40 developed sites (residential subdivisions and commercial developments), as required by the State Water Resources Control Board.
- Participated in the regular meetings of the Santa Clara County Community Rating System (CRS) Users Group, the South County Stormwater Coordination Committee, and the Valley Transportation Authority’s Level-of-Service (LOS) to Vehicle-Miles-Traveled (VMT) Ad Hoc Working Group.
- Processed 2 Final Map and Subdivision Improvement Agreement approvals, 1 Parcel Map and Improvement Plan approval, and acceptances for 6 completed Tract improvements.
- Reviewed 43 Architectural & Site Review applications, 5 Use Permit applications, 4 General Plan Amendments, 10 Tentative Maps, 11 Zoning Amendments, 409 Building Permit applications (257 residential, 105 commercial and 47 plot plans), 30 Grading & Site Development Permit applications, 2 Lot Line Adjustments and 8 RDCS applications. There was about a 50% increase in reviews of Architectural & Site Review applications, Tentative Maps, and Building Permit applications over 2018.

Planning

- Completed all preparation for implementation of SB330 prior to January 1, 2020. This included creating objective criteria based on the RDCS manual to ensure continued excellent design of housing projects regardless of new state law.
- Instituted an online appointment system to assist with public counter activity.
- Submitted SB2 grant for \$160,000 for a form-based code along Monterey.
- Completed all required ordinance changes to implement AB68 (ADUs) prior to January 1, 2020.
- Submitted a request for an expansion of the Downtown Priority Development Area to include an extension along Monterey Road to the north and south.



ACCOMPLISHMENTS 2019

ENGINEERING and UTILITIES

Engineering

- Successfully awarded and began construction on the Centennial Recreation Center Expansion Project and the Library Addition Project.
- Completed the 2019 Paving Project including repaving and sealing on Butterfield Boulevard, Cochrane Road, Depot Street, the Jackson Meadows neighborhood, and the northern end of Monterey Road.
- Completed right of way acquisition for the Hale Avenue Extension Project.
- Processed 94 Encroachment Permits and 120 Oversized/Overweight Permits in 2019.
- Completed the 4th Street Garage top floor security fencing.
- Completed the first of many significant sewer system infiltration and inflow repair projects.

Utilities

- Successfully planned for and implemented actions that maintained water and wastewater service for Morgan Hill residents through the Public Safety Power Shut Offs.
- Completed the purchase and deployment of a new Hydroexcavator, increasing both efficiency and safety for underground work in the Utilities Division.
- Implemented improvements to Corporation Yard Timecard System.
- Completed rebuilds on the Main and Diana Wells.
- Implemented the Corporation Yard Leadership Training Series: Adapting to Change, Difficult Conversations, and Leadership.

FIRE

- Completed a three-department Fire Study and Standards of Coverage for Morgan Hill in cooperation with South Santa Clara County Fire and Gilroy Fire.
- Accepted and outfitted a donated ambulance for critical transportation needs.
- Acquired and outfitted a Fire reserve engine.
- Supported development and participated in full scale Emergency Operations Center drills simulating a Public Safety Power Shut-off event within the City.
- Conducted Fire Prevention Week campaign, including poster contest with the elementary schools and participation in the October Home Depot Kids' Craft Day.
- Brought Team Rubicon in to assist three landowners with fuels reduction work within the City. This venture required support and cooperation from CERT and the Morgan Hill Bible Church.
- Continued coordination between PG&E and City to reduce wildfire risks and ensure local preparedness for a blackout event.
- Installed vehicle exhaust removal systems and new fire alarms at local fire stations, using \$157,000 in FEMA grant funding to complete these improvements to workplace health and safety.
- Taught Hands-Only CPR to 368 people at Mushroom Mardi Gras.



ACCOMPLISHMENTS 2019

POLICE

- Implemented Text to 911 with funding from Office of Emergency Services.
- Participated in County-wide P25 Radio Migration that increased communication reliability and officer safety.
- Installation of CrimeView crime dashboard.
- Creation of bilingual PD App for enhanced reporting and community engagement.
- Hired/promoted 18 personnel – to include Sergeant, Corporals, Officers, Public Safety Dispatchers, Multi-Service Officers, Animal Service Officer, and Graffiti Abatement Officer
- Assigned second SRO for Tobacco/Vaping prevention, funded by state grant.
- Developed Public Safety Power Shutoff advance planning and training scenario prior to actual incident.
- Participated in successful Gun Buy Back with nearly 500 firearms recovered.

Information Technology

- Worked collaboratively with Economic Development to release highspeed connectivity RFP to connect City facilities and potentially business parks and residents.
- Partnered with Public Works teammates to release a bid for fiber connectivity between the CRC and the Corp Yard as well as the future inclusive playground.
- Built an enterprise database solution that hosted the new GIS enterprise solution.
- Set a new strategic direction for IT that focuses on consolidation of IT infrastructure and the modernization of the tools that we provide our teammates.
- Achieved a significant reduction in the backlog of Helpdesk tickets.

Executive Director's Message by Carolyn Coleman

CITY HALL

After the Campaign Is Over:

Aim for Exceptional



The 2018 midterm election cycle was one of the most divisive, polarizing and competitive election cycles in recent U.S. history. And Election Day came on the heels of an extraordinarily contentious battle over filling a Supreme Court seat — a clash that left some wondering if democracy had reached a new low.

The November ballot in California included 11 statewide ballot initiatives, with proponents and opponents of those measures contributing over \$368 million to win. In addition to voting on ballot measures, California voters elected Assembly and Senate members, a new governor, lieutenant governor, treasurer, controller and superintendent of public instruction, among others. Golden State voters also re-elected Sen. Dianne Feinstein (D-Calif.) for a sixth term and sent 53 returning and newly elected members to the U.S. House of Representatives, where Democrats captured the majority.

Election Day also saw significant action at the local level, where hundreds of Californians ran for local government offices, including city council, mayor, sheriff and more. Besides electing local leaders, California voters weighed in on 386 local tax and bond measures and approved over 300 to support local public services and facilities for police, fire, housing, parks, transportation and schools.

Campaigns and Sharp Contrasts

Campaigns and elections, at their core, often accentuate what divides us. They are designed to set a given candidate or issue apart from another. In a campaign, candidates strive to present their positions on policy issues or problems as sharply contrasting with those of their opponents. It's all part of the effort to persuade voters and win their votes.

At the municipal level, this can take on a highly personal tone, as local officials regularly find themselves campaigning against an opponent who is also their neighbor or fellow council member. He or she may shop at the same grocery store as you, may attend the same place of worship and visit the same commercial establishments and local farmers markets. Your children may even attend the same school. In other words, your opponent is often no stranger.

Moving From Campaigning to Collaborating

However, after the campaign is over, the final ballots have been counted (which may take several weeks) and the oaths of office taken, your constituents — those who voted for you and those who may not have — expect their officials to faithfully and impartially perform and discharge the duties of their office according

continued

to the law and the best of their ability, as the oath of office requires. These duties include collaborating with council colleagues (and sometimes former opponents) and others in City Hall to:

- Protect the public's safety;
- Improve the quality of life by effectively delivering essential community services;
- Grow the local economy;
- Create jobs;
- Be a responsible steward of public resources; and more.

Campaigns may highlight our differences; however, after every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance and carry out the duties that voters expect them to fulfill. This transition is a hallmark of a functioning democracy. And presumably that is why, according to a 2018 Pew Research report, two-thirds (67 percent) of Americans surveyed had a favorable opinion of their local government, compared with only one-third (35 percent) who viewed the federal government favorably.

When writing this column, I thought about my time serving as director of the Department of Metropolitan Development for Indianapolis and later as deputy mayor under former Mayor Bart Peterson. In a partisan election system, Peterson was the first Democratic mayor elected since 1967 and would share governing with a 29-member city-county council led by a Republican majority.

Peterson wasted no time transitioning from candidate to mayor of the nation's then-12th largest city. He turned his attention to carrying out his campaign promises, which included improving the delivery of services to all neighborhoods. This soon became the focus of my role in the administration. Like Peterson, I quickly realized there were no Republican or Democratic potholes, just dangerous potholes that constituents expected the city to repair.

Immediately after the election, the mayor began visiting diverse neighborhoods throughout the city to meet with residents,



some of whom had voted for him and others who had not, to understand their priorities and what they needed from their local government. While not every neighborhood leader agreed with his priorities, they were included in the decisionmaking process regardless of how they had voted. Peterson was also inclusive in his outreach and collaboration with all city-county council members — four who were elected at large and 25 who were elected in districts; some were Republicans and others were Democrats.

Although local government races in California are nonpartisan, it can still be challenging to put aside the competitive mindset after the election is over and work together as a cohesive team to do what's best for the community.

The Qualities of Exceptional Councils

As we move beyond the 2018 midterm election cycle, I believe the public will continue to look favorably on local government and a functioning local democracy if newly elected and re-elected mayors and council members embrace the following attributes of exceptional councils.

Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city. The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strate-

gically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

Exceptional councils have clear roles and responsibilities that are understood and adhered to. Exceptional councils understand their role is to serve as policy-makers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.



Exceptional councils treat each other and staff with dignity and respect.

After every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance.

CITY HALL

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decisionmaking.

Exceptional councils honor the relationship with staff and each other. Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the

operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

Exceptional councils routinely conduct effective meetings. Open and public meetings are central to democratic decisionmaking. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
- Spend time planning and organizing the agenda with the aim of having a focused meeting;
- Allocate the council's time and energy appropriately, focused on its role and responsibilities and on meeting short- and long-term priorities; and
- Honor the public's participation and engagement.

Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decisionmaking, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

Exceptional councils hold themselves and the city accountable. They operate openly and ethically and work to engage residents in myriad decisions affecting the community's prosperity and well-being.

Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness. They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.

Exceptional councils have members who practice continual personal learning and professional development. Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.

This material is drawn from resources provided by the Institute for Local Government. For more information on effective governance, visit www.ca-ilg.org/effective-governance.

Focusing on What Unites Us

Leading in a post-election environment can be challenging, but our democracy depends on it. As the League's executive director, I am inspired every day by the efforts of city managers, council members, mayors and city staff to bridge what divides us and to focus instead on the ties that unite us as individuals and communities. ■

**Morgan Hill City Council Goal-Setting Workshop:
How Effective City Councils Work Together
January 24 – 25, 2020**

Council-to-Council Norms

The facilitator, Shawn Spano, developed the following norms for effective City Council relations based on his experience facilitating numerous Council goal-setting and teambuilding workshops over the past several years.

- 1. Build Good Relationships:** Create trust, demonstrate respect, and engage in open and honest dialogue with each other.
- 2. Seek Understanding:** Make efforts to understand each other's concerns, issues, interests, and perspectives.
- 3. Manage Differences:** Address disagreements and differences constructively; concentrate on issues, not personalities; engage in problem solving together.
- 4. Find Common Ground:** Seek areas of agreement; identify shared interests, values, and positions.
- 5. Commit to Decisions:** Move forward without animosity after decisions are made and votes taken; avoid undermining the decision or denigrating Council colleagues.
- 6. Be Candid:** Provide each other with constructive feedback and suggestions in supportive and non-threatening ways (e.g. off line conversations).
- 7. Use Council Meeting Time Wisely:** Move efficiently toward decisions on non-controversial items when it is apparent that there is broad Council support. Facilitate a sharing of perspectives and dialogue among Council Members on complex or controversial items for which there is a range of views to be explored. Avoid long speeches.

Qualities of Exceptional Councils

The following qualities of exceptional councils were identified by Carolyn Coleman, Executive Director for the League of California Cities, in an article published in the *Western City* (January 2019).

- 1. Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city.** The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative

manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strategically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

- 2. Exceptional councils have clear roles and responsibilities that are understood and adhered to.** Exceptional councils understand their role is to serve as policymakers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decision-making.

- 3. Exceptional councils honor the relationship with staff and each other.** Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

- 4. Exceptional councils routinely conduct effective meetings.** Open and public meetings are central to democratic decision-making. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
- Spend time planning and organizing the agenda with the aim of having a focused meeting;
- Allocate the council's time and energy appropriately, focused on its role and responsibilities and on meeting short- and long-term priorities; and
- Honor the public's participation and engagement.
- Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decision-making, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

- 5. Exceptional councils hold themselves and the city accountable.** They operate openly and ethically and work to engage residents in myriad decisions affecting the community's

prosperity and well-being. Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

6. **Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness.** They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.
7. **Exceptional councils have members who practice continual personal learning and professional development.** Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.



City Council Norms

Established January 26, 2019

- ❖ Be respectful of each other
- ❖ Address issue, not person
- ❖ Be honest and real
- ❖ “Clear air” if needed; have hard discussions
- ❖ Listen to each other
- ❖ Be aware of how we represent the City as leaders in the community
- ❖ Be accurate in statements
- ❖ Be open minded; avoid concluding on your position prior to an item being heard
- ❖ Recognize that experience comes in diverse ways
- ❖ Be mindful of time
- ❖ Keep decorum of meeting throughout
- ❖ No side conversations
- ❖ Come prepared
- ❖ Give enough time to discuss issues
- ❖ Ok to ask City Council to continue an item if not ready
- ❖ Don’t be repetitive on requests and comments
- ❖ Wait to be recognized before speaking
- ❖ Keep the order of meetings (questions, public comment, and then discussion)
- ❖ Provide early notice of request for alternates to attend outside appointment meetings
- ❖ Speak into the microphone
- ❖ Cell phones silenced
- ❖ Be punctual
- ❖ Send questions in advance of meeting; let City Manager know if you plan to pull a consent item
- ❖ Be engaged
- ❖ Be concise

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS

EFFECTIVE DATE: May 7, 1997

REVISED DATE(S): June 21, 1998, April 1, 1998, April 26, 2000, November 7, 2001, October 16, 2002, June 27, 2007, July 25, 2018

ORIGINATING DEPARTMENT: CITY MANAGER

SECTION 1 - SCOPE

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

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution. Regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority vote of the City Council pursuant to Section 5.3 of this policy.
- 2.3** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.4** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law.
- 2.5** Quorum: Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.6** Adjourned Meetings: The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

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

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters: All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Availability of the Agenda to the Public: The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.
- 4.3 Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
 - a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.

SECTION 5. ORDER OF BUSINESS

- 5.1 The order of business at meetings of the City Council shall be as follows:
 - a. CALL TO ORDER
 - b. ROLL CALL ATTENDANCE
 - c. DECLARATION OF POSTING AGENDA

- d. WORKSHOP (5:00-6:00 p.m., or as deemed appropriate)
- e. CLOSED SESSION (6:00-7:00 p.m., or as deemed appropriate)

Closed Sessions of the City Council can only be held for matters specifically authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an important closed session item. Closed session items may be continued to the conclusion of the agenda.

- f. SILENT INVOCATION
- g. PLEDGE OF ALLEGIANCE
- h. CITY COUNCIL REPORTS

These are updates on activities of individual members of the Council and are non-action items.

- i. CITY MANAGER'S REPORT

These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.

- j. CITY ATTORNEY'S REPORT

These are updates on reportable actions of the City Council in Closed Sessions and/or current litigation.

- k. OTHER REPORTS
- l. PROCLAMATIONS
- m. RECOGNITIONS
- n. PRESENTATIONS
- o. PUBLIC COMMENT

This item refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.

- p. ADOPTION OF AGENDA

q. CONSENT CALENDAR

These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the Consent Calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the Consent Calendar and before moving on to public hearings.

r. PUBLIC HEARINGS

These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.

s. OTHER BUSINESS

These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.

t. CLOSED SESSION

Continued closed session for matters not concluded earlier in the evening.

u. FUTURE COUNCIL INITIATED AGENDA ITEMS

These are items which members of the City Council wish to have placed on future agendas.

v. ADJOURNMENT

5.2 Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.

5.3 Review Status of Agenda at 11:00 p.m.: If, at 11:00 p.m., the City Council has not concluded its business, it shall review the status of the agenda and determine by majority vote whether to extend the meeting beyond 11:00 p.m., continue any remaining items, or adjourn the meeting to another date and time.

SECTION 6. PUBLIC COMMENT

6.1 Public Comment: Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda.

- 6.2** Limitations: The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speakers cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments. The Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins.
- 6.3** Procedure: To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name and contact information and the subject, or subjects upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be recognized by the City Clerk.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

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

d. Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
2. Council Members may question a person addressing the Council at the conclusion of the person's comments or upon expiration of the person's time to speak. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.
3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
4. Members of the public shall direct their questions and comments through the Presiding Officer.

7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to The Standard Code of Parliamentary Procedure by Alice Sturgis (McGraw Hill) as a guide for the conduct of meetings. The Sturgis guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.

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

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

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

7.5 Debate:

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

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

- b. Obtaining the Floor for Debate:

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

- c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

- d. Relevancy of Debate:

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

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

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

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

e. Mayor's Duties During Debate:

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

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

SECTION 8. DECORUM

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

SECTION 9. VIOLATIONS OF PROCEDURES

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

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

APPROVED:



STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-96-01

SUBJECT: PLACEMENT OF ITEMS ON THE AGENDA AND
MATTERS TO BE RECONSIDERED BY THE CITY
COUNCIL

EFFECTIVE DATE: July 17, 1996

REVISED DATE: June 27, 2007; July 25, 2018

ORIGINATING DEPT: City Manager

1. Members of the City Council and City Manager may place items on the agenda.
2. Reconsideration – Under City Council Policy 97-01, a matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council.
3. Items raised by the public during public comment may be referred to a future City Council agenda for formal action. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but a member of Council may request consideration of the item at a future meeting.
4. Members of the City Council may identify items to be added to future agendas at the end of each Council meeting under the section titled, "Future Council Initiated Agenda Items." Before beginning substantive work on an item raised under Future Council Initiated Agenda Items, staff will evaluate the staff-time involved and bring a report back to the City Council. A majority of the City Council must decide to move forward with the item, if the item will require more than two hours of staff time.

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

APPROVED:


STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

SUBJECT: PROCLAMATION POLICY

CP 94-09

DATE: JUNE 15, 1994, REVIEWED 6/27/07

Procedures for proclamations to be presented at a City Council meeting:

- A. The subject is relevant to the citizens of Morgan Hill.
- B. The person or group is a member of the City of Morgan Hill community.
- C. The requesting group will have a representative at the City Council meeting to receive the proclamation from the Mayor or Mayor Pro Tem.
- D. Requests shall be received 10 days prior to meeting.

Procedures for proclamations requested without presentation at a City Council meeting:

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor only.
- C. Proclamation will be mailed.
- D. Requests shall be received 10 days prior to requested receipt.

Procedures for proclamations requested by the Mayor or City Council Member to be personally presented at an event.

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor.
- C. Proclamation will be presented by Mayor/Council Member.

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

APPROVED:


JOE R. MARTUCCI, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP 03-02

SUBJECT: Ex Parte Contacts

EFFECTIVE DATE: November 5, 2003, REVIEWED JULY 18, 2007

ORIGINATING DEPARTMENTS: City Attorney

INTRODUCTION:

In addition to its legislative functions, the City Council, or its subordinate boards and commissions, may be called upon to act in a quasi-judicial capacity. "Quasi-judicial" means proceedings in which a property interest is at stake, and the body is charged with applying legal standards to a specific factual situation. Common quasi-judicial proceedings in the City include issuance of discretionary land use permits, rent control hearings, and appeals of all kinds.

In quasi-judicial proceedings, due process principles apply. Due process requires that participants be afforded a meaningful opportunity to prepare and be heard before an impartial decision maker, and that the decision be made on the record before the decision maker. Receipt of information outside the quasi-adjudicative hearing may deprive participants of due process, as the decision-maker may be basing his or her decision on evidence outside of the administrative record, and/or not be impartial. In order to ensure due process, the Council hereby adopts the following rules.

POLICY:

Council members, or members of any appropriate subordinate body, may discuss with any member of the public or listen to discussion of the facts of any quasi-judicial matter while such matter is pending before the City or such subordinate body, if the following guidelines are followed. (Matters involving permits are pending before a city agency, board or commission when an application for a permit has been filed with the appropriate City department; otherwise a matter is pending when the appropriate notice of appeal has been filed.)

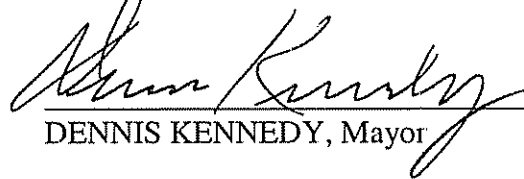
1. The fact of such discussions, and any content of such discussion which is germane to the pending matter, should be disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

2. Council members may attend noticed public hearings before subordinate boards and commissions but should not comment or engage in any discussion at such hearings. Information and evidence gained by Council members via their attendance at noticed public hearings before subordinate boards and commissions need not be disclosed at later Council consideration of the same or related matter.

3. Council members and appropriate members of subordinate bodies may visit sites and properties that are subject of pending proceedings, as long as the fact of such visits and any observations which are germane to the subject matter of the proceeding are disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

This policy is meant to augment, not supplant, any other legal obligations Council members or members of subordinate boards and commissions have regarding such contacts, including but not limited to disclosure of conflicts of interest under the Political Reform Act, Government Code section 81000 *et seq.*, and/or adherence to open meeting laws such as the Ralph M. Brown Act, Government Code section 54950 *et seq.*

APPROVED:



DENNIS KENNEDY, Mayor

RESOLUTION NO. 6851

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING THE MAYOR OR CITY MANAGER TO PREPARE, EXECUTE AND TRANSMIT COMMUNICATIONS INDICATING A POSITION ON PROPOSED STATE LEGISLATION ON CERTAIN MATTERS THAT MAY HAVE IMPACTS UPON THE CITY IN CERTAIN CIRCUMSTANCES AND DIRECTING A REPORT BACK TO CITY COUNCIL ON ANY SUCH COMMUNICATIONS TRANSMITTED

WHEREAS, the City of Morgan Hill, a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"), is authorized to indicate City's position on proposed legislation of the State of California and is sometimes requested to so indicate City's position on such legislation for the benefit of the City; and

WHEREAS, the reasons supporting the adoption of this Resolution are set forth in detail in that certain City Council Staff Report entitled "City Position on Pending State Legislation" submitted for City Council consideration at its meeting of April 16, 2014, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which meeting the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council prefers, whenever possible, that determinations on whether to take a position on pending State legislation be brought before

the City Council as a whole for consideration and action. However, the City Council recognizes that occasional, limited situations arise where communications indicating support or opposition on pending State legislation that could be important to City are requested from cities within timeframes that have deadlines occurring prior to the next scheduled meeting of the City Council as a whole at which the City Council could consider and determine City's position on such pending legislation. For these reasons, the City Council does further resolve, order and/or direct as follows:

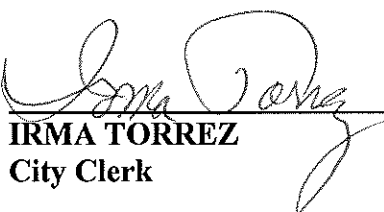
- a. That the Mayor and/or the City Manager is delegated authority to and is authorized to prepare, execute and transmit written or verbal communications indicating a City position on proposed pending State legislation that may have impacts upon City when all of the following criteria are met:
 - i. The League of California Cities, or a successor or similar organization, has requested City comment or position on a piece of pending State legislation or the City has otherwise become aware of such pending State legislation; and
 - ii. A public hearing and an opportunity for City to comment or take a position upon such pending State legislation is occurring in a timeframe and with a deadline to comment or express a position that occurs prior to the next scheduled meeting of the City Council at which the City Council could consider and determine City's comment or position on such pending State legislation; and
 - iii. The pending State legislation clearly supports or clearly hinders the implementation or fulfillment of an adopted City Council Priority, Goal or Strategy in a substantial manner such that it is in the best interests of City to indicate its comment or position on such pending State legislation.
- b. That the Mayor and/or City Manager is hereby directed to provide a written report to the City Council for the Council's comment and acceptance at the City Council's next possible meeting whenever the Mayor or City Manager prepares, executes and transmits a communication indicating a comment or position on pending State legislation pursuant to the authority delegated under this Resolution, which report shall include a copy of such pending State legislation and the comment or position transmitted.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 16th day of April, 2014 by the following vote:

AYES: **COUNCIL MEMBERS:** Rich Constantine, Marilyn Librers, Gordon Siebert, Steve Tate
NOES: **COUNCIL MEMBERS:** None
ABSTAIN: **COUNCIL MEMBERS:** None
ABSENT: **COUNCIL MEMBERS:** Larry Carr

ATTEST:


IRMA TORREZ
City Clerk


STEVE TATE, 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. 6851, adopted by the City Council at the meeting held on April 16, 2014.

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

DATE: 4/21/2014


Irma Torrez, CITY CLERK

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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



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 Policy

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

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 (CONTINUED):

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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.



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 and 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.



morganhill.ca.gov

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agricultural Preservation											
1	Update Agricultural Lands Preservation Program	Community Services & Development Services	City Staff are working to: a) finalize the acquisition of Fountain Oaks Ranch and Maple Ave sites, b) finalize decision regarding potential conversion of ball field site to agricultural easements, c) amend ag preservation ordinance/removal of stay ahead provision, and d) continue discussions with County and Open Space partners regarding opportunities for grants and potential funding sources.								
Cannabis Policy											
2	Complete all necessary steps to tax out-of-town cannabis deliveries	Finance	Working with sales tax and business license Consultant and contacting businesses to bring them into compliance.								
Community Engagement and Messaging											
3	Develop and implement extensive community engagement strategy related to the City's infrastructure and public safety needs, continuing to explore funding possibilities	Communications & Engagement	Engage Morgan Hill - A community conversation regarding services, funding, and priorities launched in May 2019. The Engage Morgan Hill Community Advisory Group (CAG) met monthly from June through December 2019 and learned about essential services the City provides. CAG is now working to make informed recommendations to the City Council about how to move forward for a sustainable future.								
4	Police Special Operations will present Parent Project classes	Police Special Operations	A mini Parent Project will take place in February 2020 at Park Place. Student Resource Officers will be attending Parent Project training at the end of January and aim to offer classes in Spring 2020.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

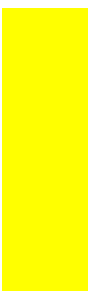
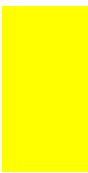


	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5	Develop a partnership with security camera owners for emergency and investigative purposes	Police Dispatch Services	Will have access to MHUSD cameras and public camera registry and access by Q3 FY 2019-20. MOUs routed and technological development from service providers given.								
Economic Development											
6	Develop a Retail Concentration strategy	Economic Development	A Retail Capacity Study was completed as part of the Monterey Corridor Flex-Use Zoning. The Study identified viable retail properties along Monterey Corridor. Staff is working with Strategic Economics on an analysis of all commercial properties in the City and will develop recommendations on where to prioritize retail within the City.								
7	Develop a Form-Based Code and Specific Plan	Development Services	New State Housing eliminates the City's ability to require commercial along the corridor. A Specific Plan would allow the City to influence the type of development that happens along the Monterey Corridor. Staff expects to bring forward this discussion as part of future budget considerations.								
8	Develop a Freeway Signage program	Economic Development	Initial analysis was completed for properties along the freeway to identify recommendation how to develop a unified freeway signage program. Final policy recommendations need to be completed and presented to the Planning Commission.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED      ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
9	Implement Economic Blueprint and new Zoning Code outreach and advertising campaign	Economic Development	Zoning Code Update completed. The City has completed a marketing and advertisement contract with the Silicon Valley Business Journal highlighting the 4 key industries from the Economic Blueprint. City staff is working with Hearst Media on a targeted electronic campaign.								
10	Implement Economic Development Speaker Series	Economic Development	First Annual Speaker Series was completed in Fall 2019. Five discussions took place focused on economic development, retail, innovation & manufacturing, tourism and healthcare. Each speaker series event had experts and industry leaders that shared their thoughts on successes, challenges, and opportunities facing their sector.								
11	Adopt an Industrial Land Preservation strategy	Economic Development	Staff is working with Strategic Economics to analyze the industrial and commercial lands inventory. Staff is reviewing initial findings and anticipates to complete policy recommendations by Spring 2020. A Priority Production Area application has been completed and aligns with the City's goals for Industrial Land Preservation.								
12	Establish next steps on Property Based Improvement District (PBID)	Economic Development	Staff will analyze the cost impact to the City and will perform a cost-benefit analysis on the establishment of the PBID.								
Financial Stewardship											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

Red Yellow Orange Green

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
13	Continue the City tradition of developing a prudent and balanced budget with effective long-term financial planning	Finance	Council adopted the FY2018-19 and FY2019-20 Operating and CIP Budget on June 6, 2018. A mid-cycle review was presented at the Engage Morgan Hill Workshop on May 22, 2019. Mid-cycle budget amendments for the FY2019-20 were adopted on June 5, 2019 at a regular Council meeting. Development of the new Biennial Budget began in January 2020.								
14	Pursue revenue Ballot Measures	City Manager	Extensive community education occurred regarding the TOT increase and Cannabis Tax in September/October 2018. Both revenue measures passed. The efforts of Engage Morgan Hill will help inform other revenue generation options to meet the projected funding gap.								
High Speed Rail											
15	Communicate with Council and the Community regarding High Speed Rail and advocate for measures to mitigate potential impacts	Development Services & City Attorney	Ongoing. Staff provided comments on the CHSRA staff's preferred alignment for the September 2019 CHSRA Board meeting. Staff has retained the services of a consultant to help the City respond to the Environmental Impact Report/Study scheduled to be released in the Spring.								
Homelessness											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

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TO BE STARTED → ONGOING

Red Yellow Orange Green

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
16	Collaborate with dedicated South County Case Management Worker, Santa Clara County, and the City of Gilroy and continue to build a South County homeless response system that integrates County Safety Net Services	Housing	Destination Home is expected to issue an RFP funding opportunity for Pilot Homeless programs in February or March of 2020. Cities will be eligible to apply at which point staff will return to Council with an update if funds are awarded. The Safe Parking Program continues to provide stability and services for 8 families, approximately 30 people on any given night. The 2019 Homeless Count shows a 71% decrease in homelessness. Services include prevention through rental assistance, deposit assistance outreach, engagement, and setting aside new units.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

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	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Housing											
17	Identify Sites and Non-profit partners to construct very low income housing units	Housing	Identifying potential sites and completing predevelopment evaluation is ongoing. Timing is uncertain. - Treehouse intergenerational community continues to work with MidPen Housing to identify a site for a 78 unit intergenerational foster family and senior project. - Braddock & Logan have submitted plans to build a 389 unit apartment complex at Butterfield and Sutter, of which 78 VLI rental units will be included (these units are already counted in the pipeline and in our pending RHNA goals). -Eden Housing will pull permits in early 2020 for the rehabilitation of Depot Commons and adding an additional 14 units. -First Community Housing is in the process of securing a site for approximately 60 units. -UHC continues to work with Valley Water regarding the flood study at a site at Monterey & Watsonville. Viability is being determined. -Cochrane Commons is considering partnering with a nonprofit to meet their inclusionary requirement. -EAH "Scattered sites" leased up in 2018-19. -UHC - The "Crossings at Monterey" leased up Dec of 2019.								
18	Monitor Housing legislation; advocate for legislation which supports Morgan Hill housing program	Housing	Participating in Regional Housing Need Allocation (RHNA) Subregion working group, League Policy Board, and raising awareness of Morgan Hill concerns with local legislators.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Infrastructure											
19	Continue annual pavement maintenance projects	Engineering CIP	Hill Road and Sutter Ave were successfully rehabilitated in 2018. In 2019 Monterey Road north of Cochrane, Cochrane Road from Monterey to DePaul Drive, Butterfield Road north of Main Avenue, Depot Street, and some streets in the Jackson Meadows Neighborhood were rehabilitated.								
20	Lead coordination on regional planning efforts related to bringing recycled water to Morgan Hill	Water Conservation	City teammates have been actively involved in Valley Water planning for its Recycled Water Master Plan. City staff partnered with the City of Gilroy and developed a water supply strategy document for the South County. This document is designed to inform staff and elected officials within the two cities, relating to water supply and recycled water. This work did not clearly identify recycled water as the highest priority projects related to water supply sustainability. City staff are currently engaging in a study to understand the feasibility of a recycled water plant in Morgan Hill. Staff intend to return to the Council in the Spring of 2020 with the results of this specific work.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
21	Participate with SCRWA on Plant Expansion	CIP Engineering	Staff have continued working with SCRWA and the City of Gilroy to refine the scope of the treatment plant expansion. The project is currently scheduled to commence construction in 2021 and conclude in 2025. Updated plant expansion scope and design costs were provided in September 2019. The estimated costs total \$74.6 million. Engineering and Finance teammates have developed the necessary financing plan to fund the City’s share of the project (\$31.3M) through use of impact fees. Financing may be necessary depending on the timing of the project.								
22	Continue to participate in Upper Llagas Flood Control project	CIP Engineering	Construction of Phase 1 (South of Watsonville Road) is underway. Phase 2 construction is not completely funded, but the Valley Water Board has authorized a portion of Phase 2 (Phase 2A) to move forward. It is anticipated that Phase 2A will include the a tunnel under Nob Hill and work on Hale Avenue at the Main Avenue intersection. Construction should begin in the Spring of 2020 and be completed in conjunction with the City’s Hale Avenue Extension project. Valley Water is continuing to work on finalizing funding for the remaining portion of Phase 2 and the remaining portions of the project could commence as early as 2022.								
Telecommunications											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

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TO BE STARTED → ONGOING

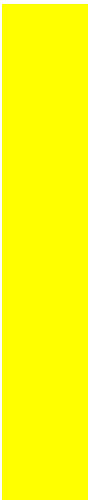


	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
23	Inventory and create a conduit map of all available City conduit	Economic Development	Civic Foundry has completed mapping locations of City owned and some privately owned conduit in the City as part of identifying assets for the development of the Fiber Network RFP. In addition, Civic Foundry has included City assets as part of the drafted RFP which is currently out for bid.								
24	Issue a Request for Proposals for fiber network infrastructure for City facilities	Economic Development	In June 2019, the City issued an Enhanced Broadband Services RFP with the primary goal of increasing service to the City facilities and secondary goal of expanding service to the business parks and community. City staff have been holding interviews with the companies that submitted interest and are finalizing initial review of submittals. An update of the RFP is expected to be presented to Council in February/March 2020.								
25	Develop a "Dig Once" ordinance, Revise Zoning to improve the permitting process for Telecommunication Facilities on private property, and bring forward policy that supports master Small Cell Licensing Agreements	Economic Development	City Council approved small cell design standards, changes to Title 18 Zoning Code and authorized the City Manager to execute Small Cell License Agreements in March 2019. It is anticipated that the Dig Once Policy along with other policies (we anticipate the RFP process will inform other policy changes) will be brought forward at the conclusion of the Enhanced Broadband project further supporting telecommunications investments in Morgan Hill.								
Traffic/Transportation											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

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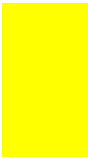
TO BE STARTED     → ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
26	Participate and advocate for South County in regional transportation planning initiatives with Valley Transportation Agency (VTA), Caltrain, Boards, and Committees	City Manager & Economic Development & Engineering	Staff and delegated Council Members regularly attend regional transportation meetings, serve on leadership committees, and host South County coordination meetings. City Staff have actively participated in the Caltrain Business Plan and Caltrain/VTA train service changes. Staff has provided comments to CHSRA on the HSR staff's preferred alignment and comments to the Caltrain Board on the Caltrain 2040 Business Plan.								
27	Implement CIP projects consistent with Vision Zero related to pedestrian and bike improvements, including safe routes to school	CIP Engineering	Design of Main Avenue improvements are underway: sidewalk between El Toro School and Grand Prix, flashing beacons at Grand Prix, and buffered bike lanes from Butterfield to Condit. Construction scheduled to begin in early 2020. Buffered bike lanes and green bike lanes were installed on Cochrane Avenue and Monterey Road as part of the 2019 Pavement Improvement Project. In ground pedestrian flashing lights are scheduled to be installed on First and Fifth Street in the downtown in the next month. Enhanced pedestrian crosswalks are currently in design for crossings on Lacrosse Avenue at the West Little Llagas Creek Trail and at Wright Avenue at Del Monte Avenue.								
Completed/Ongoing/Routine											
	Update website for ease of use by the public	Communications & Engagement	After extensive clean-up, a newly refreshed website was launched in September 2019.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

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TO BE STARTED     → ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Continue to develop our connections with our local Hispanic/Latino community, finding best ways to outreach and share important community information	Communications & Engagement	Ongoing. Another year of facilitating a Women's Empowerment Group at the Learning and Loving Center has been completed. As of June 30, 2019, we no longer have the part- temp resource for outreach with the Spanish speaking community. Staff is reevaluating how to best move forward.								
	Continue facilitating community engagement opportunities with the Mayor and reporting out meeting notes	Communications & Engagement	Notes and follow-up from the Mayor's "Lunch with the Seniors" and "Coffee with Mayor" are provided to all participants, made available on the City website, and included in the Weekly 411.								
	Seek grant funding for street safety and circulation improvements	Congestion Management	Ongoing review of grant opportunities are underway. Measure B Funds for Hale Avenue are a priority. The City has applied and received funding for paving the Madrone Channel Trail. The City received a grant for Green Bike Lanes at the Cochrane Freeway Interchange and these improvements were completed during the 2019 Pavement Rehabilitation Project. City staff applied for a significant Safe Routes to School Grant in 2018, that was ultimately not awarded due to the City's low collision rates and higher income levels.								
	Evaluate Urban Service Area Expansion/Annexation opportunities and assist applicants with LAFCO applications	Development Services	Submitted the Catholic High School LAFCO application. Will complete the annexation EIR in order to consider other application requests.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Develop a parklet pilot program	Economic Development	In 2018 the Council approved a temporary parklet pilot program in response to the City's Station Area Master Plan and Complete Streets/Traffic Calming work program. In May 2019, staff finalized program requirements. Staff continue to promote the program with downtown businesses with limited interest.								
	Produce a Manufacturing Day Panel and Company Tours Event	Economic Development	Building on the success of the 2018 Manufacturing Day, staff have begun outreach to local manufacturers about opening for factory tours on National Manufacturing Day, October 4th. Early coordination has begun with MHUSD about student participation.								
	Present to Planning Commission for Cannabis recommendations on: appropriate zoning, buffering from sensitive uses, and suggested number of retail sites	Police & Development Services	Community Workshop with the Planning Commission (PC) on July 23, 2019.								
	Develop Cannabis regulatory program	Police & Development Services	On August 27, 2019 the Planning Commission voted to recommend a land use ordinance to City Council.								
	Present recommended Cannabis ordinance language	Police & Development Services	On November 6, 2019 City Council voted to maintain the prohibition of commercial cannabis within City limits.								
	Implement text to 911	Police Dispatch Services	A Countywide roll out of Text to 911 occurred in December 2019.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

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TO BE STARTED

→

ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Continue annual program to seal and refresh City owned parking lot facilities	Street Maintenance	The 2018 and 2019 projects were completed on schedule.								

City Council Follow-up/Future Business Items

<u>January 15, 2020</u>		
<u>Follow up items</u>		<u>Teammate</u>
14. Census	Carr - Bring the item back periodically for updates including how the grant money is used	Tobin 03/4/2020
<u>December 18, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked that staff look into bringing forward an ordinance prohibiting Diesel Engine Braking		
Martinez Beltran would like a workshop regarding the UGB		Goal Setting 2020
Martinez Beltran would like more signage for tourism		Referral to TBID
<u>October 23, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
7. Building Electrification	Carr asked staff to explore requiring battery back ups for new construction	Eulo Spring 2020/Memo
<u>Future Business Items</u>		<u>Teammate</u>
Spring asked for a Legislative Update in regard to Police Services		Swing 2/5/2020
Spring asked for a conversation about how our City will look in the future as a "Smart City"		Lang 02/2020
Council Member Martinez Beltran asked staff to look into Mobile Cancer Screenings		Larkin Memo
<u>October 2, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
website update	Carr asked that staff come back to Council in a few months with analytics on the new website	Tobin 02/2020
5. Depot-Latala	Follow up on CCC Parking Enforcement	Ghione April 2020
<u>September 18, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
10. Use of Herbicides	Report back to Council in Summer 2020 and incorporate options into the budget	Dapp/Ghione 06/2020
11. Citywide Traffic	Traffic workshop/Vision Zero	Ghione spring/2020
12. GIS Strategic Plan	Spring asked that staff bring report back to Council in a year to see if we have accomplished what we hoped	Van der Leeden fall/2020
<u>July 17, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Agreement with Boys and Girls Club	Council asked staff to return to Council with an update (6 months) on the program including an update on the budget for the program	Dabel 2/19/2020
<u>Future Business Items</u>		<u>Teammate</u>
Spring proposed that we look into a responsible construction ordinance		Larkin/Carman 3/4/2020
Carr requested that we get an update on the Santa Clara Valley Habitat Agency		Carman 2/5/2020

Attachment: 13. Council Follow-up (2632 : City Council Goal Setting Workshop 2020)

<u>June 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked staff to explore creating a social media page or web page called "Rumors" to have a place where people can go to find out what the truth is.		Tobin
<u>April 17, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Spring requested that staff bring a climate action plan back to Council		Eulo Memo
<u>March 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Downtown Special Events Update	Bring this item back to Council as the residential projects on 3rd street near completion	Martin 05/2020
<u>February 27, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Constantine would like the City to look into providing power and energy (i.e. acting as our own power company) to our residents and businesses		Turner/Ramirez
<u>February 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
15. Lobbyist ordinance	Bring forward suggestions regarding a Council Policy vs. an Ordinance (City Council policy on ex-parte contacts)	Larkin Goal Setting 2020
<u>Goal Setting - January 25 & 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Additions to Council Policy 97-01 for policies on community meetings		Turner Goal Setting 2020

Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives.
As Amended 01/06/2020

Key Elements of SB 50 as Amended 01/06/2020

- Allows developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, and parking requirements. These overrides are called “equitable communities incentives (ECI).” [Please see pages 2-3 for more detail].
- SB 50’s requirements are applied differently based on city population and the population of the county in which the city is located.
- Requires all cities to allow up to fourplexes in single-family neighborhoods, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.
- Allows “sensitive communities” identified by councils of governments to develop a community plan, as prescribed, and not be required to grant an ECI as long as the “community plan” achieves similar objectives and goals.
- Allows cities to develop a HCD-approved “local flexibility plan”, as an alternative to the requirements in SB 50.

The “Local Flexibility Plan:” Amendments adopted on January 6, 2020

The amendments offer an alternative: Cities and counties can adopt a “local flexibility plan” approved by HCD by January 1, 2023 or be required to grant ECI overrides of density, height and parking) of SB 50.

A “local flexibility plan” submitted on or after July 1, 2021 to HCD, must do all of the following:

- Affirmatively further fair housing, as that term is defined in Section 8899.50, to an extent as great or greater than if the local government were to grant an ECI.
- Achieve a standard of transportation efficiency as great or greater than if the local government were to grant an ECI.
- Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.

On or before July 1, 2021, OPR, in consultation with HCD, will develop guidelines for the submission and approval of a local flexibility plan. Rules, regulations and guidelines may be adopted with limited public process.

A local flexibility plan is an alternative to granting an ECI. A local flexibility plan does not exempt a city from ministerial approval of a fourplex in a single-family zone, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.

Comments Regarding the Amendments Adopted on January 6, 2020

- It appears that the intent of the amendments is to provide local governments with an opportunity to develop their own plans to meet the goals and objectives of SB 50. Unfortunately, the amendments, as drafted, raise the following concerns:
 - OPR and HCD are tasked with developing “rules, regulations, or guidelines for the submission and approval of a local flexibility plan” without sufficient Legislative direction. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.

- The elements of the plan are not clear: “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” SB 50 does not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- Without clearly identified criteria, we are unable to evaluate whether the “local flexibility plan” is actually an alternative planning option.

The Community Plan: Sensitive Communities

Unchanged by the amendments are SB 50’s alternative for “sensitive communities.” Sensitive communities are determined by councils of governments (or by MTC in the ABAG region). The ECI provisions of SB 50 will apply to a “sensitive community” after January 1, 2026 unless the community adopts a “community plan” aimed toward increasing residential density and multifamily housing choices near transit stops. The community plan must:

- Permit increased density and multifamily development near transit with all upzoning linked to onsite affordable housing requirements;
- Include provisions to protect vulnerable residents from displacement;
- Promote economic justice for workers and residents; and
- Be developed in partnership with a nonprofit or community organization.

Equitable Communities Incentives

City must grant an Equitable Community Incentive (ECI) to “jobs-rich” or “transit-rich” project on a site zoned to allow housing with certain site exclusions as described below unless city makes finding that incentive would have a specific, adverse impact on any real property or historic district. Project must comply with city’s conditional use or other discretionary permit approval process and with certain affordability requirements (or local inclusionary ordinance) and is subject to CEQA review.

Counties with a population less than or equal to 600,000: Cities with population OVER 50,000

- Equitable Community Incentive to a jobs-rich or transit-rich housing project located within ½ mile of a major transit stop with a minimum density of 30 units/acre in “metropolitan” community or 20 units/acre in “suburban” community:
 - 1 additional story or fifteen feet in height.
 - Waiver of 0.6 Floor Area Ratio.
 - Maximum 0.5 parking spots per units; and no minimum parking requirement if within ¼ mile of rail transit station in city with population greater than 100,000.
 - Waiver of maximum controls density.
 - Site exclusions: architecturally or historically significant district; special flood hazard area.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Counties with a population over 600,000: All cities (except those under 50,000 in the coastal zone)

- Equitable Community Incentive to a jobs-rich or transit-rich housing project:
 - Waiver of maximum controls on density.
 - 0.5 parking spots per unit.
 - Within 1/2 mile of a major transit stop – height up to 45 feet, Floor Area Ratio of 2.5, and no parking requirements.
 - Within 1/4 mile of a major transit stop – height up to 55 feet, Floor Area Ratio of 3.25, and no parking requirements.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Key Definitions

“Jobs-rich area” means an area identified by HCD in consultation with OPR that is high opportunity and either is jobs rich or would enable shorter commute distances based on whether, in a regional analysis, the tract meets both of the following:

- The tract is high opportunity, meaning its characteristics are associated with positive educational and economic outcomes for households of all income levels residing in the tract.
- The tract meets either of the following criteria:
 - New housing sited in the tract would enable residents to live near more jobs than is typical for tracts in the region.
 - New housing sited in the tract would enable shorter commute distances for residents, relative to existing commute patterns and jobs-housing fit.

HCD shall, commencing on January 1, 2021, publish and update, every five years thereafter, a map of the state showing the areas identified by the department as “jobs-rich areas.”

“Job-rich housing project” means a residential development within a jobs-rich area. A residential development shall be deemed to be within a jobs-rich area if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the jobs-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the jobs-rich area.

“Transit-rich housing project” means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within the radius if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“High-quality bus corridor” means a corridor with fixed route bus service that meets all of the following:

- It has average service intervals for each line and in each direction of no more than 10 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. to 7 p.m., inclusive, on Monday through Friday.

- It has average service intervals for each line and in each direction of no more than 20 minutes during the hours of 6 a.m. to 10 p.m., inclusive, on Monday through Friday.
- It has average service intervals for each line and in each direction of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.
- It has met the criteria specified above for the five years preceding the date that a development proponent submits an application for approval of a residential development.

“Major transit stop” means a rail transit station or a ferry terminal that is a major transit stop pursuant to subdivision (b) of Section 21155 of the Public Resources Code.

“Sensitive community” means either of the following:

- Except as provided in paragraph (2), an area identified pursuant to subdivision (b) of Section 65918.58.
 - (b) On or before July 1, 2023, sensitive communities in each county shall be identified and mapped in accordance with the following:
 - The council of governments, or the county board of supervisors in a county without a council of governments, shall establish a working group comprised of residents of potentially sensitive communities within the county, ensuring equitable representation of vulnerable populations, including, but not limited to, renters, low-income people, and members of classes protected under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2).
 - The working group shall develop a map of sensitive communities within the county, which shall include some or all of the areas identified as potentially sensitive communities pursuant to subdivision (i) of Section 65918.50. The working group shall prioritize the input of residents from each potentially sensitive community in making a determination about that community.
 - Each board of supervisors or council of governments shall adopt the sensitive communities map for the county, along with an explanation of the composition and function of the working group and the community process and methodology used to create the maps, at a public hearing held on or before July 1, 2023.
 - In the Counties of Alameda, Contra Costa, Marin, Napa, Santa Clara, San Francisco, San Mateo, Solano, and Sonoma, areas designated by the Metropolitan Transportation Commission on December 19, 2018, as the intersection of disadvantaged and vulnerable communities as defined by the Metropolitan Transportation Commission and the San Francisco Bay Conservation and Development Commission, which identification of a sensitive community shall be updated at least every five years by the Department of Housing and Community Development.



2019-2020

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January 14, 2020

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
State Capitol Building, Room 2206
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Portantino:

The League of California Cities must continue to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 do not take into account our primary objections to SB 50. However, the League of California Cities is pleased to see that recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones. Unfortunately we can’t evaluate whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

It appears that the intent of the amendments are to provide local governments with an opportunity to develop their own plan to meet the goals and objectives of SB 50. Although the goal of increased density around transit is clear; the goal of the bill regarding a jobs-rich housing project is not. The amendments, as drafted, raise the following concerns:

- **Without clearly identified criteria, we are unable to evaluate** whether the “local flexibility plan” is actually viable alternative planning option.
- **Office of Planning and Research (OPR) and HCD are tasked with developing “rules, regulations, or guidelines”** for the submission and approval of a “local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **Further legislative direction is required, the elements of the plan are not clear:**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- o “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
- o SB 50’s “community plan” for sensitive communities provides a much clearer alternative and should be considered as a possible alternative planning process for all jurisdictions.

Remaining Objections to SB 50

If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers.

Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, the League has significant concerns with the following:

- **Wasting time and money.** SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
- **Gives housing developers and transit agencies, who are unaccountable to local voters, the power to determine** housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit.

- **What is the full scope of SB 50?** As presently drafted, it is very difficult to determine what constitutes a “jobs-rich area” since the HCD and OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Greater density but no public transit?** SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled.
- **Two-tiered process that exempts** cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.

For these reasons, the League of California Cities must continue to oppose SB 50 unless it is further amended to address the above concerns. We continue to be committed to finding solutions to the housing supply and affordability crisis gripping many regions of the state and look forward to working with you and all other stakeholders in the coming Legislative Session. If you have any questions, please feel free to contact me at (916) 658-8264.

Sincerely,



Jason Rhine
Assistant Legislative Director

cc. Senator Scott Wiener
Members, Senate Committee on Appropriations
Mark McKenzie, Chief Consultant, Senate Committee on Appropriations
Ryan Eisberg, Consultant, Senate Republican Caucus



January 14, 2020

Honorable Scott Wiener
California State Senate
State Capitol, Room 5100
Sacramento, CA 95814

RE: **SB 50 (Wiener) Planning and zoning: housing development: streamlined approval: incentives.**
Oppose Unless Amended (as amended 1/6/20) as recommended

Dear Senator Wiener,

I write to you today in response to your January 6, 2020 amendments to SB 50. In line with you and other legislative leaders, the Los Angeles County Division of the League of California Cities® (Division), representing 86 cities in the county, recognizes the urgent and unprecedented housing crisis that our state is facing and we commend you and other legislative leaders for your efforts to develop concepts to tackle this challenge. In this spirit, the Division has proactively made continued efforts to engage with you, beginning with our July 12, 2019 driving tour through Southeast Los Angeles County, to initiate consistent personal messages and most recently to produce our December 15, 2019 letter and white paper outlining our concerns with your bill. We offered viable and proactive solutions that could increase housing, provide affordability and sustain community services, in order to meet our state's collective housing needs sooner rather than later.

Our Division Board was intentional and proactive in creating the SB 50 Working Group that developed our alternative proposal. Our group was comprised of mayors and council members with diverse backgrounds, political perspectives, professional disciplines, and represented different regions with varying populations in Los Angeles County. We invested an incredible amount of time and resources to demonstrate our genuine goal and sincerity to be a partner with you and provide viable solutions to the state's housing crisis. Additionally, I took personal efforts to reach out to you with our proposal prior to distributing the letter to our Los Angeles Delegation and other stakeholders. This is why we are very disappointed that despite our efforts to create an open dialogue, our proposal, from the largest Division and group of cities in our state, was unanswered and not reflected in the amended version of your bill.

We are left with no alternative but to continue to oppose SB 50 unless amended not only on its lack of sound planning and real affordability measures, but because our good-faith efforts to work with you have not been reciprocated.

Our alternative proposal to SB 50 is updated below. We have also attached our white paper that includes an expanded discussion based on the proposed amendments.

Recommended Locally-Led Alternatives to Addressing the Housing Crisis

- **Create entitlement certainty for multi-family housing.** The "local flexibility plan" developed under the amended version of SB 50 is duplicative of existing

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EXECUTIVE DIRECTOR
JENNIFER QUINN

planning processes, and establishes hypothetical development baselines that depend on a city speculating developer interest in equitable community incentives.

Alternative: A mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) could give certainty to the development community while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, could be replicated and required.

- **Density must be combined with long-term funding tools.** SB 50 does not provide funding for local governments to sustain exponential long-term density.

Alternative: Incentives should be offered that provide permanent, ongoing funding sources for multi-family and affordable housing projects to ensure their sustainability and success. These can include housing block grants or tax increment programs like SB 795 (Beall/Portantino/McGuire) that provide a long-term financing tool for cities to address increased vital services for infrastructure, park, public safety and other community priorities resulting from the greater demand for such services that occurs with new construction. We recognize the state's effort to provide funding through SB 2 and AB 101/SB 102. However, those funding sources are either one-time uses or insufficient to sustain the state's housing goals.

- **Affordability must be prioritized and sensitive communities must be protected from displacement.** SB 50 gives generous "equitable community incentives" to a developer within a specified radius of a "transit rich or "jobs rich" area. However, the affordability requirement in SB 50 does little to address rising housing costs that affect our communities' most vulnerable residents.

Alternative: Multi-family housing developments must provide a minimum of 25% inclusionary housing, unless a local agency has enacted a higher minimum, to receive any development incentives and entitlement certainty incentives for multifamily developments. The State should also encourage the development of more local Housing Authorities to facilitate construction of affordable housing.

Why SB 50 (as amended 1/6/20) is Not a Practical Solution to the Housing Crisis

Notwithstanding the alternatives to SB 50 recommended above, there continues to be unsustainable flaws to the bill in its current form:

- **The Local Flexibility Plan established under the amended SB 50 is duplicative of existing planning process.** This Plan lacks any real local flexibility and would establish a hypothetical development baseline that depends on a city speculating developer interest in and use of various equitable community incentives. The Division remains concerned that "one size fits all" metrics of SB 50 do not work in real world circumstances that exist in many of our communities. Cities and California's Department of Housing and Community Development (HCD) have an established Housing Element process created through state law along with financial penalties for non-compliance. The Housing Element process requires significant city resources to develop, obtain public input, and receive approval from HCD. SB 50 would require cities to use precious time and resources to create a duplicative process that competes with the Housing Element.

Alternative: The Division proposes amending SB 50 to "create entitlement certainty for multi-family housing" in urban areas of California. The mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) would give entitlement certainty to the development community, while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, is proposed to be replicated and required in SB 50.

- **Carve outs must have merit.** The proposed carve-outs in SB 50 are arbitrary and will do little to solve the crisis.
Alternative: While the Division believes that the entire state should contribute to solving our unprecedented housing crisis, we believe that carve outs should only be carefully considered for the most dense and sensitive areas of the state, as well as coastal zones and historical districts. Carve outs for coastal zones recognizes the unique landscape in these areas and carve outs for historical districts would prevent the demolition of historic resources and protect the planning and architectural character of neighborhoods with a high number of historic residences and other historically significant buildings.
- **Focus Should be on Multi-Modal Transportation Options.** Definitions of “transit rich” areas in SB 50 are poorly defined, in many cases, based on routes that were established decades ago and in some cases, temporary in nature.
Alternative: Access to transit varies widely throughout the state, including providing limited or no weekend services, which do not fulfill the mobility needs for residents to reach employment or other destinations. Local leaders are in the best position to address transportation options and transit access as part of the multi-family housing development planning process.
- **Jobs Accessibility Areas should be defined by the local agency.** Current definitions of “jobs rich” is loosely defined in SB 50.
Alternative: Replace the ambiguous “jobs rich” definition with the locally defined “jobs accessibility areas”. Local leaders have the most intimate knowledge of their communities to map these areas based on real local data that will take into account local zoning, the safety and appropriate co-location of jobs and housing, and to successfully connect them with effective transportation options and development.
- **Recent State legislation already eliminates Single Family Residential (SFR) neighborhoods.** Four-plexes or other small developments in former SFR zones are unnecessary as new legislation currently allow up to three units of housing in existing SFR neighborhoods. Further, none of these units are required to have an affordability requirement.
Alternative: Remove language related to four-plexes to allow local governments to implement Accessory Dwelling Unit legislation.
- **Commercial/Multi-Family areas need flexible ratios to accommodate different neighborhoods.** SB 50 requires commercial/multi-family ratios that may not be logistically or financially feasible in some communities.
Alternative: Allow a lower residential threshold that may expand the number of commercial developments open to mixed-use residential uses.

Conclusion

The state and our region have faced many housing crises. The causes of the latest crisis are multi-faceted and complex. There is no single solution. Our discussion on solutions cannot happen in a vacuum without tackling various related issues such as CEQA obstacles, potential revisions of the housing element and zoning laws and practices. It will take a long-term effort of engagement, education and consensus building with all stakeholders. It is our hope that our proposal is included in that spirit of open dialogue and cooperation.

Again, we acknowledge your and other state leaders’ bold efforts to tackle our state’s housing crisis. We appreciate efforts to work with all stakeholders to ensure that the goals of any housing solutions are balanced with community essentials like equity, infrastructure, and public safety, among other important values. We continue to be prepared to work with the legislature in January 2020 and beyond to find long-term, viable and sustainable solutions to this crisis, and look forward to discussing our proposals with you in greater detail and context in the near future. Despite the aforementioned lack of response from you, I continue to be hopeful that, through a collaborative and sincere approach in resolving our state’s comprehensive housing needs,

together we can all contribute towards solving this problem and especially help those most vulnerable in our mutual communities.

If you have any questions, please contact Division Staff, Jennifer Quan at jquan@cacities.org or 626-786-5142.

Regards,



Juan Garza
President, Los Angeles County Division, League of California Cities
Mayor, City of Bellflower

cc: Office of Governor Gavin Newsom
Los Angeles County Legislative Delegation

Attachment: Goals and Objectives for Amendments to SB 50 as approved by the Los Angeles County Division, League of California Cities, November 22, 2019



P.O. Box 3144
Los Altos, CA 94024
www.citiesassociation.org
408-766-9534

January 23, 2020

The Honorable Scott Wiener
Senator, California State Senate
State Capitol Building, Room 5100
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Wiener:

The Cities Association of Santa Clara County (CASCC) continues to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 still fail to take into account our primary objections to SB 50. Although CASCC is pleased to see that the recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones, it still falls short. CASCC is not able to evaluate, for example, whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

The amendments, as drafted, raise many concerns, including the following:

- **Little to no public input on the local flexibility plan process.** The Office of Planning and Research (“OPR”) and HCD are tasked with developing “rules, regulations, or guidelines” for the submission and approval of a local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing the OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **The elements of the plan are not clear.**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
 - “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language

regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- **Continues to take away local control.** If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers. Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, CASC has significant concerns with the following:
 - Wasting time and money. SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community-based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
 - Gives significant power to housing developers and transit agencies. Housing developers and transit agencies, who are not accountable to local voters, will have the power to determine housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit
- **Undefined essential terms cause confusion.** It is very difficult to determine what constitutes a “jobs-rich area” since the HCD and the OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Appears to conflict with existing state laws and policies.** Greater density but no public transit? SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years

since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled. The proposed amendments also appear to conflict with recent legislation related to ADUs and the Housing Crisis Act of 2019.

- **Arbitrary exemption for certain cities.** Two-tiered process that exempts cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.
- **Timeline to develop the local flexibility plan is not realistic.** SB 50 gives cities 18 months to develop and receive certification for a local flexibility plan once OPR and HCD release final regulations or guidelines (July 1, 2021 to January 1, 2023). 18 months is too short for cities to perform all the tasks needed to create a new plan, including meaningful public outreach, drafting a plan, performing CEQA and other required analyses (equivalence to equitable community incentives, transportation efficiency, feasible housing capacity), and then waiting for HCD to certify the plan. The CEQA process for an area plan EIR, for example, generally takes 1-2 years or longer.

Therefore, although CASC supports finding a workable solution for our housing crisis in California, for the reasons stated above, CASC opposes SB 50 unless amended.

Sincerely,



Larry Klein
 President
 Mayor, City of Sunnyvale

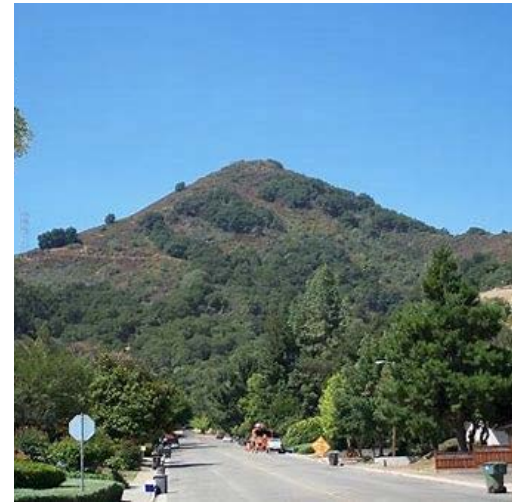


Neysa Fligor
 Chair, Legislative Action Committee
 Vice-Mayor, City of Los Altos

cc: Senators Wieckowski, Beall, Hill, Monning,
 Assembly Members Rivas, Kalra, Chu, Berman, Low, Stone
 Senator Scott Wiener
 Seth Miller, Peninsula Division, League of California Cities (via email)
 League of California Cities, cityletters@cacities.org

About: The Cities Association of Santa Clara County is a collaboration of the fifteen cities of the county and addresses pressing issues of mutual interest for our region. The Association is comprised of the elected representatives of over 1.9 million Bay Area residents. Our diverse community includes cities with a few thousand residents to a large city with a million people. Finding consensus and solutions remains our goal.

Community Advisory Group City Council Goal Setting Workshop January 24th-25th Update-Discussion-Recommendations



The charter of the community advisory group is to become educated about essential City services, share ideas, and make informed recommendations to the City Council about how to move forward for a sustainable future.

Setting the Landscape

Commissioned:

June 29th, 2019

Current Membership:

31 Community Voices



1.q



Shakeeb Ahmed

Inga Bredehoeft

Sally Casas

Nancy Domnauer

Tim Fu

Nick Gaich

Kim Gaxiola

Ava Geddes

Delia Gomez

Gale Hoover Hammond

John Horner

Caitlin Jackimowicz

Rick Kent

Sue Koepp Baker

Matthew Kulick

David Lovato

Michelle McKay

Jody McRoberts

Beverly Mercurio

Doug Muirhead

Jeff Perkins

Cecelia Ponzini

Yvonne Randolph

Brittney Sherman

Brian Sullivan

Kathy Sullivan

Jennifer Tate

Steve Tate

Charles Weston

Terry Williams

Beth Wyman

Packet Pg. 162



Principle Aims:

- Commit to being actively involved in learning about the challenges facing the City and providing feedback, ideas and support
- Serve as a Community Voice “Catalyst” for current and future revenue challenges and potential solutions serving the greater good of our community
- To actively pursue and acquire the in-depth knowledge needed to be effective communicators serving as an independent “source of truth” to benefit the health and welfare of our community

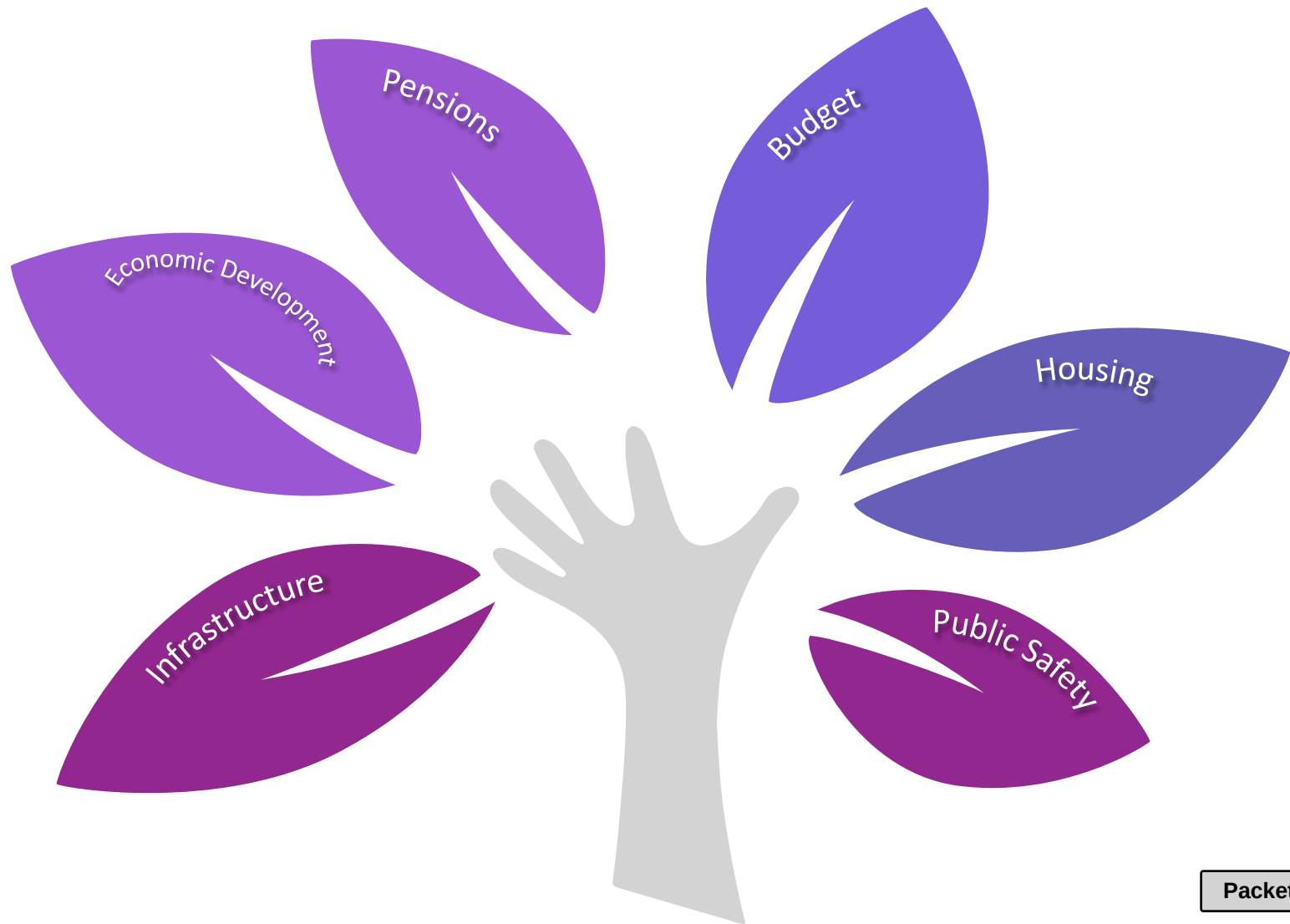
The Road to Discovery

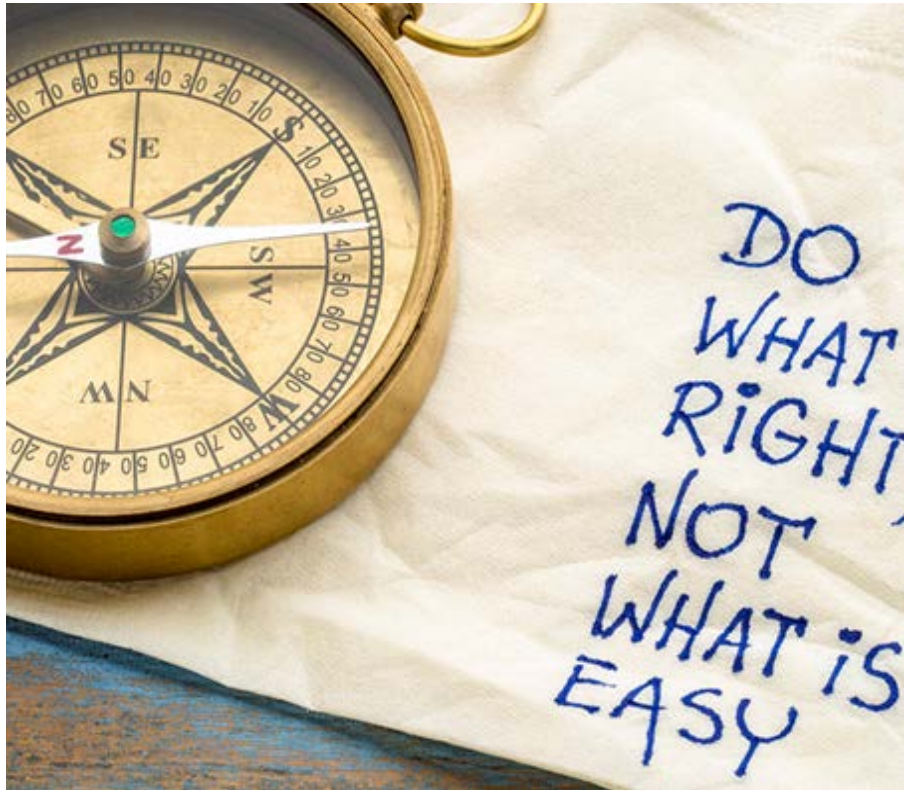
Deep Immersion-Learning Transfer

- ★ Kick Off Meeting
- ★ Budget
- ★ Economic Development
- ★ Budget Presentation
- ★ Housing Growth, Impacts
- ★ Infrastructure Traffic, Recreation
- ★ Pensions
- ★ Polling for potential revenues
- ★ Public Safety

Translating Lessons Learned: “Ideation”

Distilling down key areas of focus





Translating Lessons Learned: “Ideation”

Distilling down key areas of focus



Answering the Why.....

- Quality of Life
- How to handle the shortfall
- Get the Community actively learning
- Expanding – Extending the voice of the Community

Centering our Efforts

1.q

Budget

- Biggest Question is “Why is there a Shortfall?”
- Public Safety is the number one issue with expanding population, Police \$1.3M and Fire \$2.3M
- City Infrastructure \$3.4M
- SB 330 eliminating RDCS for next five years another \$1.1M

Community Concerns



Tax Measure

- Residents Do Not Want More Taxes
- Need to Show Holistic Approach to Sell Tax Increase
- Need to have an Active Discussion about Trade offs
- Not going to be an Easy Sales Job no matter what the polls tell us

Economic Development

- Right Kind of Economic Development
 - Hotels
 - Cochrane Commons
 - Evergreen
 - R&D and Advanced Manufacturing
- The Wrong Kind of Development
 - Shoe Palace
 - Trammel Crow
 - The Electorate will be heard

Underlying Issues

- Traffic is a Regional Problem
 - Need to get creative to get North South traffic off of our streets, not provide thorough affairs
 - Lobby Hard for Hwy 101 expansion
 - San Martin - Morgan Hill
 - Tracy – Livermore
- First Responders inefficient
 - Fire Department
 - EMS

Packet Pg. 167

Establishing a Holistic Approach

1.q

- **Creative Revenue Generation Grants**
Projects that generate revenue for the GF
- **Cost savings – Challenge every department to come up with 10% savings**
- **Economic Development is key**
- **Revenue Measure possible Sales Tax Measure on November ballot**
- **Impact of SB 330**



Formulating our Approach



Connect and Cascade

- *Independent Source of Truth*
 - *Authentic and Relevant*
 - *Unbiased and Inclusive*
 - *Instill a growth mindset*
- *Respective and Participatory*

In Flight Discussions/Ideas

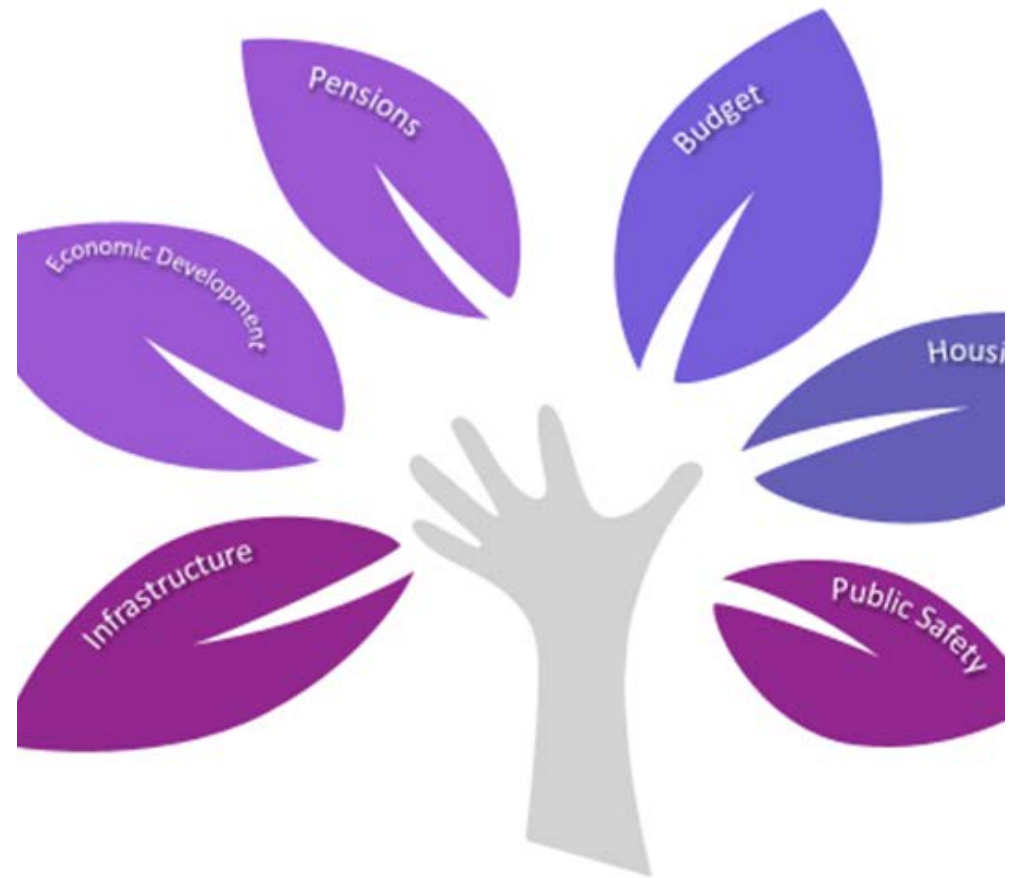
- **6 on 6 Podcasts (6 areas of focus-6 targeted questions-6 micro learning facts)**
- **Community Group Associations sessions**
- **CAG Facebook page**
- **City Council Community update rotation series**
- **News and Publication Awareness Campaign (Morgan Hill Life etc.)**

Outreach Invitation

- Mission Ranch Homeowners Association
 - Brad Krouskup Pro Measure A
 - Asit Panwala Con Measure A
 - Scott Bohrer Cochrane Commons
 - Joe Baranowski Morgan Hill Responsible Growth Coalition
- Held on January 27th at 7pm
- Cultural & Community Center Hiram Room
- Community is invited
- City is invited

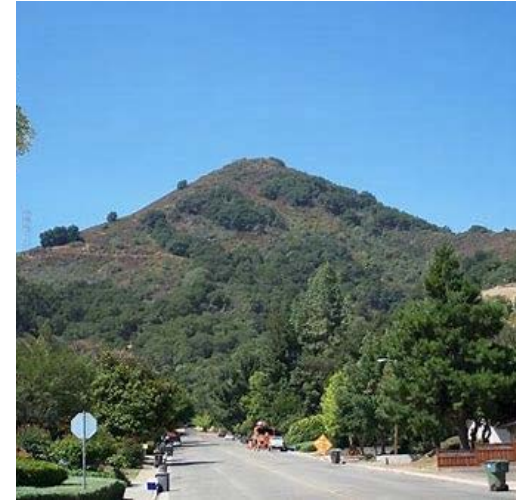
Translating Lessons Learned: “Ideation”

Distilling down key areas of focus



Attachment: CAG Presentation (2632 : City Council Goal Setting Workshop 2020)

Open Microphone



The charter of the community advisory group is to become educated about essential City services, share ideas, and make informed recommendation to the City Council about how to move forward for a sustainable future.

From: [Christina Turner](#)
To: [Michelle Bigelow](#); [Angie Gonzalez](#)
Cc: [Harjot Sangha](#); [Edith Ramirez](#); [Chris Ghione](#)
Subject: FW: Morgan Hill Chamber of Commerce supports Measure A on March 2020 ballot
Date: Saturday, January 25, 2020 8:00:01 AM

Please supplement this morning.

Morgan Hill Chamber of Commerce Members,

The Morgan Hill Chamber of Commerce believes that approval of Measure A on the upcoming March 2020 ballot will be positive for our community. Approval of this measure will clear the path for two additional hotels to be built on vacant land off Cochrane Road directly behind the small shopping center where Pete's, Fedex, Five Guys, etc. are presently located.

We believe that having access to additional lodging choices will be good for our businesses and residents and that the resulting additional City of Morgan Hill general fund revenues will be an important part of meeting the needs of our community. Some of the existing hotels in our city are concerned about the business impact of new competition and have funded the effort to reverse the decisions of your elected representatives by putting this measure on the ballot. We respect the right of voters to have the final say, and we ask for your support of allowing this project to move forward by voting yes on Measure A. Having developers and visitors pay more of the cost of providing the fire, police, recreation and other services we all enjoy is a good thing.

Several documents from the "Yes on A" campaign are attached, including an endorsement form should you be interested in signing it.

[Measure A Campaign Fact Sheet](#)
[Measure A Ballot Argument](#)
[Measure A Rebuttal](#)
[Measure A Endorsement Form](#)

As a process reminder: **All registered voters should expect to receive a vote-by-mail ballot in early February. Mailing in your ballot or dropping it off at in the secure box at City Hall will be the easiest way to vote.** There will also be in person voting places available for everyone, but the old process of having many local precincts to vote at is being replaced by fewer in-person places which are open for many more days and at which a voter can vote no matter where in the county they reside. For more information: <https://www.sccgov.org/sites/rov/vca/Pages/home.aspx>

Thank you for your time and involvement,
 John Horner
 President & CEO, Morgan Hill Chamber of Commerce



This email was sent on behalf of Morgan Hill Chamber of Commerce by GrowthZone, 4837 County Road 77, Nisswa, MN 56468. To unsubscribe [click here](#). If you have questions or comments concerning this email or GrowthZone services in general, please contact us by email at support@growthzone.com.

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Morgan Hill IT Department by opening a new helpdesk request online or call 408-909-0055.



Budget Workshop Agenda

City Council

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

Friday, January 24, 2020 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 is called Friday, January 24, 2020 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 25, 2020 at 9:00 a.m. for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING OF AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

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

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

ADJOURNMENT TO SATURDAY, JANUARY 25, 2020 AT 9:00 AM

SATURDAY, JANUARY 25, 2020 9:00 A.M.

GOAL SETTING WORKSHOP CONTINUED

Continuation of the January 24, 2020 City Council Goal Setting Workshop.

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)

ADJOURNMENT

NOTICE

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

PUBLIC COMMENT

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

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

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

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA)

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

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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





CITY COUNCIL STAFF REPORT

MEETING DATE: January 24, 2020

PREPARED BY: Christina Turner, City Manager
APPROVED BY: City Manager

CITY COUNCIL GOAL SETTING WORKSHOP

RECOMMENDATION(S)

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

LINKS/ATTACHMENTS:

1. Goal Setting Workshop Detailed Agenda
2. 1. Council Goal Setting Presentation 2020
3. 2. 2019 Accomplishments
4. 3. Exceptional Councils - Western City article
5. 4. How Effective City Councils Work Together
6. 5. Council Norms
7. 6. CP-97-01 Rules for the Conduct of City Council Meetings
8. 7. CP-96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
9. 8. CP-94-09 Proclamation Policy
10. 9. CP-03-02 Ex Parte Contacts
11. 10. Reso 6851 Mayor Authority to take City Position
12. 11. Complete Sustainable Morgan Hill 6-19-19
13. 12. Strategic Workplan 2019-2020
14. 13. Council Follow-up
15. 14. League of CA Cities Outline of SB 50 (Wiener) Housing Development Incentives
16. 15. 2020-1-23 SB 50 opposition unless amended final _



City Council Goal Setting Workshop

January 24 & 25, 2020 9:00 AM – 5:00 PM

ATTACHED MATERIALS:

- 1) PowerPoint Presentation
- 2) 2019 Accomplishments
- 3) After the Campaign is Over: Aim for Exceptional
- 4) How Effective City Councils Work Together
- 5) City Council Norms
- 6) City Council Policy 97-01 Rules for the Conduct of City Council Meetings
- 7) City Council Policy 96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
- 8) City Council Policy 94-09 Proclamation Policy
- 9) City Council Policy 03-02 Ex Parte Contacts
- 10) Reso No. 6851 Authority to Take Legislative Positions
- 11) 2019-2020 Sustainable Morgan Hill
- 12) 2019-2020 Strategic Priorities Workplan
- 13) City Council Follow-Up/Future Business Items
- 14) Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives
- 15) CA Cities Position Letter on SB 50

FRIDAY, JANUARY 24, 2020

Time	Topic	Presenter
8:30 AM-9:00 AM	1. Arrival and Breakfast	
9:00 AM-10:00 AM	2. Welcome	
	2.1 Pledge of Allegiance	Mayor Constantine
	2.2 Welcome	Mayor Constantine & Christina Turner
	2.3 Introductions	Mayor Constantine
	2.4 City Council Team Building Exercise	Christina Turner
	2.5 Purpose of Goal Setting Workshop, Preview Agenda and Format	Christina Turner
	2.6 Review of 2019 Accomplishments	Leadership Team
	2.7 Public Comment	Mayor Constantine

10:00 AM-12:00 PM **3. City Council Policies, Procedures, & Protocols**

3.1 Summary of Council Member Interviews	Shawn Spano
3.2 City Council Norms	Spano/Turner
3.3 City Council Policy Considerations	Spano/Turner
3.3a 97-01 Rules for the Conduct of City Council Meetings	Spano/Turner
3.3b 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the Council	Spano/Turner
3.3c 94-09 Proclamation Policy	Spano/Turner
3.3d 03-02 Ex Parte Contacts/Quasi-Judicial Hearings	Don Larkin
3.3e Reso No.6851 Authority to Take Legislative Positions	Harjot Sangha

1:00 PM-5:00 PM **4. Sustainable Morgan Hill**

4.1 Review of Sustainable Morgan Hill 2019-2020	Christina Turner
4.2 Review of 2019-2020 Strategic Priorities Workplan	
• Agricultural Preservation • Cannabis Policy • Community Engagement & Messaging • Economic Development • Financial Stewardship	• High Speed Rail • Homelessness • Housing • Infrastructure • Telecommunications • Traffic/Transportation
	Spano/Turner
4.3 Review of Council Follow-Up/Future Business Items	Christina Turner

SATURDAY, JANUARY 25, 2020

9:00 AM-10:30 AM **5. Fiscal Sustainability – Budget & Economic Development**

5.1 Budget Update	Christina Turner
5.2 Balancing Act	Harjot Sangha
5.3 Unfunded Liabilities and Needs	Christina Turner
5.4 Fire Standards of Coverage	Chief Jake Hess
5.5 Economic Development Update	Edith Ramirez

10:30 AM-12:00 PM **6. Engage Morgan Hill**

6.1 Community Advisory Group (CAG) Update	Maureen Tobin/CAG
6.2 Discussion Engaging Larger Community	CAG
6.3 CAG Recommendations	CAG

1:00 PM-4:30 PM **7. Other Topics, Time Permitting**

7.1 Agricultural Preservation	Chris Ghione
7.2 Housing - Regional Housing Needs Allocation (RHNA), SB 330 Implementation, Proposed SB 50	Leslie Little

4:30 PM-5:00 PM **8. Goal Setting Wrap-Up**

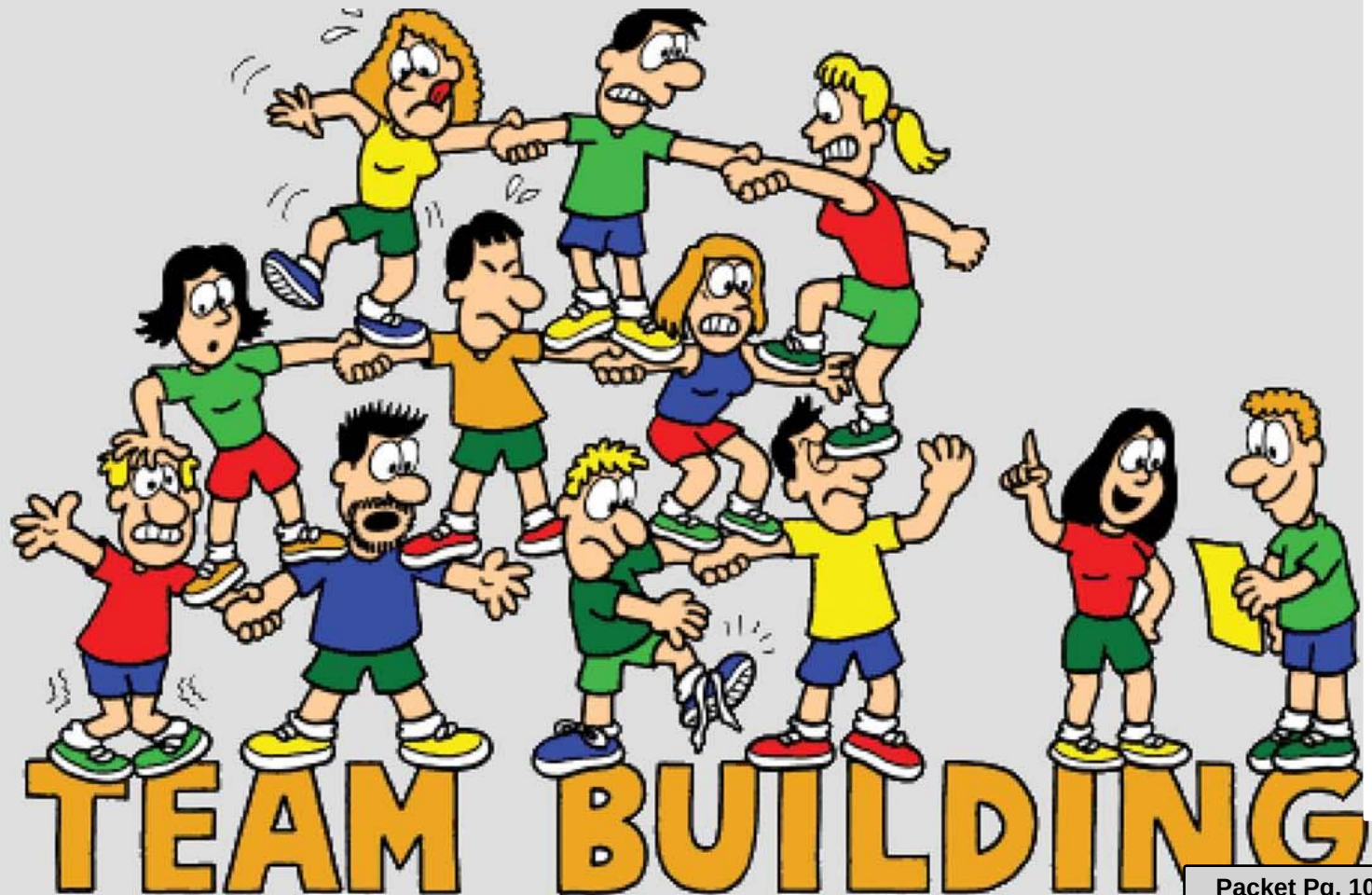
Mayor/Spano/Turner



2020 City Council Annual Goal Setting Workshop



City Council Team Building



Workshop Agenda

Friday, January 24th

- 2019 Accomplishments
- City Council Policies, Procedures, & Protocols
- Sustainable Morgan Hill and workplan

Saturday, January 25th

- Fiscal Sustainability – Budget & Economic Development
- Engage Morgan Hill Community Advisory Group

If time permits:

- Agricultural Preservation
- Housing

2019 Accomplishments

1.b



City of Morgan Hill, CA



Tips



Police



Crime Map



Crime

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Summary of Council Member Interviews



City Council Norms



City Council Policy Considerations



City Council Policy Considerations

- 97-01 Rules for the Conduct of City Council Meetings
- 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the City Council
- 94-09 Proclamation Policy
- 03-02 Ex Parte Contacts
- Resolution No. 6851 Authority to Take Legislative Positions

Sustainable Morgan Hill 2019-2020



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2019-2020 Strategic Priorities

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- Economic Development
- Financial Stewardship
- High Speed Rail
- Homelessness
- Housing
- Infrastructure
- Telecommunications
- Traffic/Transportation

Review of 2019-2020 Strategic Priorities Workplan



Strategic Priority: 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.

Strategic Priority: Cannabis Policy



1.b

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: High Speed Rail

1.b



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.

Strategic Priority: 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.

Strategic Priority: 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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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 and 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.

Council Follow-Up/Future Business



Questions?



Fiscal Sustainability

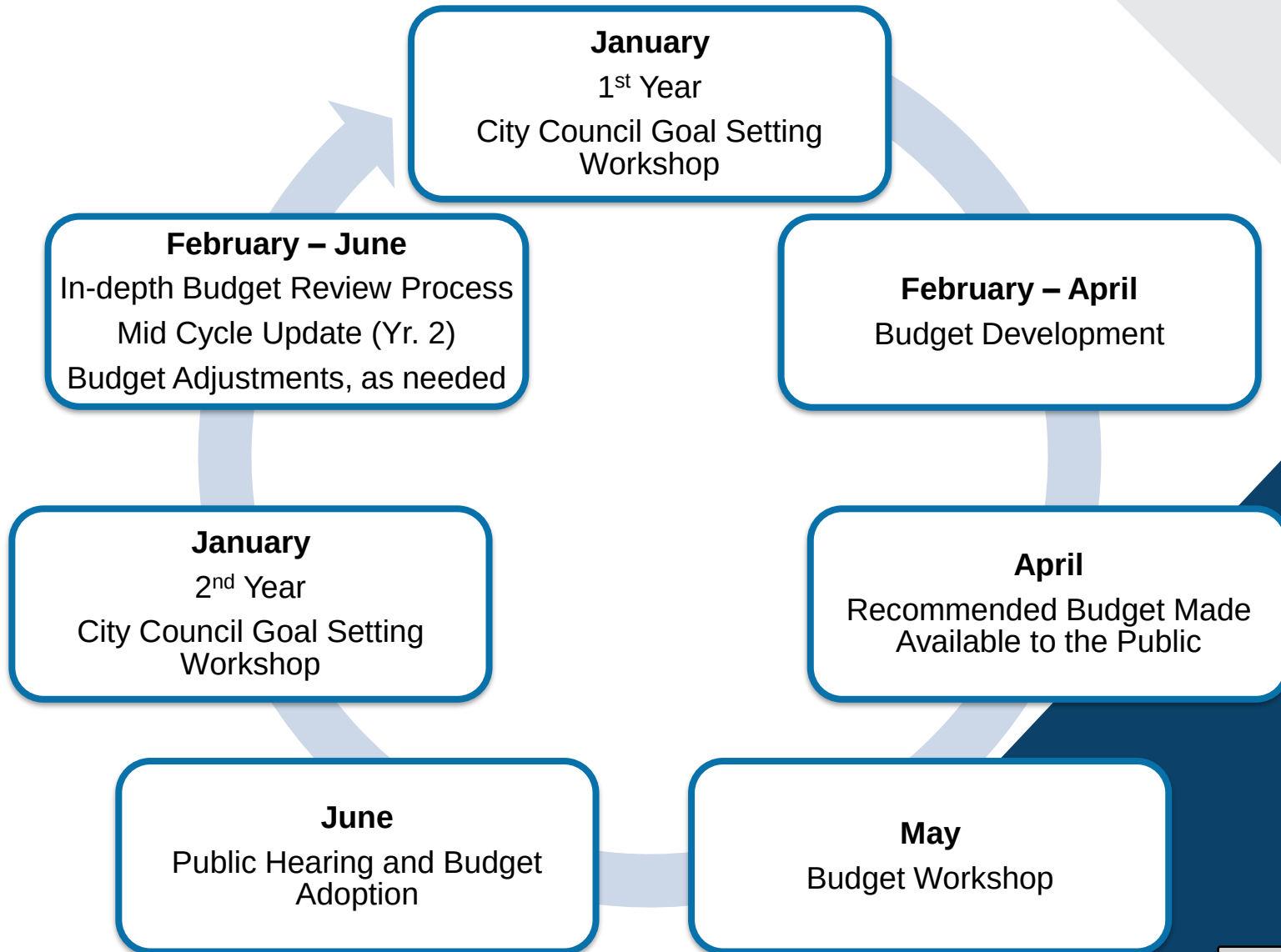
Budget & Economic Development Update

2 Year Budget Process

1.b



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

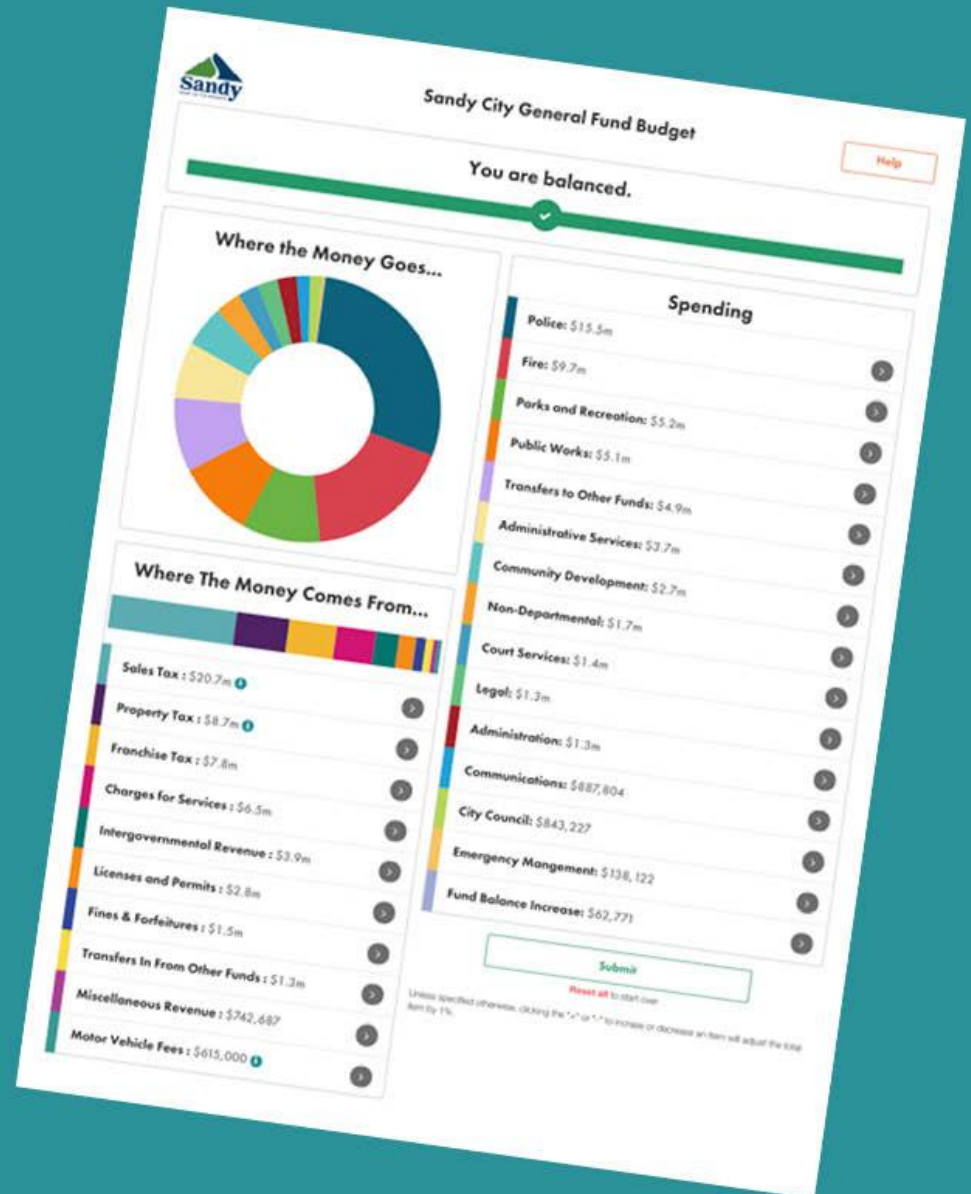


Budget Calendar

Key Dates:

Meeting	Dates
Community Engagement Budget Workshop	Saturday, March 21 st
Community Engagement Budget Workshop	Thursday, March 26 th
Recommended Budget Presented to Council	Wednesday, April 22 nd
Community Engagement Budget Workshop	Thursday, April 30 th
City Council Budget Workshop	Friday, May 15 th
Budget Public Hearing	Wednesday, June 17 th

Balancing Act



Budget Development Message

Provide high quality services for a low cost:

- Citywide staffing levels per capita lower today than 10 years ago
- Innovative partnerships
- Employee cost sharing for pension cost increases – reduced pension benefits for new employees
- Actively and successfully pursuing grants
- Economic development guided by the Economic Blueprint

Budget Development Message (con't)



1.b

Challenges Ahead:

- Increased Public Safety service levels
- Deferred maintenance of City facilities
- Loss of RDCS = loss of local control and funding
- Increased housing = increased demand for services

Budget Development Message (con't)



1.b

Revenue Strategies:

- Potential new taxes
- Continue to focus on Economic Development opportunities
- Continue to look for innovative approaches to providing services
- Review service levels and areas of service

Budget Development Message (con't)



1.b

Recommendations on what will not be considered this budget cycle:

- Layoffs
- Salary freezes
- Opening employee contracts
- Service level enhancements/new programs unless there is cost recovery or associated decreases to expenses

Budget Development Message

(con't)



1.b

What may be considered this budget cycle:

- Strategic hiring freeze before rehiring
- Staffing schedules and operating hours
- Additional strategic partnerships

Budget Update

General Fund Revenue Updates:

- **Sales Tax** - HdL's latest forecast, no significant change since mid-cycle
- **Property Tax** - based on County's latest forecast (November 2019)
 - Approx. \$900K increase (Additional ERAF and RDA Apportionment)
- **TOT** – reflects rate increase from 10% to 11%
 - Includes New Downtown hotel coming online FY 2020-21
 - Excludes 2 hotels until completion of the referendum

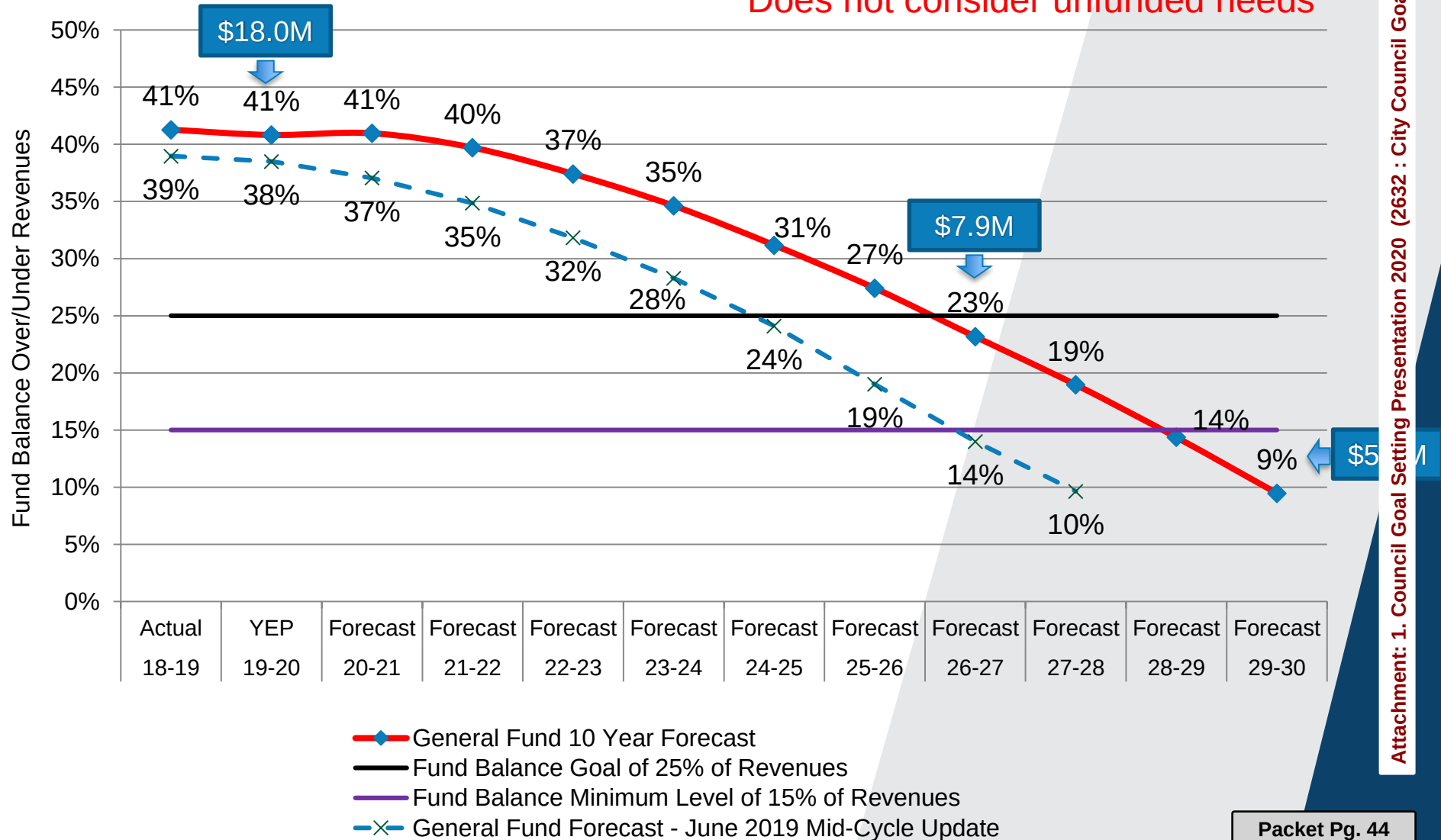
Budget Update (cont'd)

Strategic Use of General Fund Reserve/Budgetary Surplus

- Building Replacement Fund - increased by additional \$250K/yr
- Park maintenance - increased by additional \$150K/yr (from \$200K/yr to \$350K/yr)
- OPEB – One-time \$400K contribution
 - Plus, increased annual contribution by \$100K/yr (from \$300K/yr to \$400K/yr)
- Pension Trust – One-time \$400K contribution
- Outfitting of donated ambulance \$75K

General Fund Balance

Does not consider unfunded needs



Fiscal Sustainability

Unfunded Liabilities and Needs

Unfunded General Fund Needs

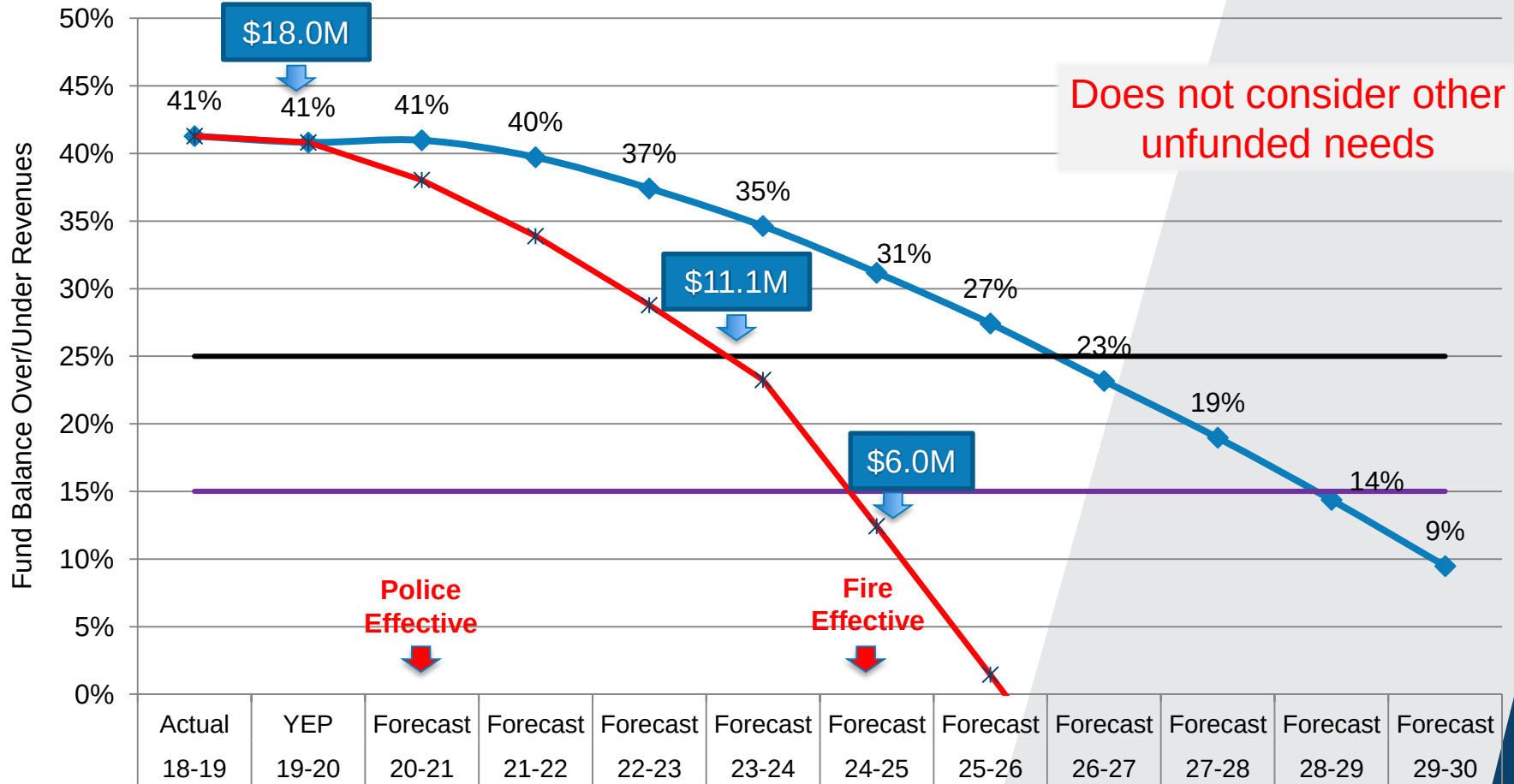
Total Annual Unfunded General Fund Needs = **\$7.3M**

- Police \$1.3M
- Fire \$2.3M
- Building Maintenance \$0.2M
- Pavement Rehabilitation \$2.3M
- Street Maintenance \$0.2M
- ~~Park Maintenance \$0.7M~~ ← Addressed via Quimby Fee
- NEW** • Operational loss due to RDCS Suspension \$1.0M

Unfunded Liabilities

- Total Unfunded Liabilities = **\$56.4M** Updated
(up from \$49.0M)
 - Public Employees Retirement System (PERS) - \$51.6M
 - Other Postemployment Benefits (OPEB) - \$4.8M
- General Fund Share = 67% or \$37.8M
- Current Funded Status
 - Misc. Plan = 71.6%
 - Safety Plan = 68.3%

General Fund Balance (With Public Safety Master Plan Only)



- ◆ General Fund 10 Year Forecast - Current
- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- ✕ General Fund 10 Year Forecast - With Additional PD & Fire

Fire Standards of Coverage



Fire Service Background

- Early 1900's single station department
- 1970's 2 station department
- 1990's contracted with Santa Clara County Fire Department
- 2013 transitioned to a regional fire protection model with CAL FIRE

This includes a shared facility at the CAL FIRE/South Santa Clara County Fire Protection District headquarters and a crucial Regional Boundary Drop Agreement with the South County District and the City of Gilroy.

2014 Fire Service Study



1.b

Center of Public Safety Management study

- In 2014 City Council contracted with the Center of Public Safety Management to provide operational and administrative analysis of the city and surrounding Fire District
- In the report to Council in January 2017, CPSM provided 11 findings including the recommendation to conduct a "formal fire risk analysis"

Standards of Coverage Study

1.b



- November 2018 Council approved participation in a 3-agency study with Morgan Hill, Gilroy and the South County Fire District
- Study included a 3-year historical assessment of incident type, risk of incident type on the community and current resource deployment
- This study would also include evaluations for future fire station locations, personnel staffing models, and delivery methods

Highlights of the Study

Daily Staffing Capacity:

The consultant recommends that both Cities construct and staff an additional fire station as soon as fiscally feasible

First Due Response:

MH stations do not meet the intended 7:30 best practice goal for urban fire service response. 1200 calls per year are simultaneous calls in the City

Mutual Aid Isolation:

The best long-term solution is to use the cooperative service delivery model due to the fact that all three agencies rely heavily on each other for fire/EMS response. Geographically all three agencies are isolated from "outside" aid from San Jose, Pajaro Valley, Hollister, and Watsonville

Where are we now?

From 911 call to engine company arrival at scene.
(3-year study 2016 to 2018)

Dunne Hill Station:
9 mins 51 seconds

El Toro Station:
8 mins 31 seconds

Morgan Hill Station: (shared Engine 67)
9 mins 25 seconds

NOTE: 7 mins 30 seconds is the performance standard. Brain death generally occurs at 8 mins as well as fire propagation

Where do we need to be?

3rd Fire Station

- Building and staffing the 3rd station is the only way to handle the longer than desired travel times in Morgan Hill

Incremental Steps Towards Proper Staffing

- Staffing the truck with 3 additional personnel daily at El Toro Station

or

- Staff a 2-person Rescue/Squad at El Toro Station

Next Steps

Adopt Recommended Performance Objectives

- 7 min 30 secs for first due engine company (3 FF's)
- 11 min 30 secs for first alarm assignment (14 FF's)

Benefits to Adopting Performance Objectives

- We need to have a target in order to achieve a goal of providing excellent public safety
- Establishing performance objectives will ensure we do not decrease our level of service as the City grows

Economic Development Update

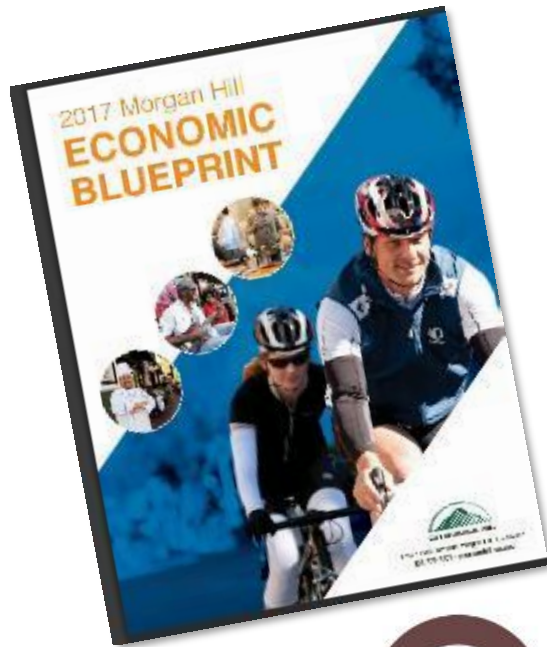
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Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

January

Packet Pg. 57



Economic Blueprint



Four Industry Areas



Innovation and Advanced Manufacturing
Grow existing companies, attract new industry and grow professional jobs.

Retail
Grow retail offerings and strengthen commercial nodes.

Tourism
Grow leisure, agriculture, wine country and recreational tourism.

Healthcare
Grow and foster the medical service and diagnostics industry by attracting services and facilities.

Economic Blueprint Indicators 2020 Update

- ✓ Increased sales, property and transient occupancy tax revenues
- ✓ Low unemployment industrial vacancy rates
- ✓ Limited growth on number of businesses, number of jobs in Morgan Hill, and business to business revenue
- ✓ High number of residents that commute to work

Economic Indicators

Updated
Jan 2020

The City will evaluate the success of the Economic Blueprint through different measures of success that are based upon the four economic pillars.



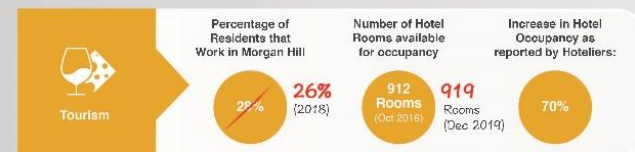
Sources: State of California Employment Development Department, Census Bureau, ACS 2010



Sources: Santa Clara County Assessor's Office, State of California Board of Equalization, CoStar International



Sources: State of California Employment Development Department, CDTFA



Source: Individual Hoteliers

Applied Motion Products

(Madrone Pkwy)



48,000 SF of Office, R&D, Manufacturing & Assembly
Groundbreaking in February

Butterfield Technology Park

(Butterfield & Jarvi

1.b



- 600,000 SF Industrial Park with 383 Units of Residential
- Design & Grading Permits Submitted

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Carpenters Training Center

(Madrone Pkwy, North of Lightpost Way)

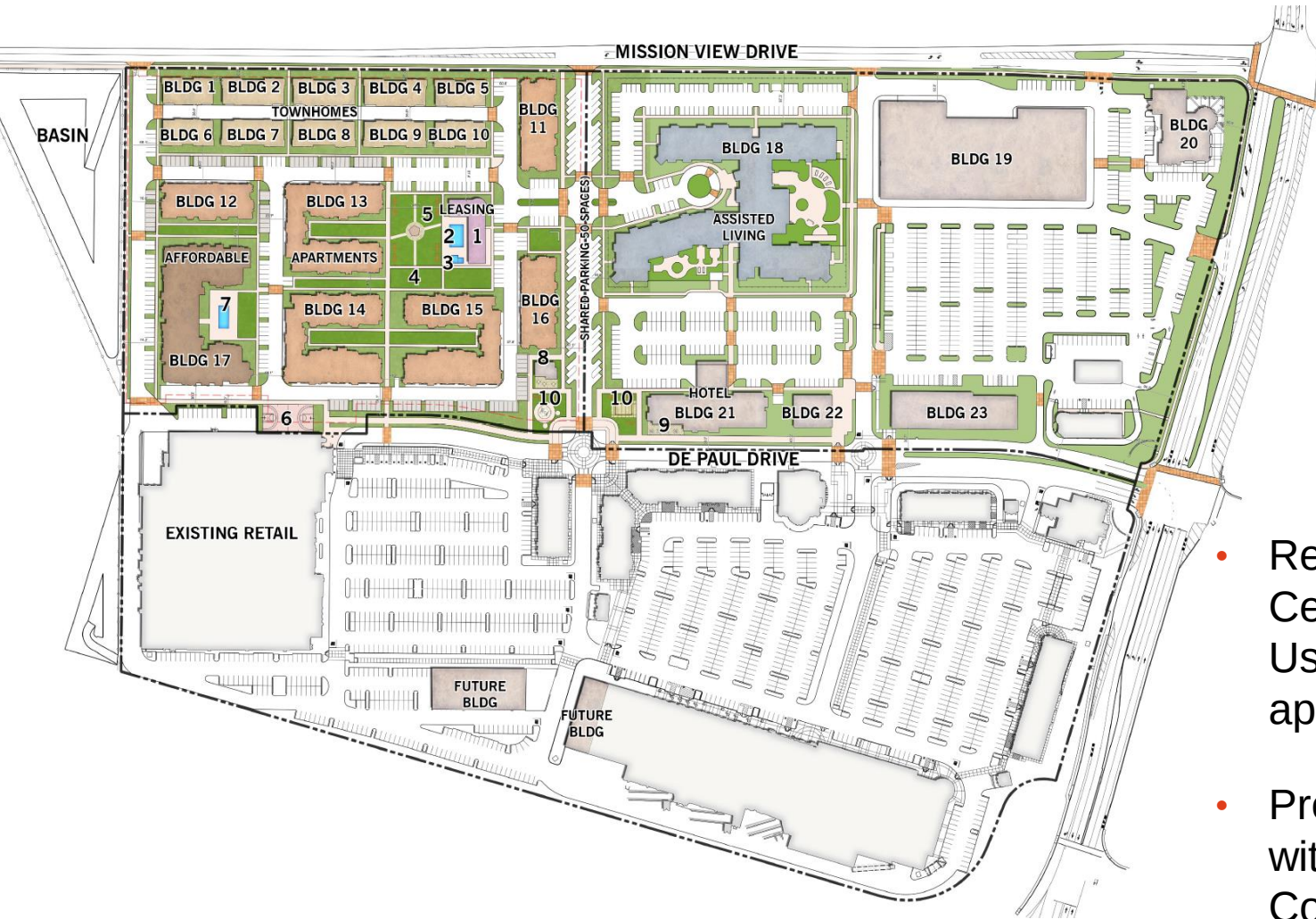
55,000 SF expansion

Building entitlements in process



Cochrane Commons Phase II

(Cochrane Rd. & Hwy 101)



- Repositioning Retail Center as Mixed-Use project with 26 apartments
- Preliminary review with Planning Commission in February 2020

Edes Building

(Second St. & Monterey Rd.)



Mixed-use project
with roof-top lounge

Entitled

Evergreen Village Shopping Center

(Cochrane Rd. & Butterfield Blvd)



20-acre commercial development Uses:
Hotel, Gas Station,
Grocery Store, Retail,
Skilled Nursing

Street improvements
underway

Project to be developed
in phases

Fairfield Inn & Home2 Suites

(Madrone & Woodview)



- 206 Hotel Rooms
- Entitlements Completed
- Voter Referendum Scheduled for March 2020



Golden State Assembly Expansion

(18220 Butterfield Blvd.)



40,000 SF Expansion

Manufacturing, Warehouse &
Distribution

Grading complete

Granada Hotel

(Monterey Rd & First Street)

- Construction underway
- Anticipated completion in 2021



Granary Expansion

(Depot Street)

5,000 SF Retail
Under Construction



Level 10 Construction

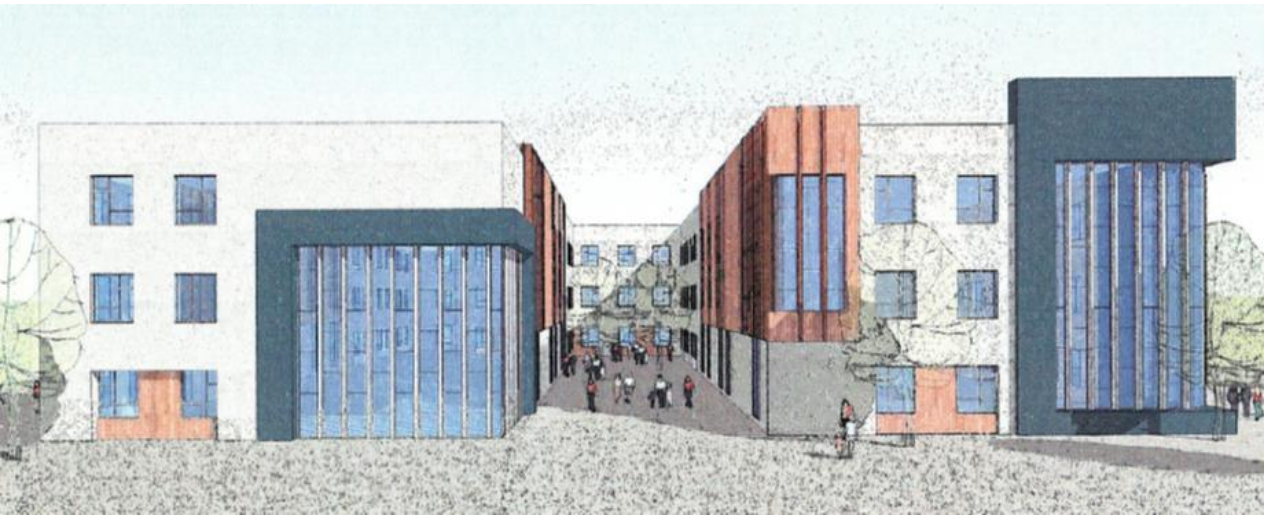
(Railroad & Barrett)

- 70,226 SF Construction office & yard
- Design Review underway



Lillian Commons

(Juan Hernandez & Barrett Ave)



Conceptual Mixed-Use Project for:

- ✓ 55-bed hospital
- ✓ 10,000 SF medical office
- ✓ 4,000 SF urgent care facility
- ✓ 10,000 SF retail space
- ✓ 200 multi-family units

General Plan & Zoning Amendments required

Preliminary Review with Planning Commission on January 28th

Lumber Yard-Latafa

(Depot Street)

46-Unit Mixed-Use Project
Construction to begin Fall 2020

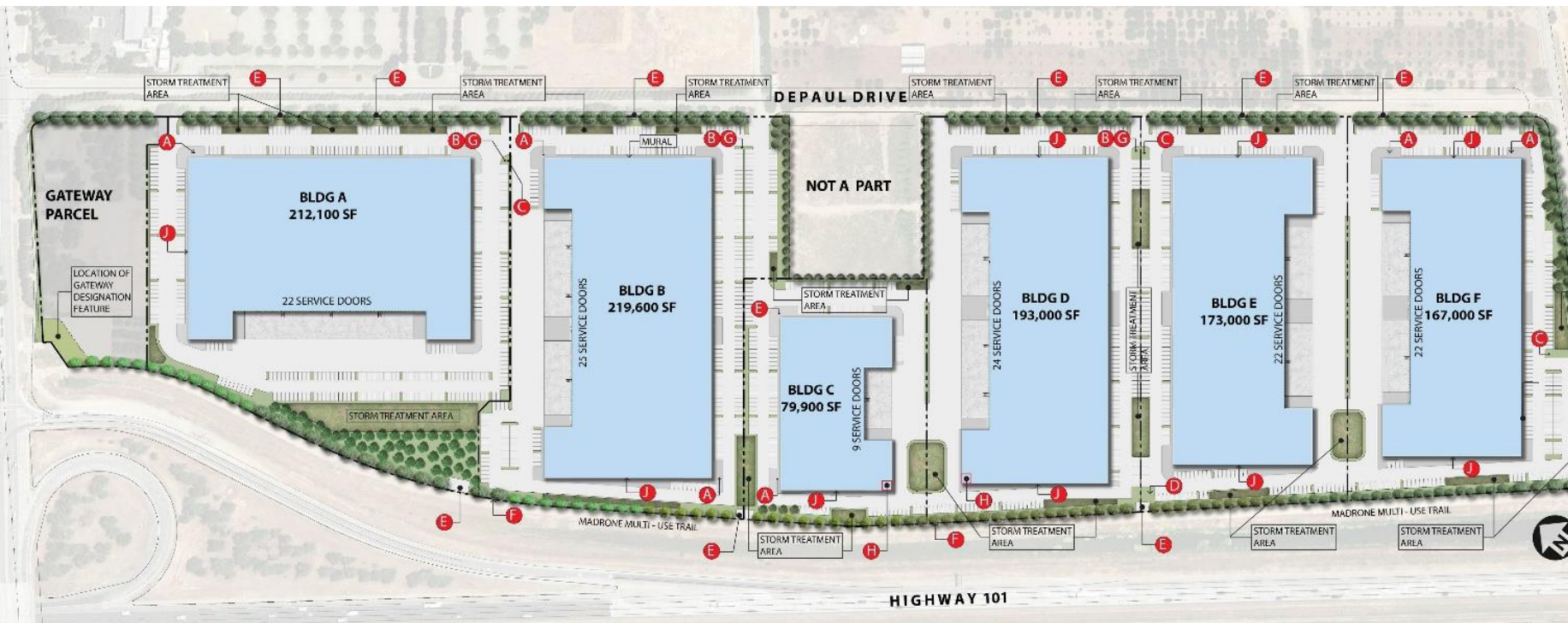


Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Morgan Hill Technology Park

(De Paul Dr. & Hwy 101)

- 1.1 MSF of Industrial Spec buildings with 3+ acres of commercial
- Environmental study underway



Shoe Palace Expansion

(745 Jarvis Dr.

503,000 SF Expansion

Office, Warehouse &
Distribution

Under Construction



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Speculative Industrial Building

(Madrone Pkwy & Butterfield Blvd.)

1.b



- 31,000 SF Industrial Spec Building
- Building permit issued

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Techcon Corporation Expansion

(Monterey Road & Cochrane Road, Fronting Cochrane Circle)

- 40,399 SF R&D, manufacturing and office facility
- Design Review is underway





ENGAGE MORGAN HILL

A conversation about services, funding, and priorities.

www.EngageMorganHill.org

Engage Morgan Hill Topics

- Budget Basics
- Pensions
- Economic Development
- Recreation
- Infrastructure Replacement/Maintenance
- Traffic/Congestion
- State Housing Legislation
- Public Safety
- December – wrap up

Community Advisory Group Discussion



Agricultural Preservation



Agricultural Preservation

- Funding for direct City purchase of easements in the future is financially unrealistic due to the loss of RDCS.
- Potential transfer of development credit program and “stay ahead” provision are now no longer possible due to RDCS suspension.
- City staff will continue to engage County and our regional partners about opportunities for aligning strategies for agriculture preservation on borders of Morgan Hill.
- City is working directly with County and regional partners on City sports and recreation facilities related to City owned property adjacent to/or within the County.

Housing Update



Current Regional Housing

Current RHNA #'s (2014-2019) - HCD									Projection		
Income Level	RHNA # Allocated to MH	Permits Issued 2014/ 2015	Permits Issued 2016	Permits Issued 2017	Permits Issued 2018	Permits Issued 2019	Total	HCD % Met	HCD Remaining Allocation	Pipeline	Units Still needed
Very Low Income up to 50% AMI (includes ELI)	273	12	29	0	39	0	80	29%	193	98*	95*
Low Income 51% to 80% AMI	154	118	23	13	24	11	189	123%	0	66*	-101*
Moderate Income 81% to 120% AMI	185	107	6	9	263	14	399	216%	0	352**	-566**
Above Moderate Income/Market Rate more than 120% AMI	316	647	219	192	193	142	1393	441%	0	TBD	-1077
Total	928	884	277	214	519	167	2061	222%	193	516	95

* MWest included (78 VLI) * Beacon Included (20 VLI and 61 LI)

Non – Deed Restricted Moderate Units Included – NOT yet issued: (311 MWest, 8 Borello (ADU's), **Already Issued and Reported: 167 Evergreen, 83 Sunsweet 11 Borello, and 61 Diamond Creek

Housing Units In Pipeline

Year	Permits Issued or Expected to be Issued
2014/2015	884
2016	277
2017	214
2018	519
2019	167
2020	755
2021 - on	959

SB 330: City Preparedness

- Attended Realtors Association and Rotary meetings to discuss impact to City
- Prepared media campaign and press releases to discuss changes including placing full page ads in two local media resources
- Adopted Objective Design Criteria
- Re-Designed application and other permit forms
- Created Information sheets regarding changes and website instructions related to SB 330 and processing requirements

SB 330: City Preparedness (Con't)

- Established on-line application submission appointment system for use by Development Community
- Mailed informational letters to all architects, engineers and developers who regularly work in City or who have asked to be placed on DS mailing list
- Held team implementation meetings to discuss process changes
- Collaborated with Community Engagement program to share information on various social media sites
- Estimated housing permits in next 5 years 1500-2000

SB 50: Equitable Communities Incentive (ECI) Benefits

- Requires local governments to grant transit-rich and jobs-rich housing projects certain benefits and waivers of local development regulations based on their location.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)

County with a population that is greater than 600,000, the following incentives apply:

- Any transit-rich or jobs-rich housing project that meets the eligibility criteria above shall receive waivers from maximum controls on density and minimum automobile parking requirements greater than 0.5 parking spots per unit.
- A residential development that is located within one-half mile radius, but outside one-quarter mile radius, of a major transit stop shall also receive waivers from maximum height requirements less than 45 feet, maximum FAR requirements less than 2.5, and any minimum automobile parking requirements.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)

County with a population that is greater than 600,000, the following incentives apply (Con't):

- A residential development that is located within one-quarter mile radius of a major transit stop shall also receive waivers from maximum height requirements less than 55 feet, maximum FAR requirements less than 3.25, and any minimum automobile parking requirements.
- Must meet local inclusionary requirements

SB 50: Option for Local Flexibility Plan – Submit by July 2021

- Plan must increase feasible housing capacity of lower, moderate and above moderate income, considering costs of construction, affordable housing requirements, and local development fees
- Increase transportation efficiency as great or greater than if the local gov. were to grant an ECI

SB 50: Neighborhood Multifamily Projects

- SB 50 would also provide for a specified streamlined ministerial approval process of specified “neighborhood multifamily projects” that would either construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure. A neighborhood multifamily project must consist of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019

SB 50: Community Plan for Sensitive Communities

- Very small part of MH eligible by ABAG/MTC determination. No big housing opportunity sites envisioned without GP/Zoning amendment

SB 50: Community Plan for Sensitive Communities (Con't)

Senate Bill SB 50 Policy Map (DRAFT Updated 5/8/19)



City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA

Goal Setting Wrap-Up





ACCOMPLISHMENTS 2019

ADMINISTRATIVE SERVICES

Council Services and Records Management

- Implemented an online appointment system for passport services.
- Completed the second phase of the City's records retention schedule update.

Finance/Budget/Utility Billing

- Completed mid-cycle budget review and adjustments.
- Revised City's purchasing policy to ensure compliance with Federal regulations.
- Completed wastewater rate study update.
- Completed Development impact fee study update.
- Researched and evaluated potential revenue measure options.
- Successfully implemented the increased Transient Occupancy Tax (TOT) and Tourism Business Improvement District Assessment with hotel operators.
- Reinstated City's Cafeteria Plan.
- Procedural improvements in EOC finance section to make financial operations resilient during emergencies.
- Continued to promote paperless billing and electronic payment enrollment. Over 64% of Citywide accounts are now enrolled online, of which, 64% are enrolled in paperless statements and 53% are now enrolled in autopay.
- Continued to promote the City's WaterSmart feature, allowing customers to monitor their water consumption in near real time.

Geographic Information Services (GIS)

- The City's first strategic plan for GIS was completed, the new GIS system architecture was built, and the replacement for MHMaps application is 75% complete- all are part of the GIS Services project contract.
- The first amendment to GIS Services agreement was put in place for fourteen additional tasks that are possible with our new GIS infrastructure.
- Testing and development environments were added to GIS system architecture.
- Extended desktop GIS licensing to 11 additional users, doubling the number from the original 12.
- Participated in County consortium to acquire aerial imagery and LiDAR for the City over the next three years.
- Produced maps needed to show which utilities were designated by PG&E for power shutoff during PSPS events.
- Produced poster map of affordable apartments showing additional locations of interest from new GIS layers such as mobile home parks, houses of worship, and non-profits.
- Produced maps for City grant application to CalFire for funding of a Wildfire Risk Mitigation Plan.

Human Resources

- Completed 15 recruitments for regular, benefitted positions since January 1, 2019 and onboarded 16 new teammates.
- Completed Harassment Prevention and Diversity Inclusiveness Training to City Teammates and certified three City teammates to conduct training on the topic of "Creating a Respectful Workplace: Harassment Prevention and Inclusiveness."



ACCOMPLISHMENTS 2019

Human Resources (continued)

- Partnered with Innovative Claim Solutions and Safety Committee to update the Workers Compensation process and packet.
- Partnered with Concern Employee Assistance Program (EAP) to provide workshops to teammates on personal and professional growth and health and wellness.
- Partnered with the City's Work On Wellness committee promoting health and wellness, encouraging fitness and healthy living through various activities.

CITY ATTORNEY

- Prepared the flavored tobacco and vaping prohibitions adopted by Council in December.
- Successfully prosecuted a hotel owner for failure to comply with TOT requirements.
- Successfully defended the Zoning Ordinance against a challenge that it did not conform to the General Plan.
- Successfully defended the City Council's adopted ballot language for the hotel referendum.
- Obtained favorable settlement in tort litigation matters.

CITY MANAGER

- Participated in regular meetings with County of Santa Clara, MHUSD, Santa Clara Valley Transportation Agency (VTA), Chamber of Commerce, Emergency Operational Area Council, Gilroy, and South County Regional Wastewater Authority (SCRWA).
- Served as the President/Chair of the Santa Clara County/Cities Managers Association
- Periodically spoke at League of California Conferences and Academies.
- Facilitated Council discussion on cannabis policy.
- Performed a refresh of the City's website.
- Continued to represent Morgan Hill's interests as they relate to High Speed Rail.
- Engaged City Council and the community through Engage Morgan Hill efforts and the Community Advisory Group to educate and strategize on fiscal sustainability.
- Conducted polling to measure support for March 2020 revenue measure.
- Updated Teammate vehicle use policy.
- Participating in the Countywide EMS 2022 Vision Group to represent the Morgan Hill and South County interest for ambulance services.
- Continued to address City's unfunded Other Post-Employment Benefits (OPEB) liability by making one-time contributions to irrevocable trust.
- Participated in the planning of the 2020 Census Count.

COMMUNITY SERVICES

Recreation

- Recreation Division obtained 91% cost recovery for Fiscal Year 2018/19.
- The Aquatics Center had another safe and successful summer season with over 59,000 visitors.
- The Centennial Recreation Center Group Exercise Studio expansion kicked off.



ACCOMPLISHMENTS 2019

Recreation (continued)

- 4TH annual Summer Fun in the Park events were held at Galvan Park.
- Sold out Father Daughter Dance and new Mother Son event both held at CCC.
- Get Fit Family Fun Run was brought back in October 2019.

Environmental

- Successfully presented the Reach Code (electrification ordinance) to the City Council for adoption.
- Coordinated the planting of over 200 new trees.
- Permanently preserved 40 acres of agricultural lands adjacent to Morgan Hill.

Maintenance

- Completed the 2019 Sidewalk Repair Project, repairing 81 locations and 4,336 square feet of sidewalk, reducing trip hazards throughout the City.
- Completed the Trail Asphalt Sealing Project for the Paradise Trails, Wildlife Trail, and Butterfield Linear Park.
- Successfully responded to 2019 storms, reducing flooding issues across the City.
- Supported weed and brush abatement on City owned properties, limiting fire risk.
- Completed several projects to ensure the maintenance of City facilities including: Playhouse curtain replacement, Aquatics Center Water Slides resurfacing, Railroad Park play surfacing recoating and the Library Tot Lot Shade Structure addition.

DEVELOPMENT SERVICES

Building

- All Inspectors are now Certified Combination Inspectors in both Residential and Commercial category. Typically this takes 4 years, by obtaining 2 individual certifications per year. In order to achieve this status within a year, the team achieved 10 individual certifications and 23 hours of testing all in one year. Each inspector spent many hours of studying on their own.
- Issued 1,710 permits.
- Performed 9,473 inspections.
- Issued 167 new residential permits.
- Completed the 3-year code cycle update and adopted the 2019 Building Codes.
- Converted to a paperless filing system for permits and plans.

Code Compliance

- Opened 334 code compliance cases in 2019.
- Closed 314 cases.

Economic Development

- Update to Convenience Store Ordinance which now sets separate definitions for convenience markets and liquor stores. It eliminates the 300-square-foot sales area limit as well as the 1,000-foot separation between convenience stores. This ordinance will give convenience stores more freedom to expand and reinvest in their facilities.



ACCOMPLISHMENTS 2019

Economic Development (continued)

- Developed a new Vaping Ordinance - bans all sales of E-cigarettes and products associated with E-cigarettes within the City's limit. The City's ordinance adds to existing local efforts to combat youth smoking, such as the tobacco retailers licensing program and ongoing enforcement operations.
- In May 2019, Morgan Hill hosted the largest men's cycling event in the U.S., the Amgen Tour of California, for the second year in a row. The team collaborated with local partners to celebrate the race and bike week with a Movie Night, a Friday Night Ride, and a Kids Bike Rodeo. The City secured a financial contribution from Visit Morgan Hill which saved the City over \$25,000.
- Planned and executed the first annual Choose Morgan Hill Speaker Series. Five discussions were focused on the business sectors that drive the Morgan Hill economy: economic development overview, retail, innovation & manufacturing, tourism, and healthcare. Each speaker series event had experts and industry leaders that shared their thoughts on successes, challenges, and opportunities facing their sector.
- Provided Business Assistance to small and large businesses by working with several existing and new companies to address City regulations, workforce development, ADA regulations and other issues. Businesses included: SunBasket, A-Jays, Kettle Cuisine, My Pizza, Yoga One, Toni's Kitchen, Digital Storm, Lawson's Bakery, and Chevron Gas Station.
- Provided Development Assistance to attract new commercial and industrial developments that resulted in multiple new projects that are through various stages of entitlements and construction, including: Carpenters Training Union, Applied Motion Products, Shoe Palace Expansion, Granary Expansion, Level 10, Golden State Assembly Expansion, Techcon, Evergreen Village, Madrone Spec Building, Hotels on Madrone, Butterfield Technology Park, Morgan Hill Technology Park, and Lillian Commons.
- Updated the City's Wireless Ordinance to address a recent ruling by the Federal Communications Commission (FCC) requiring the City to identify Small Cell Design Standards for public right-of-way by April 15, 2019. The new ordinance supports the City's desire to increase broadband opportunities in the City and meets the FCC Order for streamlining the permitting for wireless antennas within 60 days of application for existing poles and 90 days for new poles.
- Launched a new Tourism Based Improvement District (TBID) - collaborated with hotels and community stakeholders to create a TBID which is expected to generate approximately \$400,000 annually for the promotions of the area as a tourism destination. The team is actively supporting the new Visit Morgan Hill Board that began a Strategic Planning process and funded the Tourism Symposium with over 100 attendees at Rosewood Cordevalle.

Housing/Homelessness

- Issued 12 BMR permits, issued 13 ADU permits, finalized 8 BMR's, and finalized 15 ADU's.
- Homeless Safe Park – serves 30 people per night, meals, case management.
- Began leasing of 39 UHC units in December 2019 to homeless individuals and families.
- Collaboration with Beacon Senior Affordable Housing Development (75 units) and First Community Housing (50 Homeless family units) to identify sites and begin discussion of 100% affordable housing.
- Partnered with County and Abode to outreach to homeless.
- Partnered with Rebuilding Together to help 30 households (seniors and low-income residents) with home repairs.



ACCOMPLISHMENTS 2019

Housing/Homelessness (continued)

- Participated in the Santa Clara County Regional Assessment of Fair Housing Draft Goals and Strategies to promote residential racial and ethnic integration and reduce displacement by increasing the supply of affordable housing in both high opportunity areas, areas with ongoing displacement, and areas that are at risk of displacement.
- Received an “A-” from the Mercury News and East Bay Times/Southern California News Group journalists for our Regional Housing Needs Allocation (RHNA) production goals.
- Partnered with Catholic Charities Shared Housing Program to match people with available rooms with renters in South County.

Land Development Engineering

- Successfully passed 5-year audit by the Federal Emergency Management Agency (FEMA) of the City’s implementation of floodplain management activities as a participant in the National Flood Insurance Program’s Community Rating System (CRS).
- Mailed out Citywide a new version of the annual Flood Report as part of the City Floodplain Management Program’s community outreach on flood risk reduction.
- Began bi-weekly coordination meetings with the Engineering & Utilities Department to enhance the engineering review and processing of development applications.
- Began full implementation of the annual Spring inspection and testing of private, on-site stormwater treatment facilities for over 40 developed sites (residential subdivisions and commercial developments), as required by the State Water Resources Control Board.
- Participated in the regular meetings of the Santa Clara County Community Rating System (CRS) Users Group, the South County Stormwater Coordination Committee, and the Valley Transportation Authority’s Level-of-Service (LOS) to Vehicle-Miles-Traveled (VMT) Ad Hoc Working Group.
- Processed 2 Final Map and Subdivision Improvement Agreement approvals, 1 Parcel Map and Improvement Plan approval, and acceptances for 6 completed Tract improvements.
- Reviewed 43 Architectural & Site Review applications, 5 Use Permit applications, 4 General Plan Amendments, 10 Tentative Maps, 11 Zoning Amendments, 409 Building Permit applications (257 residential, 105 commercial and 47 plot plans), 30 Grading & Site Development Permit applications, 2 Lot Line Adjustments and 8 RDCS applications. There was about a 50% increase in reviews of Architectural & Site Review applications, Tentative Maps, and Building Permit applications over 2018.

Planning

- Completed all preparation for implementation of SB330 prior to January 1, 2020. This included creating objective criteria based on the RDCS manual to ensure continued excellent design of housing projects regardless of new state law.
- Instituted an online appointment system to assist with public counter activity.
- Submitted SB2 grant for \$160,000 for a form-based code along Monterey.
- Completed all required ordinance changes to implement AB68 (ADUs) prior to January 1, 2020.
- Submitted a request for an expansion of the Downtown Priority Development Area to include an extension along Monterey Road to the north and south.



ACCOMPLISHMENTS 2019

ENGINEERING and UTILITIES

Engineering

- Successfully awarded and began construction on the Centennial Recreation Center Expansion Project and the Library Addition Project.
- Completed the 2019 Paving Project including repaving and sealing on Butterfield Boulevard, Cochrane Road, Depot Street, the Jackson Meadows neighborhood, and the northern end of Monterey Road.
- Completed right of way acquisition for the Hale Avenue Extension Project.
- Processed 94 Encroachment Permits and 120 Oversized/Overweight Permits in 2019.
- Completed the 4th Street Garage top floor security fencing.
- Completed the first of many significant sewer system infiltration and inflow repair projects.

Utilities

- Successfully planned for and implemented actions that maintained water and wastewater service for Morgan Hill residents through the Public Safety Power Shut Offs.
- Completed the purchase and deployment of a new Hydroexcavator, increasing both efficiency and safety for underground work in the Utilities Division.
- Implemented improvements to Corporation Yard Timecard System.
- Completed rebuilds on the Main and Diana Wells.
- Implemented the Corporation Yard Leadership Training Series: Adapting to Change, Difficult Conversations, and Leadership.

FIRE

- Completed a three-department Fire Study and Standards of Coverage for Morgan Hill in cooperation with South Santa Clara County Fire and Gilroy Fire.
- Accepted and outfitted a donated ambulance for critical transportation needs.
- Acquired and outfitted a Fire reserve engine.
- Supported development and participated in full scale Emergency Operations Center drills simulating a Public Safety Power Shut-off event within the City.
- Conducted Fire Prevention Week campaign, including poster contest with the elementary schools and participation in the October Home Depot Kids' Craft Day.
- Brought Team Rubicon in to assist three landowners with fuels reduction work within the City. This venture required support and cooperation from CERT and the Morgan Hill Bible Church.
- Continued coordination between PG&E and City to reduce wildfire risks and ensure local preparedness for a blackout event.
- Installed vehicle exhaust removal systems and new fire alarms at local fire stations, using \$157,000 in FEMA grant funding to complete these improvements to workplace health and safety.
- Taught Hands-Only CPR to 368 people at Mushroom Mardi Gras.



ACCOMPLISHMENTS 2019

POLICE

- Implemented Text to 911 with funding from Office of Emergency Services.
- Participated in County-wide P25 Radio Migration that increased communication reliability and officer safety.
- Installation of CrimeView crime dashboard.
- Creation of bilingual PD App for enhanced reporting and community engagement.
- Hired/promoted 18 personnel – to include Sergeant, Corporals, Officers, Public Safety Dispatchers, Multi-Service Officers, Animal Service Officer, and Graffiti Abatement Officer
- Assigned second SRO for Tobacco/Vaping prevention, funded by state grant.
- Developed Public Safety Power Shutoff advance planning and training scenario prior to actual incident.
- Participated in successful Gun Buy Back with nearly 500 firearms recovered.

Information Technology

- Worked collaboratively with Economic Development to release highspeed connectivity RFP to connect City facilities and potentially business parks and residents.
- Partnered with Public Works teammates to release a bid for fiber connectivity between the CRC and the Corp Yard as well as the future inclusive playground.
- Built an enterprise database solution that hosted the new GIS enterprise solution.
- Set a new strategic direction for IT that focuses on consolidation of IT infrastructure and the modernization of the tools that we provide our teammates.
- Achieved a significant reduction in the backlog of Helpdesk tickets.

Executive Director's Message by Carolyn Coleman

CITY HALL

After the Campaign Is Over:**Aim for
Exceptional**

The 2018 midterm election cycle was one of the most divisive, polarizing and competitive election cycles in recent U.S. history. And Election Day came on the heels of an extraordinarily contentious battle over filling a Supreme Court seat — a clash that left some wondering if democracy had reached a new low.

The November ballot in California included 11 statewide ballot initiatives, with proponents and opponents of those measures contributing over \$368 million to win. In addition to voting on ballot measures, California voters elected Assembly and Senate members, a new governor, lieutenant governor, treasurer, controller and superintendent of public instruction, among others. Golden State voters also re-elected Sen. Dianne Feinstein (D-Calif.) for a sixth term and sent 53 returning and newly elected members to the U.S. House of Representatives, where Democrats captured the majority.

Election Day also saw significant action at the local level, where hundreds of Californians ran for local government offices, including city council, mayor, sheriff and more. Besides electing local leaders, California voters weighed in on 386 local tax and bond measures and approved over 300 to support local public services and facilities for police, fire, housing, parks, transportation and schools.

**Campaigns and
Sharp Contrasts**

Campaigns and elections, at their core, often accentuate what divides us. They are designed to set a given candidate or issue apart from another. In a campaign, candidates strive to present their positions on policy issues or problems as sharply contrasting with those of their opponents. It's all part of the effort to persuade voters and win their votes.

At the municipal level, this can take on a highly personal tone, as local officials regularly find themselves campaigning against an opponent who is also their neighbor or fellow council member. He or she may shop at the same grocery store as you, may attend the same place of worship and visit the same commercial establishments and local farmers markets. Your children may even attend the same school. In other words, your opponent is often no stranger.

**Moving From Campaigning
to Collaborating**

However, after the campaign is over, the final ballots have been counted (which may take several weeks) and the oaths of office taken, your constituents — those who voted for you and those who may not have — expect their officials to faithfully and impartially perform and discharge the duties of their office according

continued

to the law and the best of their ability, as the oath of office requires. These duties include collaborating with council colleagues (and sometimes former opponents) and others in City Hall to:

- Protect the public's safety;
- Improve the quality of life by effectively delivering essential community services;
- Grow the local economy;
- Create jobs;
- Be a responsible steward of public resources; and more.

Campaigns may highlight our differences; however, after every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance and carry out the duties that voters expect them to fulfill. This transition is a hallmark of a functioning democracy. And presumably that is why, according to a 2018 Pew Research report, two-thirds (67 percent) of Americans surveyed had a favorable opinion of their local government, compared with only one-third (35 percent) who viewed the federal government favorably.

When writing this column, I thought about my time serving as director of the Department of Metropolitan Development for Indianapolis and later as deputy mayor under former Mayor Bart Peterson. In a partisan election system, Peterson was the first Democratic mayor elected since 1967 and would share governing with a 29-member city-county council led by a Republican majority.

Peterson wasted no time transitioning from candidate to mayor of the nation's then-12th largest city. He turned his attention to carrying out his campaign promises, which included improving the delivery of services to all neighborhoods. This soon became the focus of my role in the administration. Like Peterson, I quickly realized there were no Republican or Democratic potholes, just dangerous potholes that constituents expected the city to repair.

Immediately after the election, the mayor began visiting diverse neighborhoods throughout the city to meet with residents,



some of whom had voted for him and others who had not, to understand their priorities and what they needed from their local government. While not every neighborhood leader agreed with his priorities, they were included in the decisionmaking process regardless of how they had voted. Peterson was also inclusive in his outreach and collaboration with all city-county council members — four who were elected at large and 25 who were elected in districts; some were Republicans and others were Democrats.

Although local government races in California are nonpartisan, it can still be challenging to put aside the competitive mindset after the election is over and work together as a cohesive team to do what's best for the community.

The Qualities of Exceptional Councils

As we move beyond the 2018 midterm election cycle, I believe the public will continue to look favorably on local government and a functioning local democracy if newly elected and re-elected mayors and council members embrace the following attributes of exceptional councils.

Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city. The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strate-

gically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

Exceptional councils have clear roles and responsibilities that are understood and adhered to. Exceptional councils understand their role is to serve as policy-makers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.



Exceptional councils treat each other and staff with dignity and respect.

After every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance.

CITY HALL

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decisionmaking.

Exceptional councils honor the relationship with staff and each other. Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the

operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

Exceptional councils routinely conduct effective meetings. Open and public meetings are central to democratic decisionmaking. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
- Spend time planning and organizing the agenda with the aim of having a focused meeting;
- Allocate the council's time and energy appropriately, focused on its role and responsibilities and on meeting short- and long-term priorities; and
- Honor the public's participation and engagement.

Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decisionmaking, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

Exceptional councils hold themselves and the city accountable. They operate openly and ethically and work to engage residents in myriad decisions affecting the community's prosperity and well-being.

Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness. They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.

Exceptional councils have members who practice continual personal learning and professional development. Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.

This material is drawn from resources provided by the Institute for Local Government. For more information on effective governance, visit www.ca-ilg.org/effective-governance.

Focusing on What Unites Us

Leading in a post-election environment can be challenging, but our democracy depends on it. As the League's executive director, I am inspired every day by the efforts of city managers, council members, mayors and city staff to bridge what divides us and to focus instead on the ties that unite us as individuals and communities. ■

**Morgan Hill City Council Goal-Setting Workshop:
How Effective City Councils Work Together
January 24 – 25, 2020**

Council-to-Council Norms

The facilitator, Shawn Spano, developed the following norms for effective City Council relations based on his experience facilitating numerous Council goal-setting and teambuilding workshops over the past several years.

- 1. Build Good Relationships:** Create trust, demonstrate respect, and engage in open and honest dialogue with each other.
- 2. Seek Understanding:** Make efforts to understand each other's concerns, issues, interests, and perspectives.
- 3. Manage Differences:** Address disagreements and differences constructively; concentrate on issues, not personalities; engage in problem solving together.
- 4. Find Common Ground:** Seek areas of agreement; identify shared interests, values, and positions.
- 5. Commit to Decisions:** Move forward without animosity after decisions are made and votes taken; avoid undermining the decision or denigrating Council colleagues.
- 6. Be Candid:** Provide each other with constructive feedback and suggestions in supportive and non-threatening ways (e.g. off line conversations).
- 7. Use Council Meeting Time Wisely:** Move efficiently toward decisions on non-controversial items when it is apparent that there is broad Council support. Facilitate a sharing of perspectives and dialogue among Council Members on complex or controversial items for which there is a range of views to be explored. Avoid long speeches.

Qualities of Exceptional Councils

The following qualities of exceptional councils were identified by Carolyn Coleman, Executive Director for the League of California Cities, in an article published in the *Western City* (January 2019).

- 1. Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city.** The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative

manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strategically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

- 2. Exceptional councils have clear roles and responsibilities that are understood and adhered to.** Exceptional councils understand their role is to serve as policymakers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.

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- 5. Exceptional councils hold themselves and the city accountable.** They operate openly and ethically and work to engage residents in myriad decisions affecting the community's

prosperity and well-being. Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

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City Council Norms

Established January 26, 2019

- ❖ Be respectful of each other
- ❖ Address issue, not person
- ❖ Be honest and real
- ❖ “Clear air” if needed; have hard discussions
- ❖ Listen to each other
- ❖ Be aware of how we represent the City as leaders in the community
- ❖ Be accurate in statements
- ❖ Be open minded; avoid concluding on your position prior to an item being heard
- ❖ Recognize that experience comes in diverse ways
- ❖ Be mindful of time
- ❖ Keep decorum of meeting throughout
- ❖ No side conversations
- ❖ Come prepared
- ❖ Give enough time to discuss issues
- ❖ Ok to ask City Council to continue an item if not ready
- ❖ Don't be repetitive on requests and comments
- ❖ Wait to be recognized before speaking
- ❖ Keep the order of meetings (questions, public comment, and then discussion)
- ❖ Provide early notice of request for alternates to attend outside appointment meetings
- ❖ Speak into the microphone
- ❖ Cell phones silenced
- ❖ Be punctual
- ❖ Send questions in advance of meeting; let City Manager know if you plan to pull a consent item
- ❖ Be engaged
- ❖ Be concise

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS

EFFECTIVE DATE: May 7, 1997

REVISED DATE(S): June 21, 1998, April 1, 1998, April 26, 2000, November 7, 2001, October 16, 2002, June 27, 2007, July 25, 2018

ORIGINATING DEPARTMENT: CITY MANAGER

SECTION 1 - SCOPE

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

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution. Regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority vote of the City Council pursuant to Section 5.3 of this policy.
- 2.3** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.4** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law.
- 2.5** Quorum: Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.6** Adjourned Meetings: The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

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

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters: All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Availability of the Agenda to the Public: The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.
- 4.3 Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
 - a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.

SECTION 5. ORDER OF BUSINESS

- 5.1 The order of business at meetings of the City Council shall be as follows:
 - a. CALL TO ORDER
 - b. ROLL CALL ATTENDANCE
 - c. DECLARATION OF POSTING AGENDA

- d. WORKSHOP (5:00-6:00 p.m., or as deemed appropriate)
- e. CLOSED SESSION (6:00-7:00 p.m., or as deemed appropriate)

Closed Sessions of the City Council can only be held for matters specifically authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an important closed session item. Closed session items may be continued to the conclusion of the agenda.

- f. SILENT INVOCATION
- g. PLEDGE OF ALLEGIANCE
- h. CITY COUNCIL REPORTS

These are updates on activities of individual members of the Council and are non-action items.

- i. CITY MANAGER'S REPORT

These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.

- j. CITY ATTORNEY'S REPORT

These are updates on reportable actions of the City Council in Closed Sessions and/or current litigation.

- k. OTHER REPORTS
- l. PROCLAMATIONS
- m. RECOGNITIONS
- n. PRESENTATIONS
- o. PUBLIC COMMENT

This item refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.

- p. ADOPTION OF AGENDA

q. CONSENT CALENDAR

These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the Consent Calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the Consent Calendar and before moving on to public hearings.

r. PUBLIC HEARINGS

These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.

s. OTHER BUSINESS

These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.

t. CLOSED SESSION

Continued closed session for matters not concluded earlier in the evening.

u. FUTURE COUNCIL INITIATED AGENDA ITEMS

These are items which members of the City Council wish to have placed on future agendas.

v. ADJOURNMENT

5.2 Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.

5.3 Review Status of Agenda at 11:00 p.m.: If, at 11:00 p.m., the City Council has not concluded its business, it shall review the status of the agenda and determine by majority vote whether to extend the meeting beyond 11:00 p.m., continue any remaining items, or adjourn the meeting to another date and time.

SECTION 6. PUBLIC COMMENT

6.1 Public Comment: Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda.

- 6.2** Limitations: The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speakers cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments. The Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins.
- 6.3** Procedure: To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name and contact information and the subject, or subjects upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be recognized by the City Clerk.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

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

d. Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
2. Council Members may question a person addressing the Council at the conclusion of the person's comments or upon expiration of the person's time to speak. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.
3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
4. Members of the public shall direct their questions and comments through the Presiding Officer.

7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to The Standard Code of Parliamentary Procedure by Alice Sturgis (McGraw Hill) as a guide for the conduct of meetings. The Sturgis guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.

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

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

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

7.5 Debate:

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

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

- b. Obtaining the Floor for Debate:

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

- c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

- d. Relevancy of Debate:

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

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

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

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

e. Mayor's Duties During Debate:

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

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

SECTION 8. DECORUM

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

SECTION 9. VIOLATIONS OF PROCEDURES

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

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

APPROVED:



STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-96-01

SUBJECT: PLACEMENT OF ITEMS ON THE AGENDA AND
MATTERS TO BE RECONSIDERED BY THE CITY
COUNCIL

EFFECTIVE DATE: July 17, 1996

REVISED DATE: June 27, 2007; July 25, 2018

ORIGINATING DEPT: City Manager

1. Members of the City Council and City Manager may place items on the agenda.
2. Reconsideration – Under City Council Policy 97-01, a matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council.
3. Items raised by the public during public comment may be referred to a future City Council agenda for formal action. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but a member of Council may request consideration of the item at a future meeting.
4. Members of the City Council may identify items to be added to future agendas at the end of each Council meeting under the section titled, "Future Council Initiated Agenda Items." Before beginning substantive work on an item raised under Future Council Initiated Agenda Items, staff will evaluate the staff-time involved and bring a report back to the City Council. A majority of the City Council must decide to move forward with the item, if the item will require more than two hours of staff time.

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

APPROVED:


STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

SUBJECT: PROCLAMATION POLICY

CP 94-09

DATE: JUNE 15, 1994, REVIEWED 6/27/07

Procedures for proclamations to be presented at a City Council meeting:

- A. The subject is relevant to the citizens of Morgan Hill.
- B. The person or group is a member of the City of Morgan Hill community.
- C. The requesting group will have a representative at the City Council meeting to receive the proclamation from the Mayor or Mayor Pro Tem.
- D. Requests shall be received 10 days prior to meeting.

Procedures for proclamations requested without presentation at a City Council meeting:

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor only.
- C. Proclamation will be mailed.
- D. Requests shall be received 10 days prior to requested receipt.

Procedures for proclamations requested by the Mayor or City Council Member to be personally presented at an event.

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor.
- C. Proclamation will be presented by Mayor/Council Member.

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

APPROVED:


JOE R. MARTUCCI, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP 03-02

SUBJECT: Ex Parte Contacts

EFFECTIVE DATE: November 5, 2003, REVIEWED JULY 18, 2007

ORIGINATING DEPARTMENTS: City Attorney

INTRODUCTION:

In addition to its legislative functions, the City Council, or its subordinate boards and commissions, may be called upon to act in a quasi-judicial capacity. "Quasi-judicial" means proceedings in which a property interest is at stake, and the body is charged with applying legal standards to a specific factual situation. Common quasi-judicial proceedings in the City include issuance of discretionary land use permits, rent control hearings, and appeals of all kinds.

In quasi-judicial proceedings, due process principles apply. Due process requires that participants be afforded a meaningful opportunity to prepare and be heard before an impartial decision maker, and that the decision be made on the record before the decision maker. Receipt of information outside the quasi-adjudicative hearing may deprive participants of due process, as the decision-maker may be basing his or her decision on evidence outside of the administrative record, and/or not be impartial. In order to ensure due process, the Council hereby adopts the following rules.

POLICY:

Council members, or members of any appropriate subordinate body, may discuss with any member of the public or listen to discussion of the facts of any quasi-judicial matter while such matter is pending before the City or such subordinate body, if the following guidelines are followed. (Matters involving permits are pending before a city agency, board or commission when an application for a permit has been filed with the appropriate City department; otherwise a matter is pending when the appropriate notice of appeal has been filed.)

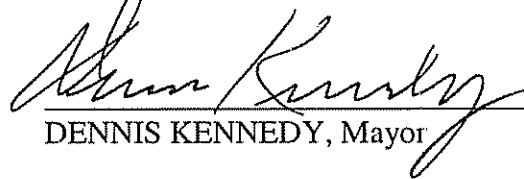
1. The fact of such discussions, and any content of such discussion which is germane to the pending matter, should be disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

2. Council members may attend noticed public hearings before subordinate boards and commissions but should not comment or engage in any discussion at such hearings. Information and evidence gained by Council members via their attendance at noticed public hearings before subordinate boards and commissions need not be disclosed at later Council consideration of the same or related matter.

3. Council members and appropriate members of subordinate bodies may visit sites and properties that are subject of pending proceedings, as long as the fact of such visits and any observations which are germane to the subject matter of the proceeding are disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

This policy is meant to augment, not supplant, any other legal obligations Council members or members of subordinate boards and commissions have regarding such contacts, including but not limited to disclosure of conflicts of interest under the Political Reform Act, Government Code section 81000 *et seq.*, and/or adherence to open meeting laws such as the Ralph M. Brown Act, Government Code section 54950 *et seq.*

APPROVED:



DENNIS KENNEDY, Mayor

RESOLUTION NO. 6851

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING THE MAYOR OR CITY MANAGER TO PREPARE, EXECUTE AND TRANSMIT COMMUNICATIONS INDICATING A POSITION ON PROPOSED STATE LEGISLATION ON CERTAIN MATTERS THAT MAY HAVE IMPACTS UPON THE CITY IN CERTAIN CIRCUMSTANCES AND DIRECTING A REPORT BACK TO CITY COUNCIL ON ANY SUCH COMMUNICATIONS TRANSMITTED

WHEREAS, the City of Morgan Hill, a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"), is authorized to indicate City's position on proposed legislation of the State of California and is sometimes requested to so indicate City's position on such legislation for the benefit of the City; and

WHEREAS, the reasons supporting the adoption of this Resolution are set forth in detail in that certain City Council Staff Report entitled "City Position on Pending State Legislation" submitted for City Council consideration at its meeting of April 16, 2014, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which meeting the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council prefers, whenever possible, that determinations on whether to take a position on pending State legislation be brought before

the City Council as a whole for consideration and action. However, the City Council recognizes that occasional, limited situations arise where communications indicating support or opposition on pending State legislation that could be important to City are requested from cities within timeframes that have deadlines occurring prior to the next scheduled meeting of the City Council as a whole at which the City Council could consider and determine City's position on such pending legislation. For these reasons, the City Council does further resolve, order and/or direct as follows:

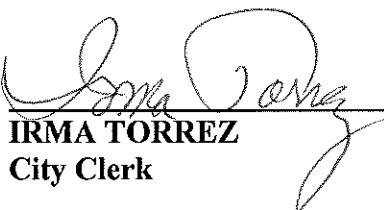
- a. That the Mayor and/or the City Manager is delegated authority to and is authorized to prepare, execute and transmit written or verbal communications indicating a City position on proposed pending State legislation that may have impacts upon City when all of the following criteria are met:
 - i. The League of California Cities, or a successor or similar organization, has requested City comment or position on a piece of pending State legislation or the City has otherwise become aware of such pending State legislation; and
 - ii. A public hearing and an opportunity for City to comment or take a position upon such pending State legislation is occurring in a timeframe and with a deadline to comment or express a position that occurs prior to the next scheduled meeting of the City Council at which the City Council could consider and determine City's comment or position on such pending State legislation; and
 - iii. The pending State legislation clearly supports or clearly hinders the implementation or fulfillment of an adopted City Council Priority, Goal or Strategy in a substantial manner such that it is in the best interests of City to indicate its comment or position on such pending State legislation.
- b. That the Mayor and/or City Manager is hereby directed to provide a written report to the City Council for the Council's comment and acceptance at the City Council's next possible meeting whenever the Mayor or City Manager prepares, executes and transmits a communication indicating a comment or position on pending State legislation pursuant to the authority delegated under this Resolution, which report shall include a copy of such pending State legislation and the comment or position transmitted.

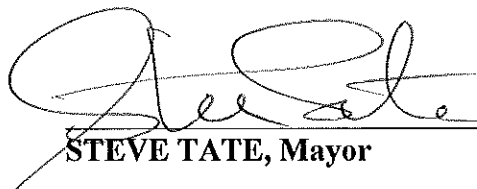
Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 16th day of April, 2014 by the following vote:

AYES: **COUNCIL MEMBERS:** Rich Constantine, Marilyn Librers, Gordon Siebert, Steve Tate
NOES: **COUNCIL MEMBERS:** None
ABSTAIN: **COUNCIL MEMBERS:** None
ABSENT: **COUNCIL MEMBERS:** Larry Carr

ATTEST:


IRMA TORREZ
City Clerk


STEVE TATE, 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. 6851, adopted by the City Council at the meeting held on April 16, 2014.

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

DATE: 4/21/2014


Irma Torrez, CITY CLERK

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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



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 Policy

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

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 (CONTINUED):

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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.



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 and 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.



morganhill.ca.gov

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED ■ ■ ■ ■ → ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agricultural Preservation											
1	Update Agricultural Lands Preservation Program	Community Services & Development Services	City Staff are working to: a) finalize the acquisition of Fountain Oaks Ranch and Maple Ave sites, b) finalize decision regarding potential conversion of ball field site to agricultural easements, c) amend ag preservation ordinance/removal of stay ahead provision, and d) continue discussions with County and Open Space partners regarding opportunities for grants and potential funding sources.								
Cannabis Policy											
2	Complete all necessary steps to tax out-of-town cannabis deliveries	Finance	Working with sales tax and business license Consultant and contacting businesses to bring them into compliance.								
Community Engagement and Messaging											
3	Develop and implement extensive community engagement strategy related to the City's infrastructure and public safety needs, continuing to explore funding possibilities	Communications & Engagement	Engage Morgan Hill - A community conversation regarding services, funding, and priorities launched in May 2019. The Engage Morgan Hill Community Advisory Group (CAG) met monthly from June through December 2019 and learned about essential services the City provides. CAG is now working to make informed recommendations to the City Council about how to move forward for a sustainable future.								
4	Police Special Operations will present Parent Project classes	Police Special Operations	A mini Parent Project will take place in February 2020 at Park Place. Student Resource Officers will be attending Parent Project training at the end of January and aim to offer classes in Spring 2020.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5	Develop a partnership with security camera owners for emergency and investigative purposes	Police Dispatch Services	Will have access to MHUSD cameras and public camera registry and access by Q3 FY 2019-20. MOUs routed and technological development from service providers given.								
Economic Development											
6	Develop a Retail Concentration strategy	Economic Development	A Retail Capacity Study was completed as part of the Monterey Corridor Flex-Use Zoning. The Study identified viable retail properties along Monterey Corridor. Staff is working with Strategic Economics on an analysis of all commercial properties in the City and will develop recommendations on where to prioritize retail within the City.								
7	Develop a Form-Based Code and Specific Plan	Development Services	New State Housing eliminates the City's ability to require commercial along the corridor. A Specific Plan would allow the City to influence the type of development that happens along the Monterey Corridor. Staff expects to bring forward this discussion as part of future budget considerations.								
8	Develop a Freeway Signage program	Economic Development	Initial analysis was completed for properties along the freeway to identify recommendation how to develop a unified freeway signage program. Final policy recommendations need to be completed and presented to the Planning Commission.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
9	Implement Economic Blueprint and new Zoning Code outreach and advertising campaign	Economic Development	Zoning Code Update completed. The City has completed a marketing and advertisement contract with the Silicon Valley Business Journal highlighting the 4 key industries from the Economic Blueprint. City staff is working with Hearst Media on a targeted electronic campaign.								
10	Implement Economic Development Speaker Series	Economic Development	First Annual Speaker Series was completed in Fall 2019. Five discussions took place focused on economic development, retail, innovation & manufacturing, tourism and healthcare. Each speaker series event had experts and industry leaders that shared their thoughts on successes, challenges, and opportunities facing their sector.								
11	Adopt an Industrial Land Preservation strategy	Economic Development	Staff is working with Strategic Economics to analyze the industrial and commercial lands inventory. Staff is reviewing initial findings and anticipates to complete policy recommendations by Spring 2020. A Priority Production Area application has been completed and aligns with the City's goals for Industrial Land Preservation.								
12	Establish next steps on Property Based Improvement District (PBID)	Economic Development	Staff will analyze the cost impact to the City and will perform a cost-benefit analysis on the establishment of the PBID.								
Financial Stewardship											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

Red Yellow Orange Green

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
13	Continue the City tradition of developing a prudent and balanced budget with effective long-term financial planning	Finance	Council adopted the FY2018-19 and FY2019-20 Operating and CIP Budget on June 6, 2018. A mid-cycle review was presented at the Engage Morgan Hill Workshop on May 22, 2019. Mid-cycle budget amendments for the FY2019-20 were adopted on June 5, 2019 at a regular Council meeting. Development of the new Biennial Budget began in January 2020.								
14	Pursue revenue Ballot Measures	City Manager	Extensive community education occurred regarding the TOT increase and Cannabis Tax in September/October 2018. Both revenue measures passed. The efforts of Engage Morgan Hill will help inform other revenue generation options to meet the projected funding gap.								
High Speed Rail											
15	Communicate with Council and the Community regarding High Speed Rail and advocate for measures to mitigate potential impacts	Development Services & City Attorney	Ongoing. Staff provided comments on the CHSRA staff's preferred alignment for the September 2019 CHSRA Board meeting. Staff has retained the services of a consultant to help the City respond to the Environmental Impact Report/Study scheduled to be released in the Spring.								
Homelessness											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
16	Collaborate with dedicated South County Case Management Worker, Santa Clara County, and the City of Gilroy and continue to build a South County homeless response system that integrates County Safety Net Services	Housing	Destination Home is expected to issue an RFP funding opportunity for Pilot Homeless programs in February or March of 2020. Cities will be eligible to apply at which point staff will return to Council with an update if funds are awarded. The Safe Parking Program continues to provide stability and services for 8 families, approximately 30 people on any given night. The 2019 Homeless Count shows a 71% decrease in homelessness. Services include prevention through rental assistance, deposit assistance outreach, engagement, and setting aside new units.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Housing											
17	Identify Sites and Non-profit partners to construct very low income housing units	Housing	Identifying potential sites and completing predevelopment evaluation is ongoing. Timing is uncertain. - Treehouse intergenerational community continues to work with MidPen Housing to identify a site for a 78 unit intergenerational foster family and senior project. - Braddock & Logan have submitted plans to build a 389 unit apartment complex at Butterfield and Sutter, of which 78 VLI rental units will be included (these units are already counted in the pipeline and in our pending RHNA goals). -Eden Housing will pull permits in early 2020 for the rehabilitation of Depot Commons and adding an additional 14 units. -First Community Housing is in the process of securing a site for approximately 60 units. -UHC continues to work with Valley Water regarding the flood study at a site at Monterey & Watsonville. Viability is being determined. -Cochrane Commons is considering partnering with a nonprofit to meet their inclusionary requirement. -EAH "Scattered sites" leased up in 2018-19. -UHC - The "Crossings at Monterey" leased up Dec of 2019.								
18	Monitor Housing legislation; advocate for legislation which supports Morgan Hill housing program	Housing	Participating in Regional Housing Need Allocation (RHNA) Subregion working group, League Policy Board, and raising awareness of Morgan Hill concerns with local legislators.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Infrastructure											
19	Continue annual pavement maintenance projects	Engineering CIP	Hill Road and Sutter Ave were successfully rehabilitated in 2018. In 2019 Monterey Road north of Cochrane, Cochrane Road from Monterey to DePaul Drive, Butterfield Road north of Main Avenue, Depot Street, and some streets in the Jackson Meadows Neighborhood were rehabilitated.								
20	Lead coordination on regional planning efforts related to bringing recycled water to Morgan Hill	Water Conservation	City teammates have been actively involved in Valley Water planning for its Recycled Water Master Plan. City staff partnered with the City of Gilroy and developed a water supply strategy document for the South County. This document is designed to inform staff and elected officials within the two cities, relating to water supply and recycled water. This work did not clearly identify recycled water as the highest priority projects related to water supply sustainability. City staff are currently engaging in a study to understand the feasibility of a recycled water plant in Morgan Hill. Staff intend to return to the Council in the Spring of 2020 with the results of this specific work.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
21	Participate with SCRWA on Plant Expansion	CIP Engineering	Staff have continued working with SCRWA and the City of Gilroy to refine the scope of the treatment plant expansion. The project is currently scheduled to commence construction in 2021 and conclude in 2025. Updated plant expansion scope and design costs were provided in September 2019. The estimated costs total \$74.6 million. Engineering and Finance teammates have developed the necessary financing plan to fund the City's share of the project (\$31.3M) through use of impact fees. Financing may be necessary depending on the timing of the project.								
22	Continue to participate in Upper Llagas Flood Control project	CIP Engineering	Construction of Phase 1 (South of Watsonville Road) is underway. Phase 2 construction is not completely funded, but the Valley Water Board has authorized a portion of Phase 2 (Phase 2A) to move forward. It is anticipated that Phase 2A will include the a tunnel under Nob Hill and work on Hale Avenue at the Main Avenue intersection. Construction should begin in the Spring of 2020 and be completed in conjunction with the City's Hale Avenue Extension project. Valley Water is continuing to work on finalizing funding for the remaining portion of Phase 2 and the remaining portions of the project could commence as early as 2022.								
Telecommunications											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

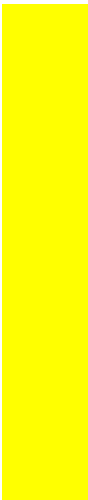


	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
23	Inventory and create a conduit map of all available City conduit	Economic Development	Civic Foundry has completed mapping locations of City owned and some privately owned conduit in the City as part of identifying assets for the development of the Fiber Network RFP. In addition, Civic Foundry has included City assets as part of the drafted RFP which is currently out for bid.								
24	Issue a Request for Proposals for fiber network infrastructure for City facilities	Economic Development	In June 2019, the City issued an Enhanced Broadband Services RFP with the primary goal of increasing service to the City facilities and secondary goal of expanding service to the business parks and community. City staff have been holding interviews with the companies that submitted interest and are finalizing initial review of submittals. An update of the RFP is expected to be presented to Council in February/March 2020.								
25	Develop a “Dig Once” ordinance, Revise Zoning to improve the permitting process for Telecommunication Facilities on private property, and bring forward policy that supports master Small Cell Licensing Agreements	Economic Development	City Council approved small cell design standards, changes to Title 18 Zoning Code and authorized the City Manager to execute Small Cell License Agreements in March 2019. It is anticipated that the Dig Once Policy along with other policies (we anticipate the RFP process will inform other policy changes) will be brought forward at the conclusion of the Enhanced Broadband project further supporting telecommunications investments in Morgan Hill.								
Traffic/Transportation											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED     → ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
26	Participate and advocate for South County in regional transportation planning initiatives with Valley Transportation Agency (VTA), Caltrain, Boards, and Committees	City Manager & Economic Development & Engineering	Staff and delegated Council Members regularly attend regional transportation meetings, serve on leadership committees, and host South County coordination meetings. City Staff have actively participated in the Caltrain Business Plan and Caltrain/VTA train service changes. Staff has provided comments to CHSRA on the HSR staff's preferred alignment and comments to the Caltrain Board on the Caltrain 2040 Business Plan.								
27	Implement CIP projects consistent with Vision Zero related to pedestrian and bike improvements, including safe routes to school	CIP Engineering	Design of Main Avenue improvements are underway: sidewalk between El Toro School and Grand Prix, flashing beacons at Grand Prix, and buffered bike lanes from Butterfield to Condit. Construction scheduled to begin in early 2020. Buffered bike lanes and green bike lanes were installed on Cochrane Avenue and Monterey Road as part of the 2019 Pavement Improvement Project. In ground pedestrian flashing lights are scheduled to be installed on First and Fifth Street in the downtown in the next month. Enhanced pedestrian crosswalks are currently in design for crossings on Lacrosse Avenue at the West Little Llagas Creek Trail and at Wright Avenue at Del Monte Avenue.								
Completed/Ongoing/Routine											
	Update website for ease of use by the public	Communications & Engagement	After extensive clean-up, a newly refreshed website was launched in September 2019.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Continue to develop our connections with our local Hispanic/Latino community, finding best ways to outreach and share important community information	Communications & Engagement	Ongoing. Another year of facilitating a Women's Empowerment Group at the Learning and Loving Center has been completed. As of June 30, 2019, we no longer have the part- temp resource for outreach with the Spanish speaking community. Staff is reevaluating how to best move forward.								
	Continue facilitating community engagement opportunities with the Mayor and reporting out meeting notes	Communications & Engagement	Notes and follow-up from the Mayor's "Lunch with the Seniors" and "Coffee with Mayor" are provided to all participants, made available on the City website, and included in the Weekly 411.								
	Seek grant funding for street safety and circulation improvements	Congestion Management	Ongoing review of grant opportunities are underway. Measure B Funds for Hale Avenue are a priority. The City has applied and received funding for paving the Madrone Channel Trail. The City received a grant for Green Bike Lanes at the Cochrane Freeway Interchange and these improvements were completed during the 2019 Pavement Rehabilitation Project. City staff applied for a significant Safe Routes to School Grant in 2018, that was ultimately not awarded due to the City's low collision rates and higher income levels.								
	Evaluate Urban Service Area Expansion/Annexation opportunities and assist applicants with LAFCO applications	Development Services	Submitted the Catholic High School LAFCO application. Will complete the annexation EIR in order to consider other application requests.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Develop a parklet pilot program	Economic Development	In 2018 the Council approved a temporary parklet pilot program in response to the City's Station Area Master Plan and Complete Streets/Traffic Calming work program. In May 2019, staff finalized program requirements. Staff continue to promote the program with downtown businesses with limited interest.								
	Produce a Manufacturing Day Panel and Company Tours Event	Economic Development	Building on the success of the 2018 Manufacturing Day, staff have begun outreach to local manufacturers about opening for factory tours on National Manufacturing Day, October 4th. Early coordination has begun with MHUSD about student participation.								
	Present to Planning Commission for Cannabis recommendations on: appropriate zoning, buffering from sensitive uses, and suggested number of retail sites	Police & Development Services	Community Workshop with the Planning Commission (PC) on July 23, 2019.								
	Develop Cannabis regulatory program	Police & Development Services	On August 27, 2019 the Planning Commission voted to recommend a land use ordinance to City Council.								
	Present recommended Cannabis ordinance language	Police & Development Services	On November 6, 2019 City Council voted to maintain the prohibition of commercial cannabis within City limits.								
	Implement text to 911	Police Dispatch Services	A Countywide roll out of Text to 911 occurred in December 2019.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Continue annual program to seal and refresh City owned parking lot facilities	Street Maintenance	The 2018 and 2019 projects were completed on schedule.								

City Council Follow-up/Future Business Items

<u>January 15, 2020</u>		
<u>Follow up items</u>		<u>Teammate</u>
14. Census	Carr - Bring the item back periodically for updates including how the grant money is used	Tobin 03/4/2020
<u>December 18, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked that staff look into bringing forward an ordinance prohibiting Diesel Engine Braking		
Martinez Beltran would like a workshop regarding the UGB		Goal Setting 2020
Martinez Beltran would like more signage for tourism		Referral to TBID
<u>October 23, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
7. Building Electrification	Carr asked staff to explore requiring battery back ups for new construction	Eulo Spring 2020/Memo
<u>Future Business Items</u>		<u>Teammate</u>
Spring asked for a Legislative Update in regard to Police Services		Swing 2/5/2020
Spring asked for a conversation about how our City will look in the future as a "Smart City"		Lang 02/2020
Council Member Martinez Beltran asked staff to look into Mobile Cancer Screenings		Larkin Memo
<u>October 2, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
website update	Carr asked that staff come back to Council in a few months with analytics on the new website	Tobin 02/2020
5. Depot-Latala	Follow up on CCC Parking Enforcement	Ghione April 2020
<u>September 18, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
10. Use of Herbicides	Report back to Council in Summer 2020 and incorporate options into the budget	Dapp/Ghione 06/2020
11. Citywide Traffic	Traffic workshop/Vision Zero	Ghione spring/2020
12. GIS Strategic Plan	Spring asked that staff bring report back to Council in a year to see if we have accomplished what we hoped	Van der Leeden fall/2020
<u>July 17, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Agreement with Boys and Girls Club	Council asked staff to return to Council with an update (6 months) on the program including an update on the budget for the program	Dabel 2/19/2020
<u>Future Business Items</u>		<u>Teammate</u>
Spring proposed that we look into a responsible construction ordinance		Larkin/Carman 3/4/2020
Carr requested that we get an update on the Santa Clara Valley Habitat Agency		Carman 2/5/2020

Attachment: 13. Council Follow-up (2632 : City Council Goal Setting Workshop 2020)

<u>June 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked staff to explore creating a social media page or web page called "Rumors" to have a place where people can go to find out what the truth is.		Tobin
<u>April 17, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Spring requested that staff bring a climate action plan back to Council		Eulo Memo
<u>March 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Downtown Special Events Update	Bring this item back to Council as the residential projects on 3rd street near completion	Martin 05/2020
<u>February 27, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Constantine would like the City to look into providing power and energy (i.e. acting as our own power company) to our residents and businesses		Turner/Ramirez
<u>February 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
15. Lobbyist ordinance	Bring forward suggestions regarding a Council Policy vs. an Ordinance (City Council policy on ex-parte contacts)	Larkin Goal Setting 2020
<u>Goal Setting - January 25 & 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Additions to Council Policy 97-01 for policies on community meetings		Turner Goal Setting 2020

Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives.
As Amended 01/06/2020

Key Elements of SB 50 as Amended 01/06/2020

- Allows developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, and parking requirements. These overrides are called “equitable communities incentives (ECI).” [Please see pages 2-3 for more detail].
- SB 50’s requirements are applied differently based on city population and the population of the county in which the city is located.
- Requires all cities to allow up to fourplexes in single-family neighborhoods, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.
- Allows “sensitive communities” identified by councils of governments to develop a community plan, as prescribed, and not be required to grant an ECI as long as the “community plan” achieves similar objectives and goals.
- Allows cities to develop a HCD-approved “local flexibility plan”, as an alternative to the requirements in SB 50.

The “Local Flexibility Plan:” Amendments adopted on January 6, 2020

The amendments offer an alternative: Cities and counties can adopt a “local flexibility plan” approved by HCD by January 1, 2023 or be required to grant ECI overrides of density, height and parking) of SB 50.

A “local flexibility plan” submitted on or after July 1, 2021 to HCD, must do all of the following:

- Affirmatively further fair housing, as that term is defined in Section 8899.50, to an extent as great or greater than if the local government were to grant an ECI.
- Achieve a standard of transportation efficiency as great or greater than if the local government were to grant an ECI.
- Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.

On or before July 1, 2021, OPR, in consultation with HCD, will develop guidelines for the submission and approval of a local flexibility plan. Rules, regulations and guidelines may be adopted with limited public process.

A local flexibility plan is an alternative to granting an ECI. A local flexibility plan does not exempt a city from ministerial approval of a fourplex in a single-family zone, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.

Comments Regarding the Amendments Adopted on January 6, 2020

- It appears that the intent of the amendments is to provide local governments with an opportunity to develop their own plans to meet the goals and objectives of SB 50. Unfortunately, the amendments, as drafted, raise the following concerns:
 - OPR and HCD are tasked with developing “rules, regulations, or guidelines for the submission and approval of a local flexibility plan” without sufficient Legislative direction. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.

- The elements of the plan are not clear: “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” SB 50 does not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- Without clearly identified criteria, we are unable to evaluate whether the “local flexibility plan” is actually an alternative planning option.

The Community Plan: Sensitive Communities

Unchanged by the amendments are SB 50’s alternative for “sensitive communities.” Sensitive communities are determined by councils of governments (or by MTC in the ABAG region). The ECI provisions of SB 50 will apply to a “sensitive community” after January 1, 2026 unless the community adopts a “community plan” aimed toward increasing residential density and multifamily housing choices near transit stops. The community plan must:

- Permit increased density and multifamily development near transit with all upzoning linked to onsite affordable housing requirements;
- Include provisions to protect vulnerable residents from displacement;
- Promote economic justice for workers and residents; and
- Be developed in partnership with a nonprofit or community organization.

Equitable Communities Incentives

City must grant an Equitable Community Incentive (ECI) to “jobs-rich” or “transit-rich” project on a site zoned to allow housing with certain site exclusions as described below unless city makes finding that incentive would have a specific, adverse impact on any real property or historic district. Project must comply with city’s conditional use or other discretionary permit approval process and with certain affordability requirements (or local inclusionary ordinance) and is subject to CEQA review.

Counties with a population less than or equal to 600,000: Cities with population OVER 50,000

- Equitable Community Incentive to a jobs-rich or transit-rich housing project located within ½ mile of a major transit stop with a minimum density of 30 units/acre in “metropolitan” community or 20 units/acre in “suburban” community:
 - 1 additional story or fifteen feet in height.
 - Waiver of 0.6 Floor Area Ratio.
 - Maximum 0.5 parking spots per units; and no minimum parking requirement if within ¼ mile of rail transit station in city with population greater than 100,000.
 - Waiver of maximum controls density.
 - Site exclusions: architecturally or historically significant district; special flood hazard area.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Counties with a population over 600,000: All cities (except those under 50,000 in the coastal zone)

- Equitable Community Incentive to a jobs-rich or transit-rich housing project:
 - Waiver of maximum controls on density.
 - 0.5 parking spots per unit.
 - Within 1/2 mile of a major transit stop – height up to 45 feet, Floor Area Ratio of 2.5, and no parking requirements.
 - Within 1/4 mile of a major transit stop – height up to 55 feet, Floor Area Ratio of 3.25, and no parking requirements.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Key Definitions

“Jobs-rich area” means an area identified by HCD in consultation with OPR that is high opportunity and either is jobs rich or would enable shorter commute distances based on whether, in a regional analysis, the tract meets both of the following:

- The tract is high opportunity, meaning its characteristics are associated with positive educational and economic outcomes for households of all income levels residing in the tract.
- The tract meets either of the following criteria:
 - New housing sited in the tract would enable residents to live near more jobs than is typical for tracts in the region.
 - New housing sited in the tract would enable shorter commute distances for residents, relative to existing commute patterns and jobs-housing fit.

HCD shall, commencing on January 1, 2021, publish and update, every five years thereafter, a map of the state showing the areas identified by the department as “jobs-rich areas.”

“Job-rich housing project” means a residential development within a jobs-rich area. A residential development shall be deemed to be within a jobs-rich area if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the jobs-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the jobs-rich area.

“Transit-rich housing project” means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within the radius if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“High-quality bus corridor” means a corridor with fixed route bus service that meets all of the following:

- It has average service intervals for each line and in each direction of no more than 10 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. to 7 p.m., inclusive, on Monday through Friday.

- It has average service intervals for each line and in each direction of no more than 20 minutes during the hours of 6 a.m. to 10 p.m., inclusive, on Monday through Friday.
- It has average service intervals for each line and in each direction of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.
- It has met the criteria specified above for the five years preceding the date that a development proponent submits an application for approval of a residential development.

“Major transit stop” means a rail transit station or a ferry terminal that is a major transit stop pursuant to subdivision (b) of Section 21155 of the Public Resources Code.

“Sensitive community” means either of the following:

- Except as provided in paragraph (2), an area identified pursuant to subdivision (b) of Section 65918.58.
 - (b) On or before July 1, 2023, sensitive communities in each county shall be identified and mapped in accordance with the following:
 - The council of governments, or the county board of supervisors in a county without a council of governments, shall establish a working group comprised of residents of potentially sensitive communities within the county, ensuring equitable representation of vulnerable populations, including, but not limited to, renters, low-income people, and members of classes protected under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2).
 - The working group shall develop a map of sensitive communities within the county, which shall include some or all of the areas identified as potentially sensitive communities pursuant to subdivision (i) of Section 65918.50. The working group shall prioritize the input of residents from each potentially sensitive community in making a determination about that community.
 - Each board of supervisors or council of governments shall adopt the sensitive communities map for the county, along with an explanation of the composition and function of the working group and the community process and methodology used to create the maps, at a public hearing held on or before July 1, 2023.
 - In the Counties of Alameda, Contra Costa, Marin, Napa, Santa Clara, San Francisco, San Mateo, Solano, and Sonoma, areas designated by the Metropolitan Transportation Commission on December 19, 2018, as the intersection of disadvantaged and vulnerable communities as defined by the Metropolitan Transportation Commission and the San Francisco Bay Conservation and Development Commission, which identification of a sensitive community shall be updated at least every five years by the Department of Housing and Community Development.



2019-2020

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January 14, 2020

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
State Capitol Building, Room 2206
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Portantino:

The League of California Cities must continue to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 do not take into account our primary objections to SB 50. However, the League of California Cities is pleased to see that recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones. Unfortunately we can’t evaluate whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

It appears that the intent of the amendments are to provide local governments with an opportunity to develop their own plan to meet the goals and objectives of SB 50. Although the goal of increased density around transit is clear; the goal of the bill regarding a jobs-rich housing project is not. The amendments, as drafted, raise the following concerns:

- **Without clearly identified criteria, we are unable to evaluate** whether the “local flexibility plan” is actually viable alternative planning option.
- **Office of Planning and Research (OPR) and HCD are tasked with developing “rules, regulations, or guidelines”** for the submission and approval of a “local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **Further legislative direction is required, the elements of the plan are not clear:**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- o “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
- o SB 50’s “community plan” for sensitive communities provides a much clearer alternative and should be considered as a possible alternative planning process for all jurisdictions.

Remaining Objections to SB 50

If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers.

Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, the League has significant concerns with the following:

- **Wasting time and money.** SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
- **Gives housing developers and transit agencies, who are unaccountable to local voters, the power to determine** housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit.

- **What is the full scope of SB 50?** As presently drafted, it is very difficult to determine what constitutes a “jobs-rich area” since the HCD and OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Greater density but no public transit?** SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled.
- **Two-tiered process that exempts** cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.

For these reasons, the League of California Cities must continue to oppose SB 50 unless it is further amended to address the above concerns. We continue to be committed to finding solutions to the housing supply and affordability crisis gripping many regions of the state and look forward to working with you and all other stakeholders in the coming Legislative Session. If you have any questions, please feel free to contact me at (916) 658-8264.

Sincerely,



Jason Rhine
Assistant Legislative Director

cc. Senator Scott Wiener
Members, Senate Committee on Appropriations
Mark McKenzie, Chief Consultant, Senate Committee on Appropriations
Ryan Eisberg, Consultant, Senate Republican Caucus



January 14, 2020

Honorable Scott Wiener
California State Senate
State Capitol, Room 5100
Sacramento, CA 95814

RE: **SB 50 (Wiener) Planning and zoning: housing development: streamlined approval: incentives.**
Oppose Unless Amended (as amended 1/6/20) as recommended

Dear Senator Wiener,

I write to you today in response to your January 6, 2020 amendments to SB 50. In line with you and other legislative leaders, the Los Angeles County Division of the League of California Cities® (Division), representing 86 cities in the county, recognizes the urgent and unprecedented housing crisis that our state is facing and we commend you and other legislative leaders for your efforts to develop concepts to tackle this challenge. In this spirit, the Division has proactively made continued efforts to engage with you, beginning with our July 12, 2019 driving tour through Southeast Los Angeles County, to initiate consistent personal messages and most recently to produce our December 15, 2019 letter and white paper outlining our concerns with your bill. We offered viable and proactive solutions that could increase housing, provide affordability and sustain community services, in order to meet our state's collective housing needs sooner rather than later.

Our Division Board was intentional and proactive in creating the SB 50 Working Group that developed our alternative proposal. Our group was comprised of mayors and council members with diverse backgrounds, political perspectives, professional disciplines, and represented different regions with varying populations in Los Angeles County. We invested an incredible amount of time and resources to demonstrate our genuine goal and sincerity to be a partner with you and provide viable solutions to the state's housing crisis. Additionally, I took personal efforts to reach out to you with our proposal prior to distributing the letter to our Los Angeles Delegation and other stakeholders. This is why we are very disappointed that despite our efforts to create an open dialogue, our proposal, from the largest Division and group of cities in our state, was unanswered and not reflected in the amended version of your bill.

We are left with no alternative but to continue to oppose SB 50 unless amended not only on its lack of sound planning and real affordability measures, but because our good-faith efforts to work with you have not been reciprocated.

Our alternative proposal to SB 50 is updated below. We have also attached our white paper that includes an expanded discussion based on the proposed amendments.

Recommended Locally-Led Alternatives to Addressing the Housing Crisis

- **Create entitlement certainty for multi-family housing.** The "local flexibility plan" developed under the amended version of SB 50 is duplicative of existing

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planning processes, and establishes hypothetical development baselines that depend on a city speculating developer interest in equitable community incentives.

Alternative: A mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) could give certainty to the development community while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, could be replicated and required.

- **Density must be combined with long-term funding tools.** SB 50 does not provide funding for local governments to sustain exponential long-term density.

Alternative: Incentives should be offered that provide permanent, ongoing funding sources for multi-family and affordable housing projects to ensure their sustainability and success. These can include housing block grants or tax increment programs like SB 795 (Beall/Portantino/McGuire) that provide a long-term financing tool for cities to address increased vital services for infrastructure, park, public safety and other community priorities resulting from the greater demand for such services that occurs with new construction. We recognize the state's effort to provide funding through SB 2 and AB 101/SB 102. However, those funding sources are either one-time uses or insufficient to sustain the state's housing goals.

- **Affordability must be prioritized and sensitive communities must be protected from displacement.** SB 50 gives generous "equitable community incentives" to a developer within a specified radius of a "transit rich or "jobs rich" area. However, the affordability requirement in SB 50 does little to address rising housing costs that affect our communities' most vulnerable residents.

Alternative: Multi-family housing developments must provide a minimum of 25% inclusionary housing, unless a local agency has enacted a higher minimum, to receive any development incentives and entitlement certainty incentives for multifamily developments. The State should also encourage the development of more local Housing Authorities to facilitate construction of affordable housing.

Why SB 50 (as amended 1/6/20) is Not a Practical Solution to the Housing Crisis

Notwithstanding the alternatives to SB 50 recommended above, there continues to be unsustainable flaws to the bill in its current form:

- **The Local Flexibility Plan established under the amended SB 50 is duplicative of existing planning process.** This Plan lacks any real local flexibility and would establish a hypothetical development baseline that depends on a city speculating developer interest in and use of various equitable community incentives. The Division remains concerned that "one size fits all" metrics of SB 50 do not work in real world circumstances that exist in many of our communities. Cities and California's Department of Housing and Community Development (HCD) have an established Housing Element process created through state law along with financial penalties for non-compliance. The Housing Element process requires significant city resources to develop, obtain public input, and receive approval from HCD. SB 50 would require cities to use precious time and resources to create a duplicative process that competes with the Housing Element.

Alternative: The Division proposes amending SB 50 to "create entitlement certainty for multi-family housing" in urban areas of California. The mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) would give entitlement certainty to the development community, while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, is proposed to be replicated and required in SB 50.

- **Carve outs must have merit.** The proposed carve-outs in SB 50 are arbitrary and will do little to solve the crisis.
Alternative: While the Division believes that the entire state should contribute to solving our unprecedented housing crisis, we believe that carve outs should only be carefully considered for the most dense and sensitive areas of the state, as well as coastal zones and historical districts. Carve outs for coastal zones recognizes the unique landscape in these areas and carve outs for historical districts would prevent the demolition of historic resources and protect the planning and architectural character of neighborhoods with a high number of historic residences and other historically significant buildings.
- **Focus Should be on Multi-Modal Transportation Options.** Definitions of “transit rich” areas in SB 50 are poorly defined, in many cases, based on routes that were established decades ago and in some cases, temporary in nature.
Alternative: Access to transit varies widely throughout the state, including providing limited or no weekend services, which do not fulfill the mobility needs for residents to reach employment or other destinations. Local leaders are in the best position to address transportation options and transit access as part of the multi-family housing development planning process.
- **Jobs Accessibility Areas should be defined by the local agency.** Current definitions of “jobs rich” is loosely defined in SB 50.
Alternative: Replace the ambiguous “jobs rich” definition with the locally defined “jobs accessibility areas”. Local leaders have the most intimate knowledge of their communities to map these areas based on real local data that will take into account local zoning, the safety and appropriate co-location of jobs and housing, and to successfully connect them with effective transportation options and development.
- **Recent State legislation already eliminates Single Family Residential (SFR) neighborhoods.** Four-plexes or other small developments in former SFR zones are unnecessary as new legislation currently allow up to three units of housing in existing SFR neighborhoods. Further, none of these units are required to have an affordability requirement.
Alternative: Remove language related to four-plexes to allow local governments to implement Accessory Dwelling Unit legislation.
- **Commercial/Multi-Family areas need flexible ratios to accommodate different neighborhoods.** SB 50 requires commercial/multi-family ratios that may not be logistically or financially feasible in some communities.
Alternative: Allow a lower residential threshold that may expand the number of commercial developments open to mixed-use residential uses.

Conclusion

The state and our region have faced many housing crises. The causes of the latest crisis are multi-faceted and complex. There is no single solution. Our discussion on solutions cannot happen in a vacuum without tackling various related issues such as CEQA obstacles, potential revisions of the housing element and zoning laws and practices. It will take a long-term effort of engagement, education and consensus building with all stakeholders. It is our hope that our proposal is included in that spirit of open dialogue and cooperation.

Again, we acknowledge your and other state leaders’ bold efforts to tackle our state’s housing crisis. We appreciate efforts to work with all stakeholders to ensure that the goals of any housing solutions are balanced with community essentials like equity, infrastructure, and public safety, among other important values. We continue to be prepared to work with the legislature in January 2020 and beyond to find long-term, viable and sustainable solutions to this crisis, and look forward to discussing our proposals with you in greater detail and context in the near future. Despite the aforementioned lack of response from you, I continue to be hopeful that, through a collaborative and sincere approach in resolving our state’s comprehensive housing needs,

together we can all contribute towards solving this problem and especially help those most vulnerable in our mutual communities.

If you have any questions, please contact Division Staff, Jennifer Quan at jquan@cacities.org or 626-786-5142.

Regards,



Juan Garza
President, Los Angeles County Division, League of California Cities
Mayor, City of Bellflower

cc: Office of Governor Gavin Newsom
Los Angeles County Legislative Delegation

Attachment: Goals and Objectives for Amendments to SB 50 as approved by the Los Angeles County Division, League of California Cities, November 22, 2019



P.O. Box 3144
Los Altos, CA 94024
www.citiesassociation.org
408-766-9534

January 23, 2020

The Honorable Scott Wiener
Senator, California State Senate
State Capitol Building, Room 5100
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Wiener:

The Cities Association of Santa Clara County (CASCC) continues to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 still fail to take into account our primary objections to SB 50. Although CASCC is pleased to see that the recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones, it still falls short. CASCC is not able to evaluate, for example, whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

The amendments, as drafted, raise many concerns, including the following:

- **Little to no public input on the local flexibility plan process.** The Office of Planning and Research (“OPR”) and HCD are tasked with developing “rules, regulations, or guidelines” for the submission and approval of a local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing the OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **The elements of the plan are not clear.**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
 - “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language

regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- **Continues to take away local control.** If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers. Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, CASC has significant concerns with the following:
 - Wasting time and money. SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community-based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
 - Gives significant power to housing developers and transit agencies. Housing developers and transit agencies, who are not accountable to local voters, will have the power to determine housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit
- **Undefined essential terms cause confusion.** It is very difficult to determine what constitutes a “jobs-rich area” since the HCD and the OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Appears to conflict with existing state laws and policies.** Greater density but no public transit? SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years

since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled. The proposed amendments also appear to conflict with recent legislation related to ADUs and the Housing Crisis Act of 2019.

- **Arbitrary exemption for certain cities.** Two-tiered process that exempts cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.
- **Timeline to develop the local flexibility plan is not realistic.** SB 50 gives cities 18 months to develop and receive certification for a local flexibility plan once OPR and HCD release final regulations or guidelines (July 1, 2021 to January 1, 2023). 18 months is too short for cities to perform all the tasks needed to create a new plan, including meaningful public outreach, drafting a plan, performing CEQA and other required analyses (equivalence to equitable community incentives, transportation efficiency, feasible housing capacity), and then waiting for HCD to certify the plan. The CEQA process for an area plan EIR, for example, generally takes 1-2 years or longer.

Therefore, although CASC supports finding a workable solution for our housing crisis in California, for the reasons stated above, CASC opposes SB 50 unless amended.

Sincerely,



Larry Klein
 President
 Mayor, City of Sunnyvale



Neysa Fligor
 Chair, Legislative Action Committee
 Vice-Mayor, City of Los Altos

cc: Senators Wieckowski, Beall, Hill, Monning,
 Assembly Members Rivas, Kalra, Chu, Berman, Low, Stone
 Senator Scott Wiener
 Seth Miller, Peninsula Division, League of California Cities (via email)
 League of California Cities, cityletters@cacities.org

About: The Cities Association of Santa Clara County is a collaboration of the fifteen cities of the county and addresses pressing issues of mutual interest for our region. The Association is comprised of the elected representatives of over 1.9 million Bay Area residents. Our diverse community includes cities with a few thousand residents to a large city with a million people. Finding consensus and solutions remains our goal.



Budget Workshop Agenda

City Council

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

Saturday, January 25, 2020 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 is called Friday, January 24, 2020 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 25, 2020 at 9:00 a.m. for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING OF AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

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

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

ADJOURNMENT TO SATURDAY, JANUARY 25, 2020 AT 9:00 AM

SATURDAY, JANUARY 25, 2020 9:00 A.M.

GOAL SETTING WORKSHOP CONTINUED

Continuation of the January 24, 2020 City Council Goal Setting Workshop.

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)

ADJOURNMENT

NOTICE

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

PUBLIC COMMENT

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

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

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

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA)

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

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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





CITY COUNCIL STAFF REPORT

MEETING DATE: January 24, 2020

PREPARED BY: Christina Turner, City Manager
APPROVED BY: City Manager

CITY COUNCIL GOAL SETTING WORKSHOP

RECOMMENDATION(S)

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

LINKS/ATTACHMENTS:

1. Goal Setting Workshop Detailed Agenda
2. 1. Council Goal Setting Presentation 2020
3. 2. 2019 Accomplishments
4. 3. Exceptional Councils - Western City article
5. 4. How Effective City Councils Work Together
6. 5. Council Norms
7. 6. CP-97-01 Rules for the Conduct of City Council Meetings
8. 7. CP-96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
9. 8. CP-94-09 Proclamation Policy
10. 9. CP-03-02 Ex Parte Contacts
11. 10. Reso 6851 Mayor Authority to take City Position
12. 11. Complete Sustainable Morgan Hill 6-19-19
13. 12. Strategic Workplan 2019-2020
14. 13. Council Follow-up
15. 14. League of CA Cities Outline of SB 50 (Wiener) Housing Development Incentives
16. 15. 2020-1-23 SB 50 opposition unless amended final _
17. CAG Presentation
18. Supplement



City Council Goal Setting Workshop

January 24 & 25, 2020 9:00 AM – 5:00 PM

ATTACHED MATERIALS:

- 1) PowerPoint Presentation
- 2) 2019 Accomplishments
- 3) After the Campaign is Over: Aim for Exceptional
- 4) How Effective City Councils Work Together
- 5) City Council Norms
- 6) City Council Policy 97-01 Rules for the Conduct of City Council Meetings
- 7) City Council Policy 96-01 Placement of Items on the Agenda and Matters to be Reconsidered by the City Council
- 8) City Council Policy 94-09 Proclamation Policy
- 9) City Council Policy 03-02 Ex Parte Contacts
- 10) Reso No. 6851 Authority to Take Legislative Positions
- 11) 2019-2020 Sustainable Morgan Hill
- 12) 2019-2020 Strategic Priorities Workplan
- 13) City Council Follow-Up/Future Business Items
- 14) Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives
- 15) CA Cities Position Letter on SB 50

FRIDAY, JANUARY 24, 2020

Time	Topic	Presenter
8:30 AM-9:00 AM	1. Arrival and Breakfast	
9:00 AM-10:00 AM	2. Welcome	
	2.1 Pledge of Allegiance	Mayor Constantine
	2.2 Welcome	Mayor Constantine & Christina Turner
	2.3 Introductions	Mayor Constantine
	2.4 City Council Team Building Exercise	Christina Turner
	2.5 Purpose of Goal Setting Workshop, Preview Agenda and Format	Christina Turner
	2.6 Review of 2019 Accomplishments	Leadership Team
	2.7 Public Comment	Mayor Constantine

10:00 AM-12:00 PM **3. City Council Policies, Procedures, & Protocols**

3.1 Summary of Council Member Interviews	Shawn Spano
3.2 City Council Norms	Spano/Turner
3.3 City Council Policy Considerations	Spano/Turner
3.3a 97-01 Rules for the Conduct of City Council Meetings	Spano/Turner
3.3b 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the Council	Spano/Turner
3.3c 94-09 Proclamation Policy	Spano/Turner
3.3d 03-02 Ex Parte Contacts/Quasi-Judicial Hearings	Don Larkin
3.3e Reso No.6851 Authority to Take Legislative Positions	Harjot Sangha

1:00 PM-5:00 PM **4. Sustainable Morgan Hill**

4.1 Review of Sustainable Morgan Hill 2019-2020	Christina Turner
4.2 Review of 2019-2020 Strategic Priorities Workplan	
• Agricultural Preservation • Cannabis Policy • Community Engagement & Messaging • Economic Development • Financial Stewardship	• High Speed Rail • Homelessness • Housing • Infrastructure • Telecommunications • Traffic/Transportation
	Spano/Turner
4.3 Review of Council Follow-Up/Future Business Items	Christina Turner

SATURDAY, JANUARY 25, 2020

9:00 AM-10:30 AM **5. Fiscal Sustainability – Budget & Economic Development**

5.1 Budget Update	Christina Turner
5.2 Balancing Act	Harjot Sangha
5.3 Unfunded Liabilities and Needs	Christina Turner
5.4 Fire Standards of Coverage	Chief Jake Hess
5.5 Economic Development Update	Edith Ramirez

10:30 AM-12:00 PM **6. Engage Morgan Hill**

6.1 Community Advisory Group (CAG) Update	Maureen Tobin/CAG
6.2 Discussion Engaging Larger Community	CAG
6.3 CAG Recommendations	CAG

1:00 PM-4:30 PM **7. Other Topics, Time Permitting**

7.1 Agricultural Preservation	Chris Ghione
7.2 Housing - Regional Housing Needs Allocation (RHNA), SB 330 Implementation, Proposed SB 50	Leslie Little

4:30 PM-5:00 PM **8. Goal Setting Wrap-Up**

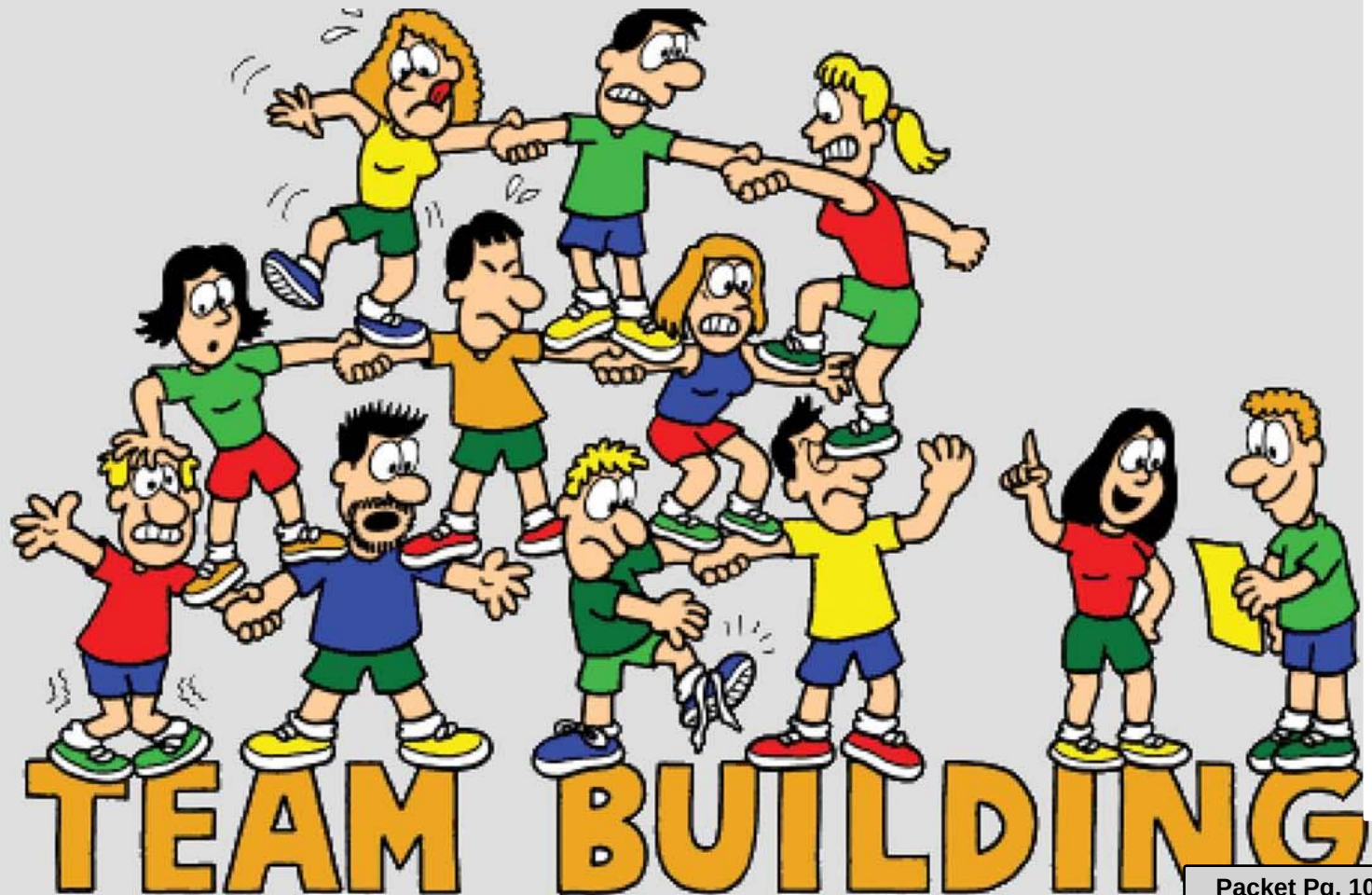
Mayor/Spano/Turner



2020 City Council Annual Goal Setting Workshop



City Council Team Building



Choose Morgan Hill!

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



Workshop Agenda

Friday, January 24th

- 2019 Accomplishments
- City Council Policies, Procedures, & Protocols
- Sustainable Morgan Hill and workplan

Saturday, January 25th

- Fiscal Sustainability – Budget & Economic Development
- Engage Morgan Hill Community Advisory Group

If time permits:

- Agricultural Preservation
- Housing

2019 Accomplishments



City of Morgan Hill, CA



Tips



Police



Crime Map



Crime

Summary of Council Member Interviews



City Council Norms



City Council Policy Considerations



City Council Policy Considerations

- 97-01 Rules for the Conduct of City Council Meetings
- 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the City Council
- 94-09 Proclamation Policy
- 03-02 Ex Parte Contacts
- Resolution No. 6851 Authority to Take Legislative Positions

Sustainable Morgan Hill 2019-2020



SUSTAINABLE MORGAN HILL

1.b



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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



Review of 2019-2020 Strategic Priorities Workplan



Strategic Priority: 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.

Strategic Priority: Cannabis Policy



1.b

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: High Speed Rail

1.b



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.

Strategic Priority: 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.

Strategic Priority: 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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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 and 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.

Council Follow-Up/Future Business



Questions?



Fiscal Sustainability

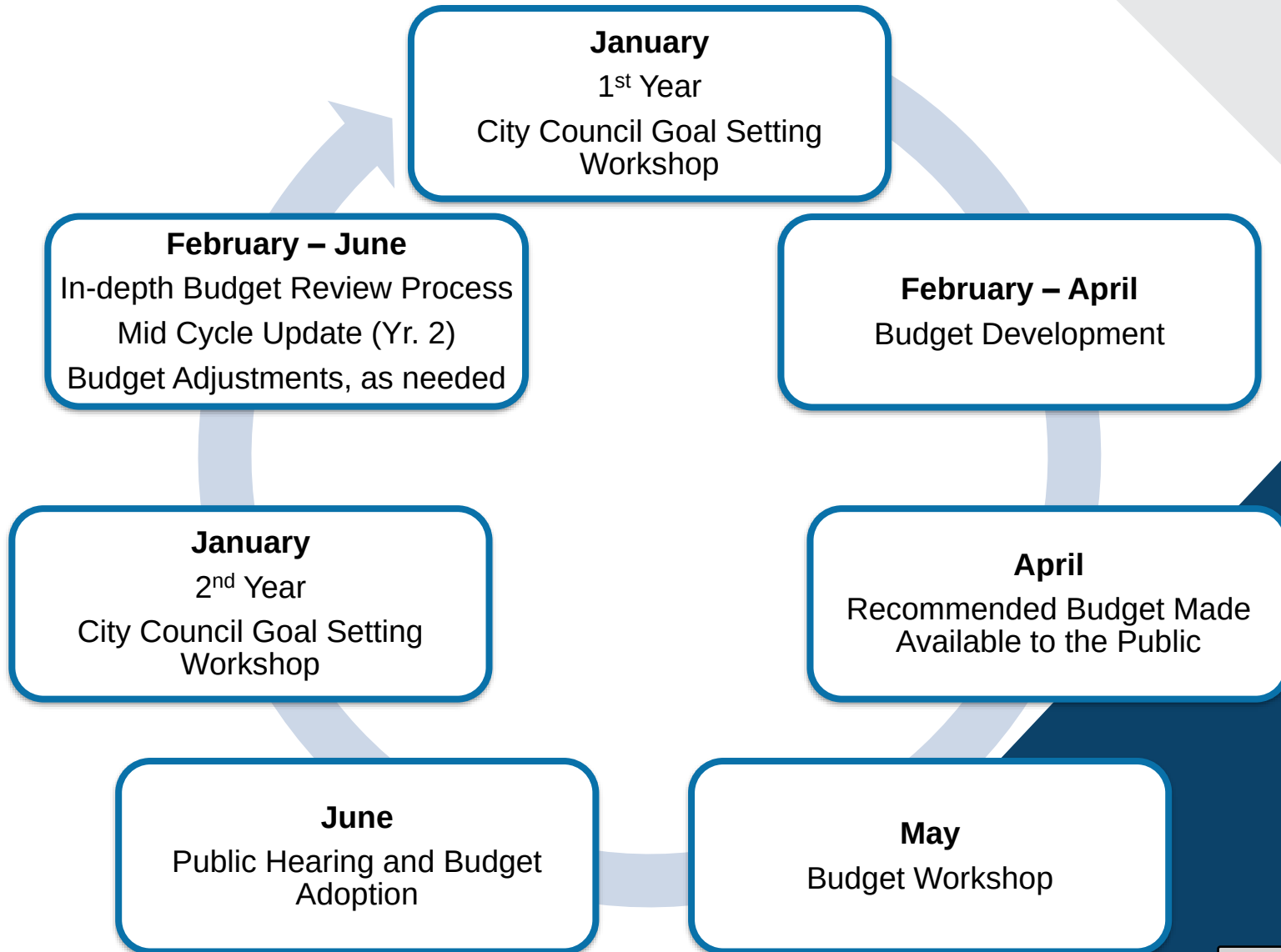
Budget & Economic Development Update

2 Year Budget Process

1.b



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

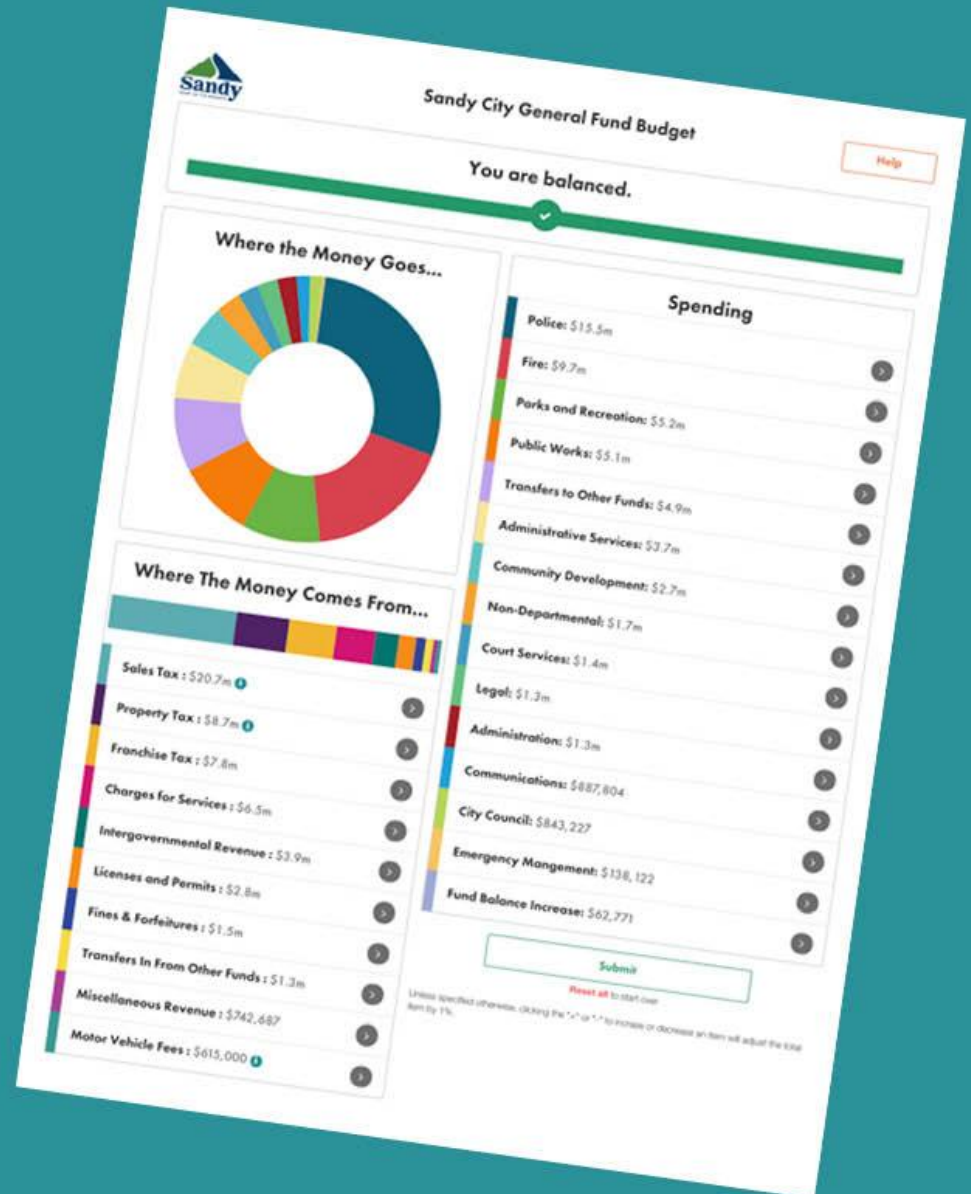


Budget Calendar

Key Dates:

Meeting	Dates
Community Engagement Budget Workshop	Saturday, March 21 st
Community Engagement Budget Workshop	Thursday, March 26 th
Recommended Budget Presented to Council	Wednesday, April 22 nd
Community Engagement Budget Workshop	Thursday, April 30 th
City Council Budget Workshop	Friday, May 15 th
Budget Public Hearing	Wednesday, June 17 th

Balancing Act



Budget Development Message

Provide high quality services for a low cost:

- Citywide staffing levels per capita lower today than 10 years ago
- Innovative partnerships
- Employee cost sharing for pension cost increases – reduced pension benefits for new employees
- Actively and successfully pursuing grants
- Economic development guided by the Economic Blueprint

Budget Development Message (con't)



1.b

Challenges Ahead:

- Increased Public Safety service levels
- Deferred maintenance of City facilities
- Loss of RDCS = loss of local control and funding
- Increased housing = increased demand for services

Budget Development Message (con't)

Revenue Strategies:

- Potential new taxes
- Continue to focus on Economic Development opportunities
- Continue to look for innovative approaches to providing services
- Review service levels and areas of service

Budget Development Message (con't)



1.b

Recommendations on what will not be considered this budget cycle:

- Layoffs
- Salary freezes
- Opening employee contracts
- Service level enhancements/new programs unless there is cost recovery or associated decreases to expenses

Budget Development Message

(con't)



1.b

What may be considered this budget cycle:

- Strategic hiring freeze before rehiring
- Staffing schedules and operating hours
- Additional strategic partnerships

Budget Update

General Fund Revenue Updates:

- **Sales Tax** - HdL's latest forecast, no significant change since mid-cycle
- **Property Tax** - based on County's latest forecast (November 2019)
 - Approx. \$900K increase (Additional ERAF and RDA Apportionment)
- **TOT** – reflects rate increase from 10% to 11%
 - Includes New Downtown hotel coming online FY 2020-21
 - Excludes 2 hotels until completion of the referendum

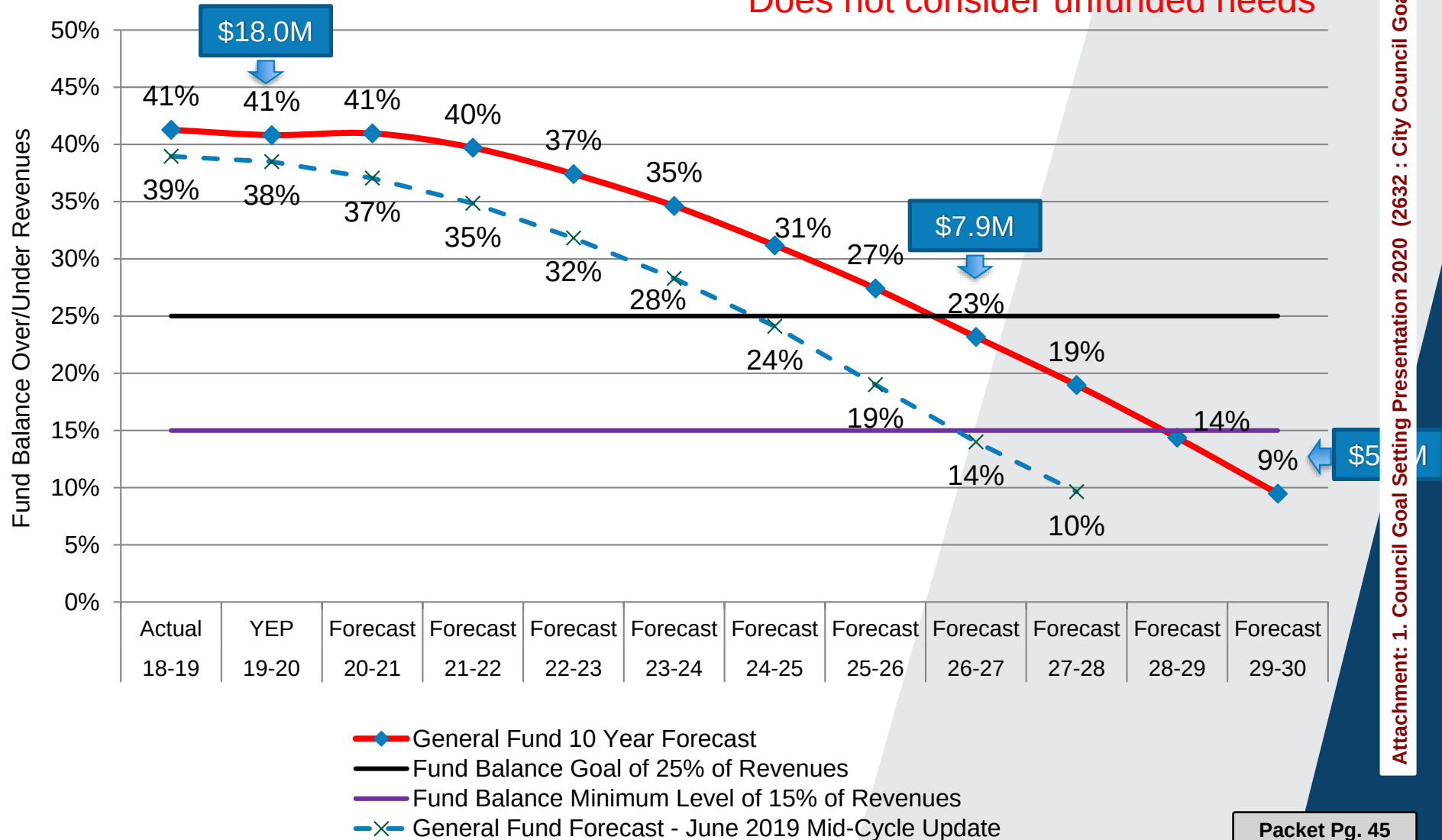
Budget Update (cont'd)

Strategic Use of General Fund Reserve/Budgetary Surplus

- Building Replacement Fund - increased by additional \$250K/yr
- Park maintenance - increased by additional \$150K/yr (from \$200K/yr to \$350K/yr)
- OPEB – One-time \$400K contribution
 - Plus, increased annual contribution by \$100K/yr (from \$300K/yr to \$400K/yr)
- Pension Trust – One-time \$400K contribution
- Outfitting of donated ambulance \$75K

General Fund Balance

Does not consider unfunded needs



Fiscal Sustainability

Unfunded Liabilities and Needs

Unfunded General Fund Needs

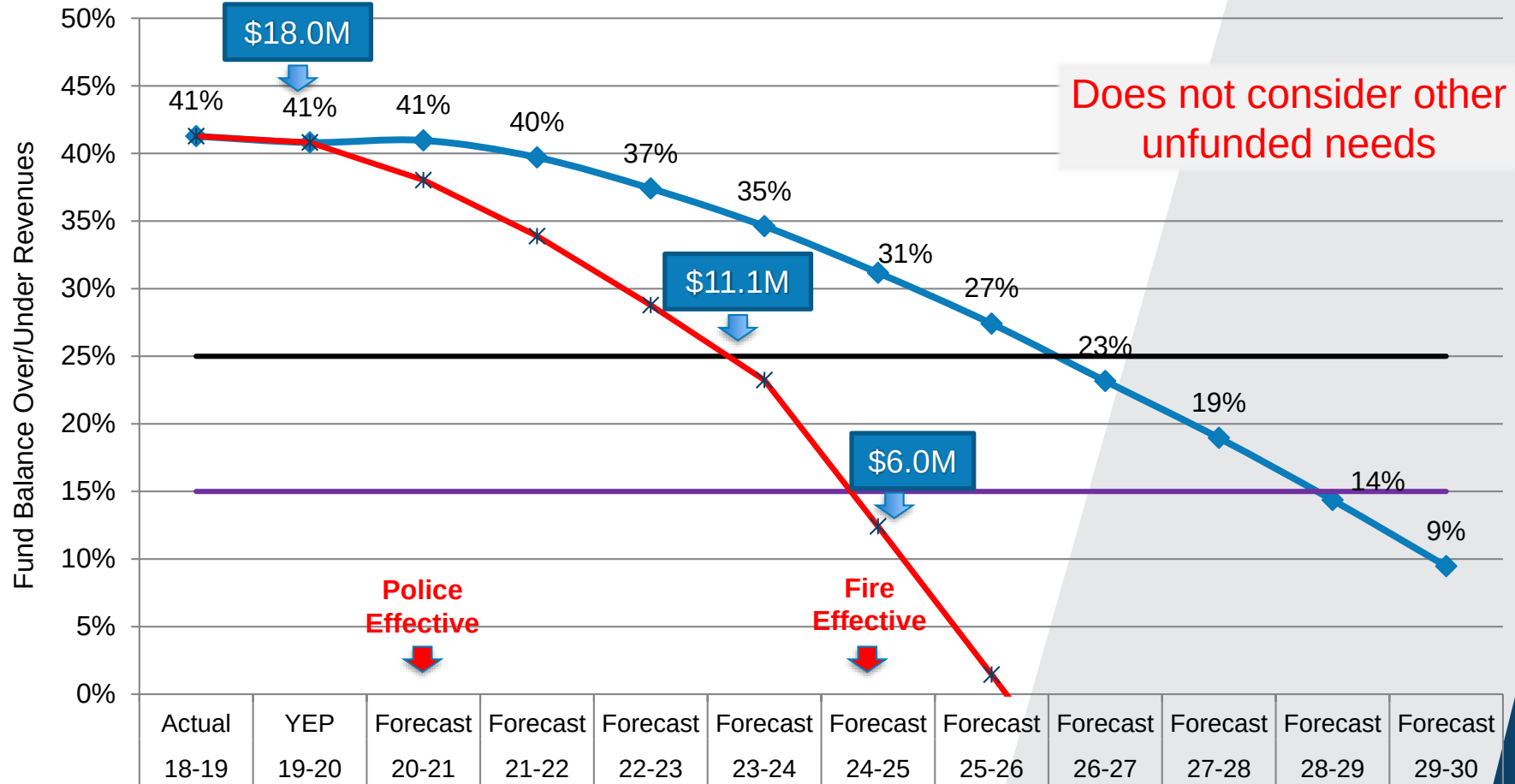
Total Annual Unfunded General Fund Needs = **\$7.3M**

- Police \$1.3M
- Fire \$2.3M
- Building Maintenance \$0.2M
- Pavement Rehabilitation \$2.3M
- Street Maintenance \$0.2M
- ~~Park Maintenance \$0.7M~~ ← Addressed via Quimby Fee
- NEW** • Operational loss due to RDCS Suspension \$1.0M

Unfunded Liabilities

- Total Unfunded Liabilities = **\$56.4M** Updated
(up from \$49.0M)
 - Public Employees Retirement System (PERS) - \$51.6M
 - Other Postemployment Benefits (OPEB) - \$4.8M
- General Fund Share = 67% or \$37.8M
- Current Funded Status
 - Misc. Plan = 71.6%
 - Safety Plan = 68.3%

General Fund Balance (With Public Safety Master Plan Only)



- ◆ General Fund 10 Year Forecast - Current
- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- * General Fund 10 Year Forecast - With Additional PD & Fire

Fire Standards of Coverage



Fire Service Background

- Early 1900's single station department
- 1970's 2 station department
- 1990's contracted with Santa Clara County Fire Department
- 2013 transitioned to a regional fire protection model with CAL FIRE

This includes a shared facility at the CAL FIRE/South Santa Clara County Fire Protection District headquarters and a crucial Regional Boundary Drop Agreement with the South County District and the City of Gilroy.

2014 Fire Service Study



1.b

Center of Public Safety Management study

- In 2014 City Council contracted with the Center of Public Safety Management to provide operational and administrative analysis of the city and surrounding Fire District
- In the report to Council in January 2017, CPSM provided 11 findings including the recommendation to conduct a "formal fire risk analysis"

Standards of Coverage Study

1.b



- November 2018 Council approved participation in a 3-agency study with Morgan Hill, Gilroy and the South County Fire District
- Study included a 3-year historical assessment of incident type, risk of incident type on the community and current resource deployment
- This study would also include evaluations for future fire station locations, personnel staffing models, and delivery methods

Highlights of the Study

Daily Staffing Capacity:

The consultant recommends that both Cities construct and staff an additional fire station as soon as fiscally feasible

First Due Response:

MH stations do not meet the intended 7:30 best practice goal for urban fire service response. 1200 calls per year are simultaneous calls in the City

Mutual Aid Isolation:

The best long-term solution is to use the cooperative service delivery model due to the fact that all three agencies rely heavily on each other for fire/EMS response. Geographically all three agencies are isolated from "outside" aid from San Jose, Pajaro Valley, Hollister, and Watsonville

Where are we now?

From 911 call to engine company arrival at scene.
(3-year study 2016 to 2018)

Dunne Hill Station:
9 mins 51 seconds

El Toro Station:
8 mins 31 seconds

Morgan Hill Station: (shared Engine 67)
9 mins 25 seconds

NOTE: 7 mins 30 seconds is the performance standard. Brain death generally occurs at 8 mins as well as fire propagation

Where do we need to be?

3rd Fire Station

- Building and staffing the 3rd station is the only way to handle the longer than desired travel times in Morgan Hill

Incremental Steps Towards Proper Staffing

- Staffing the truck with 3 additional personnel daily at El Toro Station
- or**
- Staff a 2-person Rescue/Squad at El Toro Station

Next Steps

Adopt Recommended Performance Objectives

- 7 min 30 secs for first due engine company (3 FF's)
- 11 min 30 secs for first alarm assignment (14 FF's)

Benefits to Adopting Performance Objectives

- We need to have a target in order to achieve a goal of providing excellent public safety
- Establishing performance objectives will ensure we do not decrease our level of service as the City grows

Economic Development Update

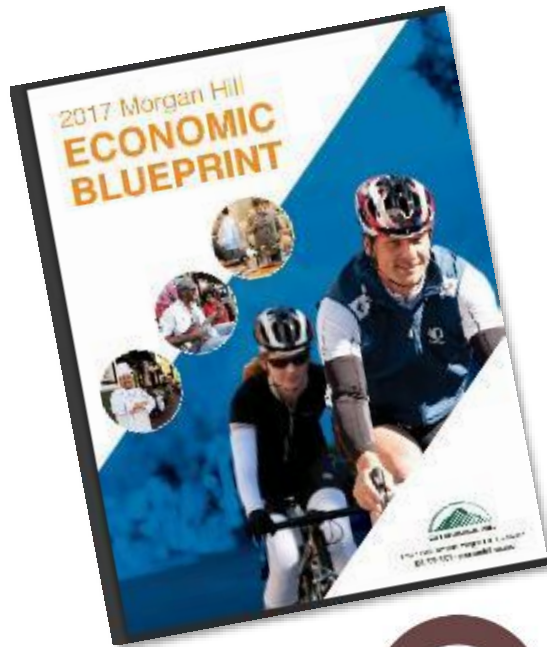
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Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

January

Packet Pg. 58



Economic Blueprint



Four Industry Areas

Innovation and Advanced Manufacturing
Grow existing companies, attract new industry and grow professional jobs.

Retail

Grow retail offerings and strengthen commercial nodes.

Tourism

Grow leisure, agriculture, wine country and recreational tourism.

Healthcare

Grow and foster the medical service and diagnostics industry by attracting services and facilities.

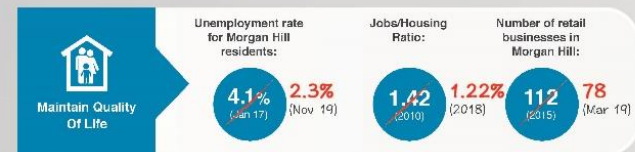
Economic Blueprint Indicators 2020 Update

- ✓ Increased sales, property and transient occupancy tax revenues
- ✓ Low unemployment industrial vacancy rates
- ✓ Limited growth on number of businesses, number of jobs in Morgan Hill, and business to business revenue
- ✓ High number of residents that commute to work

Economic Indicators

Updated
Jan 2020

The City will evaluate the success of the Economic Blueprint through different measures of success that are based upon the four economic pillars.



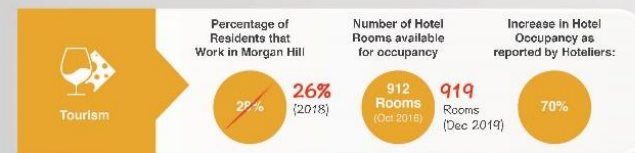
Source: State of California Employment Development Department, Census Bureau, ACS 2016



Sources: Santa Clara County Assessor's Office, State of California Board of Equalization, CoStar International



Sources: State of California Employment Development Department, CDTFA



Source: Individual Hoteliers

Applied Motion Products

(Madrone Pkwy)



48,000 SF of Office, R&D, Manufacturing & Assembly
Groundbreaking in February

Butterfield Technology Park

(Butterfield & Jarvi

1.b



- 600,000 SF Industrial Park with 383 Units of Residential
- Design & Grading Permits Submitted

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Carpenters Training Center

(Madrone Pkwy, North of Lightpost Way)

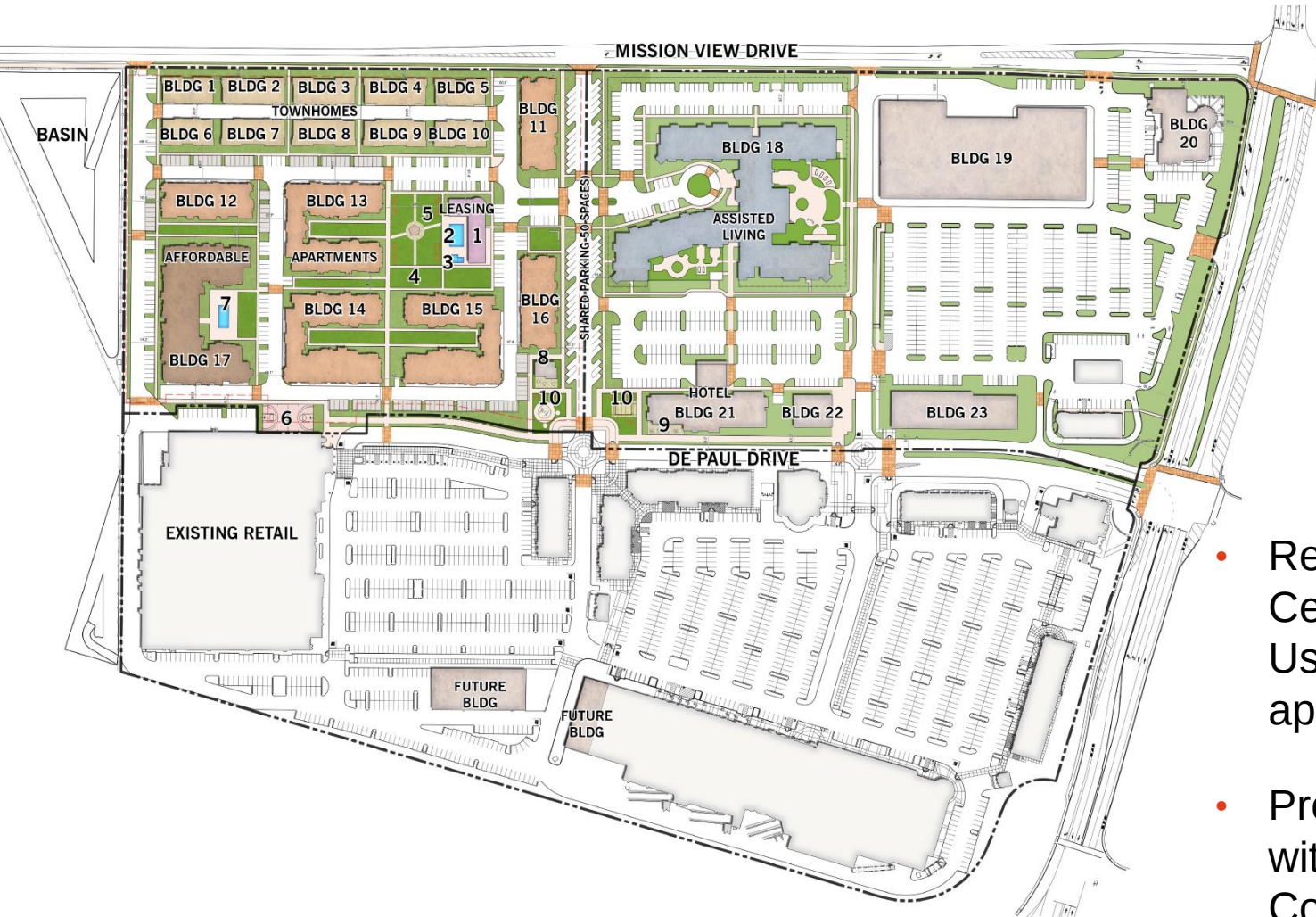
55,000 SF expansion

Building entitlements in process



Cochrane Commons Phase II

(Cochrane Rd. & Hwy 101)



- Repositioning Retail Center as Mixed-Use project with 26 apartments
- Preliminary review with Planning Commission in February 2020

Edes Building

(Second St. & Monterey Rd.)



Mixed-use project
with roof-top lounge

Entitled

Evergreen Village Shopping Center

(Cochrane Rd. & Butterfield Blvd)



20-acre commercial development Uses:
Hotel, Gas Station,
Grocery Store, Retail,
Skilled Nursing

Street improvements
underway

Project to be developed
in phases

Fairfield Inn & Home2 Suites

(Madrone & Woodview)



- 206 Hotel Rooms
- Entitlements Completed
- Voter Referendum Scheduled for March 2020



Golden State Assembly Expansion

(18220 Butterfield Blvd.)



40,000 SF Expansion

Manufacturing, Warehouse &
Distribution

Grading complete

Granada Hotel

(Monterey Rd & First Street)

- Construction underway
- Anticipated completion in 2021



Granary Expansion

(Depot Street)

5,000 SF Retail
Under Construction



Level 10 Construction

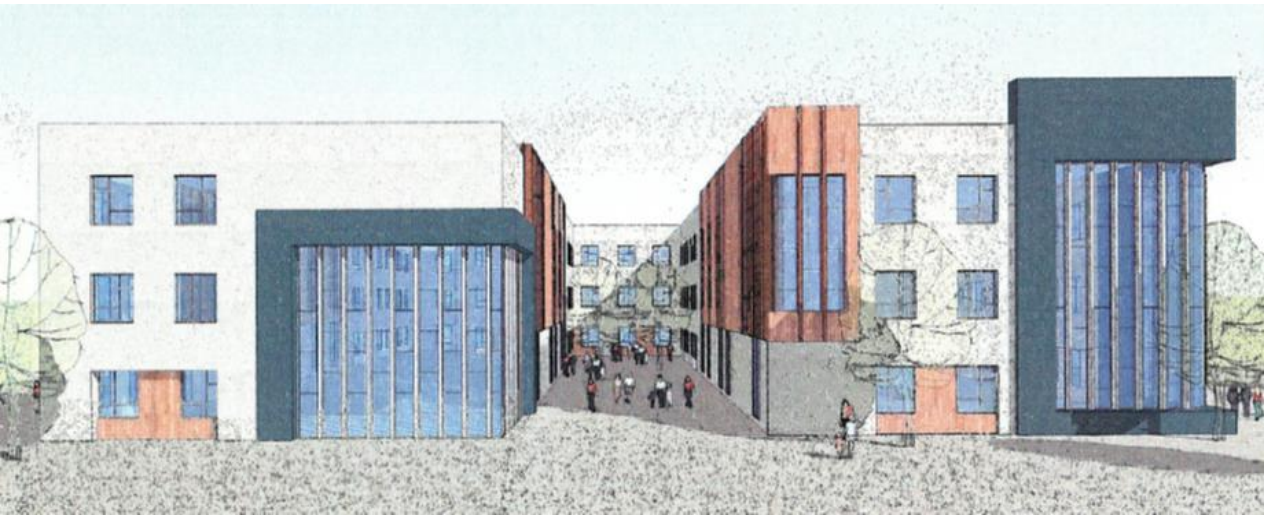
(Railroad & Barrett)

- 70,226 SF Construction office & yard
- Design Review underway



Lillian Commons

(Juan Hernandez & Barrett Ave)



Conceptual Mixed-Use Project for:

- ✓ 55-bed hospital
- ✓ 10,000 SF medical office
- ✓ 4,000 SF urgent care facility
- ✓ 10,000 SF retail space
- ✓ 200 multi-family units

General Plan & Zoning Amendments required

Preliminary Review with Planning Commission on January 28th

Lumber Yard-Latafa

(Depot Street)

46-Unit Mixed-Use Project
Construction to begin Fall 2020

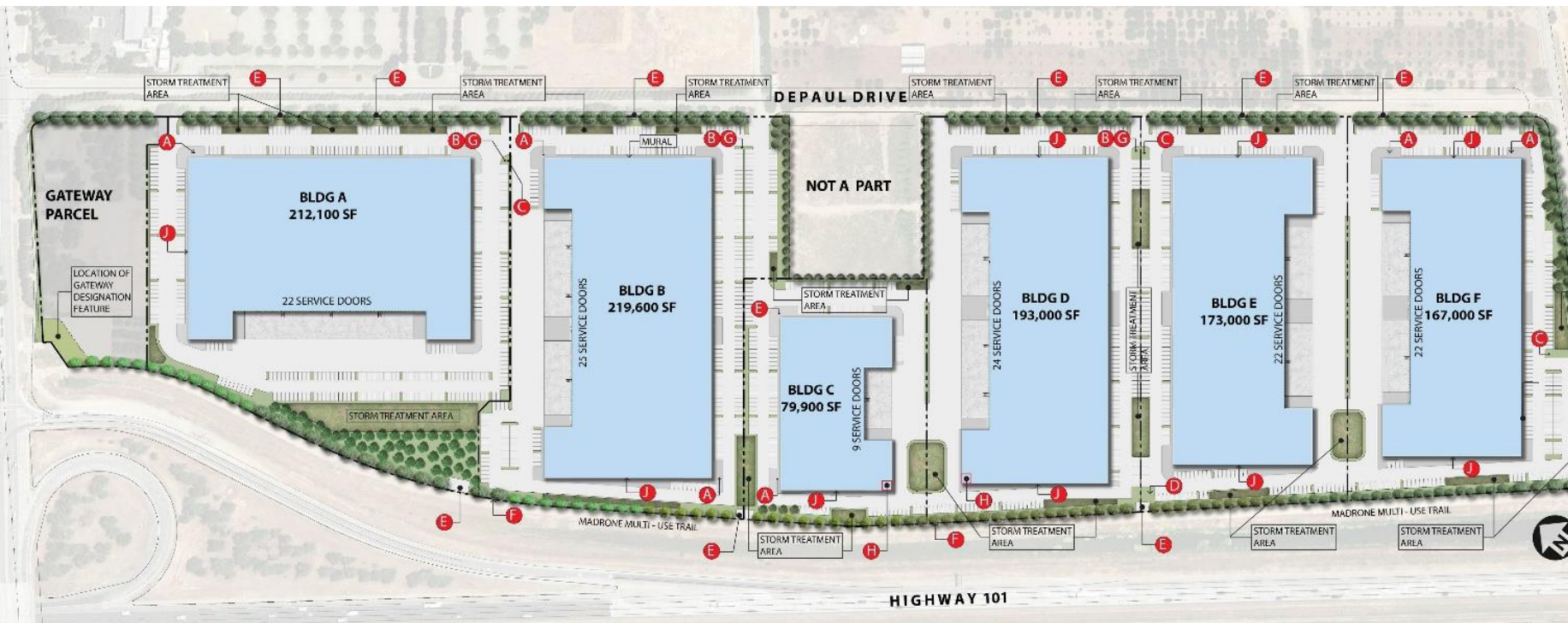


Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Morgan Hill Technology Park

(De Paul Dr. & Hwy 101)

- 1.1 MSF of Industrial Spec buildings with 3+ acres of commercial
- Environmental study underway



Shoe Palace Expansion

(745 Jarvis Dr.

503,000 SF Expansion

Office, Warehouse &
Distribution

Under Construction



Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Speculative Industrial Building

(Madrone Pkwy & Butterfield Blvd.)

1.b



- 31,000 SF Industrial Spec Building
- Building permit issued

Attachment: 1. Council Goal Setting Presentation 2020 (2632 : City Council Goal Setting

Techcon Corporation Expansion

(Monterey Road & Cochrane Road, Fronting Cochrane Circle)

- 40,399 SF R&D, manufacturing and office facility
- Design Review is underway





ENGAGE MORGAN HILL

A conversation about services, funding, and priorities.

www.EngageMorganHill.org

Engage Morgan Hill Topics

- Budget Basics
- Pensions
- Economic Development
- Recreation
- Infrastructure Replacement/Maintenance
- Traffic/Congestion
- State Housing Legislation
- Public Safety
- December – wrap up

Community Advisory Group Discussion



Agricultural Preservation



CITY OF MORGAN HILL

Agricultural Preservation

- Funding for direct City purchase of easements in the future is financially unrealistic due to the loss of RDCS.
- Potential transfer of development credit program and “stay ahead” provision are now no longer possible due to RDCS suspension.
- City staff will continue to engage County and our regional partners about opportunities for aligning strategies for agriculture preservation on borders of Morgan Hill.
- City is working directly with County and regional partners on City sports and recreation facilities related to City owned property adjacent to/or within the County.

Housing Update



Current Regional Housing

Current RHNA #'s (2014-2019) - HCD									Projection		
Income Level	RHNA # Allocated to MH	Permits Issued 2014/ 2015	Permits Issued 2016	Permits Issued 2017	Permits Issued 2018	Permits Issued 2019	Total	HCD % Met	HCD Remaining Allocation	Pipeline	Units Still needed
Very Low Income up to 50% AMI (includes ELI)	273	12	29	0	39	0	80	29%	193	98*	95*
Low Income 51% to 80% AMI	154	118	23	13	24	11	189	123%	0	66*	-101*
Moderate Income 81% to 120% AMI	185	107	6	9	263	14	399	216%	0	352**	-566**
Above Moderate Income/Market Rate more than 120% AMI	316	647	219	192	193	142	1393	441%	0	TBD	-1077
Total	928	884	277	214	519	167	2061	222%	193	516	95

* MWest included (78 VLI) * Beacon Included (20 VLI and 61 LI)

Non – Deed Restricted Moderate Units Included – NOT yet issued: (311 MWest, 8 Borello (ADU's), **Already Issued and Reported: 167 Evergreen, 83 Sunsweet 11 Borello, and 61 Diamond Creek

Housing Units In Pipeline

Year	Permits Issued or Expected to be Issued
2014/2015	884
2016	277
2017	214
2018	519
2019	167
2020	755
2021 - on	959

SB 330: City Preparedness

- Attended Realtors Association and Rotary meetings to discuss impact to City
- Prepared media campaign and press releases to discuss changes including placing full page ads in two local media resources
- Adopted Objective Design Criteria
- Re-Designed application and other permit forms
- Created Information sheets regarding changes and website instructions related to SB 330 and processing requirements

SB 330: City Preparedness (Con't)

- Established on-line application submission appointment system for use by Development Community
- Mailed informational letters to all architects, engineers and developers who regularly work in City or who have asked to be placed on DS mailing list
- Held team implementation meetings to discuss process changes
- Collaborated with Community Engagement program to share information on various social media sites
- Estimated housing permits in next 5 years 1500-2000

SB 50: Equitable Communities Incentive (ECI) Benefits

- Requires local governments to grant transit-rich and jobs-rich housing projects certain benefits and waivers of local development regulations based on their location.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)

County with a population that is greater than 600,000, the following incentives apply:

- Any transit-rich or jobs-rich housing project that meets the eligibility criteria above shall receive waivers from maximum controls on density and minimum automobile parking requirements greater than 0.5 parking spots per unit.
- A residential development that is located within one-half mile radius, but outside one-quarter mile radius, of a major transit stop shall also receive waivers from maximum height requirements less than 45 feet, maximum FAR requirements less than 2.5, and any minimum automobile parking requirements.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)

County with a population that is greater than 600,000, the following incentives apply (Con't):

- A residential development that is located within one-quarter mile radius of a major transit stop shall also receive waivers from maximum height requirements less than 55 feet, maximum FAR requirements less than 3.25, and any minimum automobile parking requirements.
- Must meet local inclusionary requirements

SB 50: Option for Local Flexibility Plan – Submit by July 2021

- Plan must increase feasible housing capacity of lower, moderate and above moderate income, considering costs of construction, affordable housing requirements, and local development fees
- Increase transportation efficiency as great or greater than if the local gov. were to grant an ECI

SB 50: Neighborhood Multifamily Projects

- SB 50 would also provide for a specified streamlined ministerial approval process of specified “neighborhood multifamily projects” that would either construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure. A neighborhood multifamily project must consist of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019

SB 50: Community Plan for Sensitive Communities

- Very small part of MH eligible by ABAG/MTC determination. No big housing opportunity sites envisioned without GP/Zoning amendment

SB 50: Community Plan for Sensitive Communities (Con't)

Senate Bill SB 50 Policy Map (DRAFT Updated 5/8/19)



City of San Jose, County of Santa Clara, County of Santa Cruz, Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA

Other Bills to Watch

- AB 1484 (Grayson) Mitigation Fee Act
– 2-year bill
 - Shell bill intended to set standards for Impact Fees and other development related City infrastructure costs
 - Numerous changes proposed could significantly limit how local governments impose fees to mitigate the impact of housing development
 - Broad support from Builders and Housing Advocates

Other Bills to Watch (Con't)

- AB 1356 (Ting) Retail Commercial Cannabis Activity – 2-year
 - Requires Cities where more than 50% of voters voted in favor of Prop 64, to permit and issue a minimum number of licenses authorizing retail cannabis activity
 - 1 retail cannabis license for every 4 liquor licenses or one per every 10,000 residents

Other Bills to Watch (Con't)

- AB 1907 (Santiago) Homeless and Affordable Housing CEQA Exemptions
 - Exempts Homeless Shelters and Affordable housing projects from CEQA review
 - Affordable Housing to 80% AMI and below
 - Expands bill that was approved and impacted the City of Los Angeles only, in 2019.

Goal Setting Wrap-Up





ACCOMPLISHMENTS 2019

ADMINISTRATIVE SERVICES

Council Services and Records Management

- Implemented an online appointment system for passport services.
- Completed the second phase of the City's records retention schedule update.

Finance/Budget/Utility Billing

- Completed mid-cycle budget review and adjustments.
- Revised City's purchasing policy to ensure compliance with Federal regulations.
- Completed wastewater rate study update.
- Completed Development impact fee study update.
- Researched and evaluated potential revenue measure options.
- Successfully implemented the increased Transient Occupancy Tax (TOT) and Tourism Business Improvement District Assessment with hotel operators.
- Reinstated City's Cafeteria Plan.
- Procedural improvements in EOC finance section to make financial operations resilient during emergencies.
- Continued to promote paperless billing and electronic payment enrollment. Over 64% of Citywide accounts are now enrolled online, of which, 64% are enrolled in paperless statements and 53% are now enrolled in autopay.
- Continued to promote the City's WaterSmart feature, allowing customers to monitor their water consumption in near real time.

Geographic Information Services (GIS)

- The City's first strategic plan for GIS was completed, the new GIS system architecture was built, and the replacement for MHMaps application is 75% complete- all are part of the GIS Services project contract.
- The first amendment to GIS Services agreement was put in place for fourteen additional tasks that are possible with our new GIS infrastructure.
- Testing and development environments were added to GIS system architecture.
- Extended desktop GIS licensing to 11 additional users, doubling the number from the original 12.
- Participated in County consortium to acquire aerial imagery and LiDAR for the City over the next three years.
- Produced maps needed to show which utilities were designated by PG&E for power shutoff during PSPS events.
- Produced poster map of affordable apartments showing additional locations of interest from new GIS layers such as mobile home parks, houses of worship, and non-profits.
- Produced maps for City grant application to CalFire for funding of a Wildfire Risk Mitigation Plan.

Human Resources

- Completed 15 recruitments for regular, benefitted positions since January 1, 2019 and onboarded 16 new teammates.
- Completed Harassment Prevention and Diversity Inclusiveness Training to City Teammates and certified three City teammates to conduct training on the topic of "Creating a Respectful Workplace: Harassment Prevention and Inclusiveness."



ACCOMPLISHMENTS 2019

Human Resources (continued)

- Partnered with Innovative Claim Solutions and Safety Committee to update the Workers Compensation process and packet.
- Partnered with Concern Employee Assistance Program (EAP) to provide workshops to teammates on personal and professional growth and health and wellness.
- Partnered with the City's Work On Wellness committee promoting health and wellness, encouraging fitness and healthy living through various activities.

CITY ATTORNEY

- Prepared the flavored tobacco and vaping prohibitions adopted by Council in December.
- Successfully prosecuted a hotel owner for failure to comply with TOT requirements.
- Successfully defended the Zoning Ordinance against a challenge that it did not conform to the General Plan.
- Successfully defended the City Council's adopted ballot language for the hotel referendum.
- Obtained favorable settlement in tort litigation matters.

CITY MANAGER

- Participated in regular meetings with County of Santa Clara, MHUSD, Santa Clara Valley Transportation Agency (VTA), Chamber of Commerce, Emergency Operational Area Council, Gilroy, and South County Regional Wastewater Authority (SCRWA).
- Served as the President/Chair of the Santa Clara County/Cities Managers Association
- Periodically spoke at League of California Conferences and Academies.
- Facilitated Council discussion on cannabis policy.
- Performed a refresh of the City's website.
- Continued to represent Morgan Hill's interests as they relate to High Speed Rail.
- Engaged City Council and the community through Engage Morgan Hill efforts and the Community Advisory Group to educate and strategize on fiscal sustainability.
- Conducted polling to measure support for March 2020 revenue measure.
- Updated Teammate vehicle use policy.
- Participating in the Countywide EMS 2022 Vision Group to represent the Morgan Hill and South County interest for ambulance services.
- Continued to address City's unfunded Other Post-Employment Benefits (OPEB) liability by making one-time contributions to irrevocable trust.
- Participated in the planning of the 2020 Census Count.

COMMUNITY SERVICES

Recreation

- Recreation Division obtained 91% cost recovery for Fiscal Year 2018/19.
- The Aquatics Center had another safe and successful summer season with over 59,000 visitors.
- The Centennial Recreation Center Group Exercise Studio expansion kicked off.



ACCOMPLISHMENTS 2019

Recreation (continued)

- 4TH annual Summer Fun in the Park events were held at Galvan Park.
- Sold out Father Daughter Dance and new Mother Son event both held at CCC.
- Get Fit Family Fun Run was brought back in October 2019.

Environmental

- Successfully presented the Reach Code (electrification ordinance) to the City Council for adoption.
- Coordinated the planting of over 200 new trees.
- Permanently preserved 40 acres of agricultural lands adjacent to Morgan Hill.

Maintenance

- Completed the 2019 Sidewalk Repair Project, repairing 81 locations and 4,336 square feet of sidewalk, reducing trip hazards throughout the City.
- Completed the Trail Asphalt Sealing Project for the Paradise Trails, Wildlife Trail, and Butterfield Linear Park.
- Successfully responded to 2019 storms, reducing flooding issues across the City.
- Supported weed and brush abatement on City owned properties, limiting fire risk.
- Completed several projects to ensure the maintenance of City facilities including: Playhouse curtain replacement, Aquatics Center Water Slides resurfacing, Railroad Park play surfacing recoating and the Library Tot Lot Shade Structure addition.

DEVELOPMENT SERVICES

Building

- All Inspectors are now Certified Combination Inspectors in both Residential and Commercial category. Typically this takes 4 years, by obtaining 2 individual certifications per year. In order to achieve this status within a year, the team achieved 10 individual certifications and 23 hours of testing all in one year. Each inspector spent many hours of studying on their own.
- Issued 1,710 permits.
- Performed 9,473 inspections.
- Issued 167 new residential permits.
- Completed the 3-year code cycle update and adopted the 2019 Building Codes.
- Converted to a paperless filing system for permits and plans.

Code Compliance

- Opened 334 code compliance cases in 2019.
- Closed 314 cases.

Economic Development

- Update to Convenience Store Ordinance which now sets separate definitions for convenience markets and liquor stores. It eliminates the 300-square-foot sales area limit as well as the 1,000-foot separation between convenience stores. This ordinance will give convenience stores more freedom to expand and reinvest in their facilities.



ACCOMPLISHMENTS 2019

Economic Development (continued)

- Developed a new Vaping Ordinance - bans all sales of E-cigarettes and products associated with E-cigarettes within the City's limit. The City's ordinance adds to existing local efforts to combat youth smoking, such as the tobacco retailers licensing program and ongoing enforcement operations.
- In May 2019, Morgan Hill hosted the largest men's cycling event in the U.S., the Amgen Tour of California, for the second year in a row. The team collaborated with local partners to celebrate the race and bike week with a Movie Night, a Friday Night Ride, and a Kids Bike Rodeo. The City secured a financial contribution from Visit Morgan Hill which saved the City over \$25,000.
- Planned and executed the first annual Choose Morgan Hill Speaker Series. Five discussions were focused on the business sectors that drive the Morgan Hill economy: economic development overview, retail, innovation & manufacturing, tourism, and healthcare. Each speaker series event had experts and industry leaders that shared their thoughts on successes, challenges, and opportunities facing their sector.
- Provided Business Assistance to small and large businesses by working with several existing and new companies to address City regulations, workforce development, ADA regulations and other issues. Businesses included: SunBasket, A-Jays, Kettle Cuisine, My Pizza, Yoga One, Toni's Kitchen, Digital Storm, Lawson's Bakery, and Chevron Gas Station.
- Provided Development Assistance to attract new commercial and industrial developments that resulted in multiple new projects that are through various stages of entitlements and construction, including: Carpenters Training Union, Applied Motion Products, Shoe Palace Expansion, Granary Expansion, Level 10, Golden State Assembly Expansion, Techcon, Evergreen Village, Madrone Spec Building, Hotels on Madrone, Butterfield Technology Park, Morgan Hill Technology Park, and Lillian Commons.
- Updated the City's Wireless Ordinance to address a recent ruling by the Federal Communications Commission (FCC) requiring the City to identify Small Cell Design Standards for public right-of-way by April 15, 2019. The new ordinance supports the City's desire to increase broadband opportunities in the City and meets the FCC Order for streamlining the permitting for wireless antennas within 60 days of application for existing poles and 90 days for new poles.
- Launched a new Tourism Based Improvement District (TBID) - collaborated with hotels and community stakeholders to create a TBID which is expected to generate approximately \$400,000 annually for the promotions of the area as a tourism destination. The team is actively supporting the new Visit Morgan Hill Board that began a Strategic Planning process and funded the Tourism Symposium with over 100 attendees at Rosewood Cordevalle.

Housing/Homelessness

- Issued 12 BMR permits, issued 13 ADU permits, finalized 8 BMR's, and finalized 15 ADU's.
- Homeless Safe Park – serves 30 people per night, meals, case management.
- Began leasing of 39 UHC units in December 2019 to homeless individuals and families.
- Collaboration with Beacon Senior Affordable Housing Development (75 units) and First Community Housing (50 Homeless family units) to identify sites and begin discussion of 100% affordable housing.
- Partnered with County and Abode to outreach to homeless.
- Partnered with Rebuilding Together to help 30 households (seniors and low-income residents) with home repairs.



ACCOMPLISHMENTS 2019

Housing/Homelessness (continued)

- Participated in the Santa Clara County Regional Assessment of Fair Housing Draft Goals and Strategies to promote residential racial and ethnic integration and reduce displacement by increasing the supply of affordable housing in both high opportunity areas, areas with ongoing displacement, and areas that are at risk of displacement.
- Received an “A-” from the Mercury News and East Bay Times/Southern California News Group journalists for our Regional Housing Needs Allocation (RHNA) production goals.
- Partnered with Catholic Charities Shared Housing Program to match people with available rooms with renters in South County.

Land Development Engineering

- Successfully passed 5-year audit by the Federal Emergency Management Agency (FEMA) of the City’s implementation of floodplain management activities as a participant in the National Flood Insurance Program’s Community Rating System (CRS).
- Mailed out Citywide a new version of the annual Flood Report as part of the City Floodplain Management Program’s community outreach on flood risk reduction.
- Began bi-weekly coordination meetings with the Engineering & Utilities Department to enhance the engineering review and processing of development applications.
- Began full implementation of the annual Spring inspection and testing of private, on-site stormwater treatment facilities for over 40 developed sites (residential subdivisions and commercial developments), as required by the State Water Resources Control Board.
- Participated in the regular meetings of the Santa Clara County Community Rating System (CRS) Users Group, the South County Stormwater Coordination Committee, and the Valley Transportation Authority’s Level-of-Service (LOS) to Vehicle-Miles-Traveled (VMT) Ad Hoc Working Group.
- Processed 2 Final Map and Subdivision Improvement Agreement approvals, 1 Parcel Map and Improvement Plan approval, and acceptances for 6 completed Tract improvements.
- Reviewed 43 Architectural & Site Review applications, 5 Use Permit applications, 4 General Plan Amendments, 10 Tentative Maps, 11 Zoning Amendments, 409 Building Permit applications (257 residential, 105 commercial and 47 plot plans), 30 Grading & Site Development Permit applications, 2 Lot Line Adjustments and 8 RDCS applications. There was about a 50% increase in reviews of Architectural & Site Review applications, Tentative Maps, and Building Permit applications over 2018.

Planning

- Completed all preparation for implementation of SB330 prior to January 1, 2020. This included creating objective criteria based on the RDCS manual to ensure continued excellent design of housing projects regardless of new state law.
- Instituted an online appointment system to assist with public counter activity.
- Submitted SB2 grant for \$160,000 for a form-based code along Monterey.
- Completed all required ordinance changes to implement AB68 (ADUs) prior to January 1, 2020.
- Submitted a request for an expansion of the Downtown Priority Development Area to include an extension along Monterey Road to the north and south.



ACCOMPLISHMENTS 2019

ENGINEERING and UTILITIES

Engineering

- Successfully awarded and began construction on the Centennial Recreation Center Expansion Project and the Library Addition Project.
- Completed the 2019 Paving Project including repaving and sealing on Butterfield Boulevard, Cochrane Road, Depot Street, the Jackson Meadows neighborhood, and the northern end of Monterey Road.
- Completed right of way acquisition for the Hale Avenue Extension Project.
- Processed 94 Encroachment Permits and 120 Oversized/Overweight Permits in 2019.
- Completed the 4th Street Garage top floor security fencing.
- Completed the first of many significant sewer system infiltration and inflow repair projects.

Utilities

- Successfully planned for and implemented actions that maintained water and wastewater service for Morgan Hill residents through the Public Safety Power Shut Offs.
- Completed the purchase and deployment of a new Hydroexcavator, increasing both efficiency and safety for underground work in the Utilities Division.
- Implemented improvements to Corporation Yard Timecard System.
- Completed rebuilds on the Main and Diana Wells.
- Implemented the Corporation Yard Leadership Training Series: Adapting to Change, Difficult Conversations, and Leadership.

FIRE

- Completed a three-department Fire Study and Standards of Coverage for Morgan Hill in cooperation with South Santa Clara County Fire and Gilroy Fire.
- Accepted and outfitted a donated ambulance for critical transportation needs.
- Acquired and outfitted a Fire reserve engine.
- Supported development and participated in full scale Emergency Operations Center drills simulating a Public Safety Power Shut-off event within the City.
- Conducted Fire Prevention Week campaign, including poster contest with the elementary schools and participation in the October Home Depot Kids' Craft Day.
- Brought Team Rubicon in to assist three landowners with fuels reduction work within the City. This venture required support and cooperation from CERT and the Morgan Hill Bible Church.
- Continued coordination between PG&E and City to reduce wildfire risks and ensure local preparedness for a blackout event.
- Installed vehicle exhaust removal systems and new fire alarms at local fire stations, using \$157,000 in FEMA grant funding to complete these improvements to workplace health and safety.
- Taught Hands-Only CPR to 368 people at Mushroom Mardi Gras.



ACCOMPLISHMENTS 2019

POLICE

- Implemented Text to 911 with funding from Office of Emergency Services.
- Participated in County-wide P25 Radio Migration that increased communication reliability and officer safety.
- Installation of CrimeView crime dashboard.
- Creation of bilingual PD App for enhanced reporting and community engagement.
- Hired/promoted 18 personnel – to include Sergeant, Corporals, Officers, Public Safety Dispatchers, Multi-Service Officers, Animal Service Officer, and Graffiti Abatement Officer
- Assigned second SRO for Tobacco/Vaping prevention, funded by state grant.
- Developed Public Safety Power Shutoff advance planning and training scenario prior to actual incident.
- Participated in successful Gun Buy Back with nearly 500 firearms recovered.

Information Technology

- Worked collaboratively with Economic Development to release highspeed connectivity RFP to connect City facilities and potentially business parks and residents.
- Partnered with Public Works teammates to release a bid for fiber connectivity between the CRC and the Corp Yard as well as the future inclusive playground.
- Built an enterprise database solution that hosted the new GIS enterprise solution.
- Set a new strategic direction for IT that focuses on consolidation of IT infrastructure and the modernization of the tools that we provide our teammates.
- Achieved a significant reduction in the backlog of Helpdesk tickets.

Executive Director's Message by Carolyn Coleman

CITY HALL

After the Campaign Is Over:**Aim for
Exceptional**

The 2018 midterm election cycle was one of the most divisive, polarizing and competitive election cycles in recent U.S. history. And Election Day came on the heels of an extraordinarily contentious battle over filling a Supreme Court seat — a clash that left some wondering if democracy had reached a new low.

The November ballot in California included 11 statewide ballot initiatives, with proponents and opponents of those measures contributing over \$368 million to win. In addition to voting on ballot measures, California voters elected Assembly and Senate members, a new governor, lieutenant governor, treasurer, controller and superintendent of public instruction, among others. Golden State voters also re-elected Sen. Dianne Feinstein (D-Calif.) for a sixth term and sent 53 returning and newly elected members to the U.S. House of Representatives, where Democrats captured the majority.

Election Day also saw significant action at the local level, where hundreds of Californians ran for local government offices, including city council, mayor, sheriff and more. Besides electing local leaders, California voters weighed in on 386 local tax and bond measures and approved over 300 to support local public services and facilities for police, fire, housing, parks, transportation and schools.

**Campaigns and
Sharp Contrasts**

Campaigns and elections, at their core, often accentuate what divides us. They are designed to set a given candidate or issue apart from another. In a campaign, candidates strive to present their positions on policy issues or problems as sharply contrasting with those of their opponents. It's all part of the effort to persuade voters and win their votes.

At the municipal level, this can take on a highly personal tone, as local officials regularly find themselves campaigning against an opponent who is also their neighbor or fellow council member. He or she may shop at the same grocery store as you, may attend the same place of worship and visit the same commercial establishments and local farmers markets. Your children may even attend the same school. In other words, your opponent is often no stranger.

**Moving From Campaigning
to Collaborating**

However, after the campaign is over, the final ballots have been counted (which may take several weeks) and the oaths of office taken, your constituents — those who voted for you and those who may not have — expect their officials to faithfully and impartially perform and discharge the duties of their office according

continued

to the law and the best of their ability, as the oath of office requires. These duties include collaborating with council colleagues (and sometimes former opponents) and others in City Hall to:

- Protect the public's safety;
- Improve the quality of life by effectively delivering essential community services;
- Grow the local economy;
- Create jobs;
- Be a responsible steward of public resources; and more.

Campaigns may highlight our differences; however, after every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance and carry out the duties that voters expect them to fulfill. This transition is a hallmark of a functioning democracy. And presumably that is why, according to a 2018 Pew Research report, two-thirds (67 percent) of Americans surveyed had a favorable opinion of their local government, compared with only one-third (35 percent) who viewed the federal government favorably.

When writing this column, I thought about my time serving as director of the Department of Metropolitan Development for Indianapolis and later as deputy mayor under former Mayor Bart Peterson. In a partisan election system, Peterson was the first Democratic mayor elected since 1967 and would share governing with a 29-member city-county council led by a Republican majority.

Peterson wasted no time transitioning from candidate to mayor of the nation's then-12th largest city. He turned his attention to carrying out his campaign promises, which included improving the delivery of services to all neighborhoods. This soon became the focus of my role in the administration. Like Peterson, I quickly realized there were no Republican or Democratic potholes, just dangerous potholes that constituents expected the city to repair.

Immediately after the election, the mayor began visiting diverse neighborhoods throughout the city to meet with residents,



some of whom had voted for him and others who had not, to understand their priorities and what they needed from their local government. While not every neighborhood leader agreed with his priorities, they were included in the decisionmaking process regardless of how they had voted. Peterson was also inclusive in his outreach and collaboration with all city-county council members — four who were elected at large and 25 who were elected in districts; some were Republicans and others were Democrats.

Although local government races in California are nonpartisan, it can still be challenging to put aside the competitive mindset after the election is over and work together as a cohesive team to do what's best for the community.

The Qualities of Exceptional Councils

As we move beyond the 2018 midterm election cycle, I believe the public will continue to look favorably on local government and a functioning local democracy if newly elected and re-elected mayors and council members embrace the following attributes of exceptional councils.

Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city. The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strate-

gically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

Exceptional councils have clear roles and responsibilities that are understood and adhered to. Exceptional councils understand their role is to serve as policy-makers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.



Exceptional councils treat each other and staff with dignity and respect.

After every election, thousands of elected city officials make the transition beyond divisive campaign rhetoric to effective governance.

CITY HALL

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decisionmaking.

Exceptional councils honor the relationship with staff and each other. Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the

operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

Exceptional councils routinely conduct effective meetings. Open and public meetings are central to democratic decisionmaking. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
- Spend time planning and organizing the agenda with the aim of having a focused meeting;
- Allocate the council's time and energy appropriately, focused on its role and responsibilities and on meeting short- and long-term priorities; and
- Honor the public's participation and engagement.

Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decisionmaking, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

Exceptional councils hold themselves and the city accountable. They operate openly and ethically and work to engage residents in myriad decisions affecting the community's prosperity and well-being.

Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness. They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.

Exceptional councils have members who practice continual personal learning and professional development. Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.

This material is drawn from resources provided by the Institute for Local Government. For more information on effective governance, visit www.ca-ilg.org/effective-governance.

Focusing on What Unites Us

Leading in a post-election environment can be challenging, but our democracy depends on it. As the League's executive director, I am inspired every day by the efforts of city managers, council members, mayors and city staff to bridge what divides us and to focus instead on the ties that unite us as individuals and communities. ■

**Morgan Hill City Council Goal-Setting Workshop:
How Effective City Councils Work Together
January 24 – 25, 2020**

Council-to-Council Norms

The facilitator, Shawn Spano, developed the following norms for effective City Council relations based on his experience facilitating numerous Council goal-setting and teambuilding workshops over the past several years.

- 1. Build Good Relationships:** Create trust, demonstrate respect, and engage in open and honest dialogue with each other.
- 2. Seek Understanding:** Make efforts to understand each other's concerns, issues, interests, and perspectives.
- 3. Manage Differences:** Address disagreements and differences constructively; concentrate on issues, not personalities; engage in problem solving together.
- 4. Find Common Ground:** Seek areas of agreement; identify shared interests, values, and positions.
- 5. Commit to Decisions:** Move forward without animosity after decisions are made and votes taken; avoid undermining the decision or denigrating Council colleagues.
- 6. Be Candid:** Provide each other with constructive feedback and suggestions in supportive and non-threatening ways (e.g. off line conversations).
- 7. Use Council Meeting Time Wisely:** Move efficiently toward decisions on non-controversial items when it is apparent that there is broad Council support. Facilitate a sharing of perspectives and dialogue among Council Members on complex or controversial items for which there is a range of views to be explored. Avoid long speeches.

Qualities of Exceptional Councils

The following qualities of exceptional councils were identified by Carolyn Coleman, Executive Director for the League of California Cities, in an article published in the *Western City* (January 2019).

- 1. Exceptional councils develop a sense of team — a partnership with the city manager to govern and manage the city.** The mayor, council members and city manager see themselves as a team in a joint endeavor as they undertake a series of tasks to achieve their common purpose. The individual team members work in a coordinated and collaborative

manner with a high degree of respect, trust and openness. The team values diversity in styles and perspectives, and it thinks and acts strategically as it examines issues and situations and decides on a course of action serving the city's mission and goals.

- 2. Exceptional councils have clear roles and responsibilities that are understood and adhered to.** Exceptional councils understand their role is to serve as policymakers — to represent the community's values, beliefs and priorities while serving in its best interest. They carry out a variety of responsibilities, including:

- Developing and adopting a vision for the city;
- Focusing and aligning plans, policies, agreements and budgets to advance this vision; and
- Holding themselves and the city manager accountable for results.

Exceptional councils understand that the city manager is responsible for the city's day-to-day operations and for undertaking and accomplishing the council's policy objectives. The exceptional council recognizes the subject matter expertise of staff and uses that knowledge and experience to guide and inform decision-making.

- 3. Exceptional councils honor the relationship with staff and each other.** Such councils understand that a good working relationship with staff is vital for the city to be run successfully. Exceptional councils treat each other and staff with dignity and respect. They act with civility and a high level of professional decorum. Council members build trust by not playing the "gotcha game" and strive to take a "no secrets, no surprises" approach as the operating norm. Finally, they respect the diversity of styles and perspectives among their colleagues and staff and are open to new ideas.

- 4. Exceptional councils routinely conduct effective meetings.** Open and public meetings are central to democratic decision-making. Exceptional councils master the art of effective meetings. They:

- Develop and adhere to meeting protocols and processes;
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- Such meetings generally start on time and are held during reasonable hours.

Exceptional councils use public meetings not only for their intended purpose, information sharing and decision-making, but also as an opportunity to demonstrate respect and civility for each other, staff and the public. The council members review the necessary materials and prepare ahead of the meeting. They stay focused on the city's goals and objectives and remain mindful of their role and responsibilities.

- 5. Exceptional councils hold themselves and the city accountable.** They operate openly and ethically and work to engage residents in myriad decisions affecting the community's

prosperity and well-being. Toward that end, exceptional councils consistently provide short- and long-term strategic direction and goals as well as budget, program and policy oversight.

6. **Exceptional councils hold themselves accountable for their conduct, behavior and effectiveness.** They establish clear priorities and goals and hold the city manager accountable for results. And finally, they embrace accountability as a process and tool to calibrate ongoing efforts to address and meet policy and program objectives.
7. **Exceptional councils have members who practice continual personal learning and professional development.** Governance is not intuitive. In addition, the policy and economic environments impacting cities are ever changing. Exceptional councils continually find ways to build their knowledge and skills, enhance their understanding of key issues, increase their awareness of best practices and sharpen their leadership and governance skills.



City Council Norms

Established January 26, 2019

- ❖ Be respectful of each other
- ❖ Address issue, not person
- ❖ Be honest and real
- ❖ “Clear air” if needed; have hard discussions
- ❖ Listen to each other
- ❖ Be aware of how we represent the City as leaders in the community
- ❖ Be accurate in statements
- ❖ Be open minded; avoid concluding on your position prior to an item being heard
- ❖ Recognize that experience comes in diverse ways
- ❖ Be mindful of time
- ❖ Keep decorum of meeting throughout
- ❖ No side conversations
- ❖ Come prepared
- ❖ Give enough time to discuss issues
- ❖ Ok to ask City Council to continue an item if not ready
- ❖ Don't be repetitive on requests and comments
- ❖ Wait to be recognized before speaking
- ❖ Keep the order of meetings (questions, public comment, and then discussion)
- ❖ Provide early notice of request for alternates to attend outside appointment meetings
- ❖ Speak into the microphone
- ❖ Cell phones silenced
- ❖ Be punctual
- ❖ Send questions in advance of meeting; let City Manager know if you plan to pull a consent item
- ❖ Be engaged
- ❖ Be concise

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-97-01

SUBJECT: RULES FOR THE CONDUCT OF CITY COUNCIL MEETINGS

EFFECTIVE DATE: May 7, 1997

REVISED DATE(S): June 21, 1998, April 1, 1998, April 26, 2000, November 7, 2001, October 16, 2002, June 27, 2007, July 25, 2018

ORIGINATING DEPARTMENT: CITY MANAGER

SECTION 1 - SCOPE

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

SECTION 2 - MEETINGS

- 2.1** Open to Public: All meetings of the City Council, whether regular or special, shall be open to the public, unless a closed session is scheduled as authorized by law.
- 2.2** Regular Meetings: The City Council shall conduct its regular meetings at the time and place established by ordinance, if specified in the ordinance or resolution. Regular meetings shall not continue beyond 11:00 p.m. unless extended by a majority vote of the City Council pursuant to Section 5.3 of this policy.
- 2.3** Special Meetings/Workshops: A special meeting and/or workshop may be called at any time by the Mayor or Presiding Officer of the City Council or by three members of the City Council. Written notice of any such meeting must specify the purpose of the meeting. Notice of the meeting must be made in accordance with the law.
- 2.4** Closed Sessions: The City Council may hold closed sessions during a regular or special meeting, or at any time authorized by law, to consider or hear any matter which is authorized by law.
- 2.5** Quorum: Three (3) members of the City Council shall constitute a quorum and shall be sufficient to transact business. If less than three Council members appear at a regular meeting, the Mayor, Mayor Pro Tempore in the absence of the Mayor, any member of the City Council, or in the absence of all Council members, the City Clerk or Deputy City Clerk shall adjourn the meeting to a stated day and hour.
- 2.6** Adjourned Meetings: The City Council may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment and permitted by law.

SECTION 3 - POSTING NOTICE AND AGENDA

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

SECTION 4 - AGENDA CONTENTS

- 4.1 Description of Matters: All items of business to be discussed at a meeting of the City Council shall be briefly described on the agenda. The description of the item and the proposed action to be considered should be set forth as clearly as practical so that members of the public will know the nature of the action under review and consideration.
- 4.2 Availability of the Agenda to the Public: The agenda for any regular or special meeting shall be made available to the public as soon as is practical after delivery to the members of the City Council.
- 4.3 Limitation to Act on Only Items on the Agenda: No action shall be taken by the City Council on any item not on the posted agenda, subject only to the exceptions listed below:
 - a. Upon a majority determination that an "emergency situation" (as defined by State Law) exists; and
 - b. Upon a determination by a 4/5 vote of the City Council that there is a need to take immediate action and that the need to take the action came to the attention of City officials subsequent to posting of the agenda.

SECTION 5. ORDER OF BUSINESS

- 5.1 The order of business at meetings of the City Council shall be as follows:
 - a. CALL TO ORDER
 - b. ROLL CALL ATTENDANCE
 - c. DECLARATION OF POSTING AGENDA

- d. WORKSHOP (5:00-6:00 p.m., or as deemed appropriate)
- e. CLOSED SESSION (6:00-7:00 p.m., or as deemed appropriate)

Closed Sessions of the City Council can only be held for matters specifically authorized by law. At times, Closed Sessions may have to be held in an order different than presented due to the timeliness of the matter, to save the City money when an outside attorney has been retained or due to the need for extra time to discuss and deliberate an important closed session item. Closed session items may be continued to the conclusion of the agenda.

- f. SILENT INVOCATION
- g. PLEDGE OF ALLEGIANCE
- h. CITY COUNCIL REPORTS

These are updates on activities of individual members of the Council and are non-action items.

- i. CITY MANAGER'S REPORT

These are updates on current City activities, reports on issues raised at previous Council meetings, or recognitions. These are non-action items.

- j. CITY ATTORNEY'S REPORT

These are updates on reportable actions of the City Council in Closed Sessions and/or current litigation.

- k. OTHER REPORTS
- l. PROCLAMATIONS
- m. RECOGNITIONS
- n. PRESENTATIONS
- o. PUBLIC COMMENT

This item refers to those matters not scheduled on the agenda where a member of the public wants to address a matter of importance to the City Council. Since the matter is not on the agenda, no action by Council can be taken. If a member of Council so desires, the matter can be placed on the agenda of a future Council meeting for review and consideration.

- p. ADOPTION OF AGENDA

q. CONSENT CALENDAR

These are items of a routine or generally uncontested nature. Any member of the Council or member of the public may request to have an item pulled from the Consent Calendar and acted on individually by the Council. Items pulled will be discussed after action is taken on the balance of the Consent Calendar and before moving on to public hearings.

r. PUBLIC HEARINGS

These are matters that are duly noticed and published in a newspaper of general circulation and where required by law, written notice is given to the affected residents who have the opportunity to speak in favor or against a matter or ask questions about the matter.

s. OTHER BUSINESS

These are other matters of City business which are not appropriately placed on the consent calendar and do not require published notices and require Council action and direction.

t. CLOSED SESSION

Continued closed session for matters not concluded earlier in the evening.

u. FUTURE COUNCIL INITIATED AGENDA ITEMS

These are items which members of the City Council wish to have placed on future agendas.

v. ADJOURNMENT

5.2 Change in Order of Business: The Mayor or Presiding Officer may decide to take matters listed on the agenda out of the prescribed order unless a majority of members present object to this variation.

5.3 Review Status of Agenda at 11:00 p.m.: If, at 11:00 p.m., the City Council has not concluded its business, it shall review the status of the agenda and determine by majority vote whether to extend the meeting beyond 11:00 p.m., continue any remaining items, or adjourn the meeting to another date and time.

SECTION 6. PUBLIC COMMENT

6.1 Public Comment: Persons present at meetings of the City Council may comment on individual items on the agenda at the time the items are scheduled to be heard. In addition, comments may be offered on items not on the agenda under that portion of the agenda.

- 6.2** Limitations: The public comment period may be 3 minutes for items on the agenda or items not listed on the agenda. Speakers are called in the order the speakers cards are submitted. Project applicants or appellants will be allowed more than the designated 3 minutes in accordance with City Council Policy 03-01. Consistent with this policy, the Mayor or Presiding Officer may recall an applicant or appellant to address questions after the public comment is heard. In addition, applicants will be given time at the end of the public hearing to address any questions or comments. The Mayor or Presiding Officer may allow speakers more time and/or allow speakers to concede a portion of their time to a designated speaker of a group unless a majority of the City Council objects. Speakers that wish to designate a group speaker shall notify the City Clerk before discussion on the item begins.
- 6.3** Procedure: To address the City Council, each speaker is requested to fill out a Speaker Card and turn it in to the City Clerk before discussion on the agenda item begins. The speaker is requested to provide their name and contact information and the subject, or subjects upon which the speaker wishes to address the City Council. Speakers who do not wish to provide their name should provide an alternative designation so that they can be recognized by the City Clerk.

SECTION 7. PROCEDURES FOR THE CONDUCT OF MEETINGS

7.1 Role of the Mayor/Presiding Officer:

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

d. Communication with Members of the Public Addressing the Council

1. The Mayor or Presiding Officer shall open the floor for public testimony as appropriate.
2. Council Members may question a person addressing the Council at the conclusion of the person's comments or upon expiration of the person's time to speak. Such questions should be directed to the person through the Presiding Officer unless the Presiding Officer grants the Council Member permission to directly question the person.
3. Staff members, through the City Manager, shall be a resource to the City Council to answer questions arising during discussions between Council Members and between Council Members and members of the public. Communications in this regard shall be through the Presiding Officer.
4. Members of the public shall direct their questions and comments through the Presiding Officer.

7.2 Rules of Order: The City Council adopts no specific rules of order except those listed herein. The City Council shall refer to The Standard Code of Parliamentary Procedure by Alice Sturgis (McGraw Hill) as a guide for the conduct of meetings. The Sturgis guideline regarding not requiring seconds for governmental bodies' motions, resolutions or ordinances is not adopted as the rule in the City. The Mayor or Presiding Officer has the discretion to impose reasonable rules at any particular meeting based upon facts and circumstances found at any particular meeting. These latter rules will be followed unless objected to by a majority of the City Council members present.

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

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

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

7.5 Debate:

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

Debate is regulated by these rules in order to assure every member a reasonable and equal opportunity to be heard.

- b. Obtaining the Floor for Debate:

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

- c. Speaking More Than Once:

To encourage the full participation of all members of the Council, no member or members shall be permitted to monopolize the discussion of the question. If a Council member has already spoken and other members wish to speak, the latter members should be recognized in preference to the member who has already spoken. However, if no other members seek recognition, the Mayor or Presiding Officer may recognize the member who has already spoken.

- d. Relevancy of Debate:

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

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

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

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

e. Mayor's Duties During Debate:

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

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

SECTION 8. DECORUM

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

SECTION 9. VIOLATIONS OF PROCEDURES

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

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

APPROVED:



STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP-96-01

SUBJECT: PLACEMENT OF ITEMS ON THE AGENDA AND
MATTERS TO BE RECONSIDERED BY THE CITY
COUNCIL

EFFECTIVE DATE: July 17, 1996

REVISED DATE: June 27, 2007; July 25, 2018

ORIGINATING DEPT: City Manager

1. Members of the City Council and City Manager may place items on the agenda.
2. Reconsideration – Under City Council Policy 97-01, a matter may be reconsidered by the City Council if a member on the prevailing side of the vote requests reconsideration. Such a motion may be made at a meeting where such action is taken or at a subsequent meeting of the Council.
3. Items raised by the public during public comment may be referred to a future City Council agenda for formal action. In accordance with State law, matters not scheduled on the agenda cannot be acted upon by the City Council, but a member of Council may request consideration of the item at a future meeting.
4. Members of the City Council may identify items to be added to future agendas at the end of each Council meeting under the section titled, "Future Council Initiated Agenda Items." Before beginning substantive work on an item raised under Future Council Initiated Agenda Items, staff will evaluate the staff-time involved and bring a report back to the City Council. A majority of the City Council must decide to move forward with the item, if the item will require more than two hours of staff time.

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

APPROVED:


STEVE TATE, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

SUBJECT: PROCLAMATION POLICY

CP 94-09

DATE: JUNE 15, 1994, REVIEWED 6/27/07

Procedures for proclamations to be presented at a City Council meeting:

- A. The subject is relevant to the citizens of Morgan Hill.
- B. The person or group is a member of the City of Morgan Hill community.
- C. The requesting group will have a representative at the City Council meeting to receive the proclamation from the Mayor or Mayor Pro Tem.
- D. Requests shall be received 10 days prior to meeting.

Procedures for proclamations requested without presentation at a City Council meeting:

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor only.
- C. Proclamation will be mailed.
- D. Requests shall be received 10 days prior to requested receipt.

Procedures for proclamations requested by the Mayor or City Council Member to be personally presented at an event.

- A. The request will be granted unless it is a religious or political issue.
- B. Proclamation will be signed by the Mayor.
- C. Proclamation will be presented by Mayor/Council Member.

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

APPROVED:


JOE R. MARTUCCI, MAYOR

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP 03-02

SUBJECT: Ex Parte Contacts

EFFECTIVE DATE: November 5, 2003, REVIEWED JULY 18, 2007

ORIGINATING DEPARTMENTS: City Attorney

INTRODUCTION:

In addition to its legislative functions, the City Council, or its subordinate boards and commissions, may be called upon to act in a quasi-judicial capacity. "Quasi-judicial" means proceedings in which a property interest is at stake, and the body is charged with applying legal standards to a specific factual situation. Common quasi-judicial proceedings in the City include issuance of discretionary land use permits, rent control hearings, and appeals of all kinds.

In quasi-judicial proceedings, due process principles apply. Due process requires that participants be afforded a meaningful opportunity to prepare and be heard before an impartial decision maker, and that the decision be made on the record before the decision maker. Receipt of information outside the quasi-adjudicative hearing may deprive participants of due process, as the decision-maker may be basing his or her decision on evidence outside of the administrative record, and/or not be impartial. In order to ensure due process, the Council hereby adopts the following rules.

POLICY:

Council members, or members of any appropriate subordinate body, may discuss with any member of the public or listen to discussion of the facts of any quasi-judicial matter while such matter is pending before the City or such subordinate body, if the following guidelines are followed. (Matters involving permits are pending before a city agency, board or commission when an application for a permit has been filed with the appropriate City department; otherwise a matter is pending when the appropriate notice of appeal has been filed.)

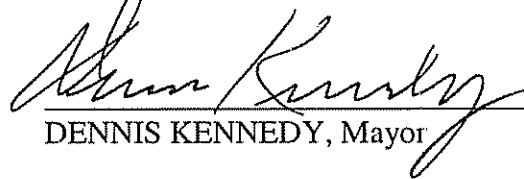
1. The fact of such discussions, and any content of such discussion which is germane to the pending matter, should be disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

2. Council members may attend noticed public hearings before subordinate boards and commissions but should not comment or engage in any discussion at such hearings. Information and evidence gained by Council members via their attendance at noticed public hearings before subordinate boards and commissions need not be disclosed at later Council consideration of the same or related matter.

3. Council members and appropriate members of subordinate bodies may visit sites and properties that are subject of pending proceedings, as long as the fact of such visits and any observations which are germane to the subject matter of the proceeding are disclosed on the record at the beginning of the public hearing prior to the taking of any statements from the public or permit applicants.

This policy is meant to augment, not supplant, any other legal obligations Council members or members of subordinate boards and commissions have regarding such contacts, including but not limited to disclosure of conflicts of interest under the Political Reform Act, Government Code section 81000 *et seq.*, and/or adherence to open meeting laws such as the Ralph M. Brown Act, Government Code section 54950 *et seq.*

APPROVED:



DENNIS KENNEDY, Mayor

RESOLUTION NO. 6851

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AUTHORIZING THE MAYOR OR CITY MANAGER TO PREPARE, EXECUTE AND TRANSMIT COMMUNICATIONS INDICATING A POSITION ON PROPOSED STATE LEGISLATION ON CERTAIN MATTERS THAT MAY HAVE IMPACTS UPON THE CITY IN CERTAIN CIRCUMSTANCES AND DIRECTING A REPORT BACK TO CITY COUNCIL ON ANY SUCH COMMUNICATIONS TRANSMITTED

WHEREAS, the City of Morgan Hill, a municipal corporation and general law city duly organized and existing under and pursuant to the Constitution and laws of the State of California ("City"), is authorized to indicate City's position on proposed legislation of the State of California and is sometimes requested to so indicate City's position on such legislation for the benefit of the City; and

WHEREAS, the reasons supporting the adoption of this Resolution are set forth in detail in that certain City Council Staff Report entitled "City Position on Pending State Legislation" submitted for City Council consideration at its meeting of April 16, 2014, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the consideration by City Council of the adoption of this Resolution has been duly noticed pursuant to applicable laws and has been placed upon the City Council Meeting Agenda on the date set forth in the Staff Report, or to such date that the City Council may have continued or deferred consideration of this Resolution, and on such date the City Council conducted a duly noticed public meeting at which meeting the City Council provided members of the public an opportunity to comment and be heard and considered any and all testimony and other evidence provided in connection with the adoption of this Resolution; and

WHEREAS, the activities allowed under this Resolution do not constitute a project under the provisions of California Environmental Quality Act of 1970; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council prefers, whenever possible, that determinations on whether to take a position on pending State legislation be brought before

the City Council as a whole for consideration and action. However, the City Council recognizes that occasional, limited situations arise where communications indicating support or opposition on pending State legislation that could be important to City are requested from cities within timeframes that have deadlines occurring prior to the next scheduled meeting of the City Council as a whole at which the City Council could consider and determine City's position on such pending legislation. For these reasons, the City Council does further resolve, order and/or direct as follows:

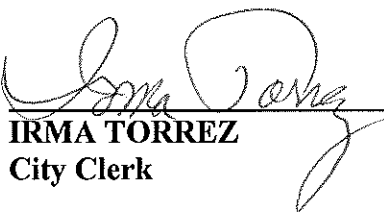
- a. That the Mayor and/or the City Manager is delegated authority to and is authorized to prepare, execute and transmit written or verbal communications indicating a City position on proposed pending State legislation that may have impacts upon City when all of the following criteria are met:
 - i. The League of California Cities, or a successor or similar organization, has requested City comment or position on a piece of pending State legislation or the City has otherwise become aware of such pending State legislation; and
 - ii. A public hearing and an opportunity for City to comment or take a position upon such pending State legislation is occurring in a timeframe and with a deadline to comment or express a position that occurs prior to the next scheduled meeting of the City Council at which the City Council could consider and determine City's comment or position on such pending State legislation; and
 - iii. The pending State legislation clearly supports or clearly hinders the implementation or fulfillment of an adopted City Council Priority, Goal or Strategy in a substantial manner such that it is in the best interests of City to indicate its comment or position on such pending State legislation.
- b. That the Mayor and/or City Manager is hereby directed to provide a written report to the City Council for the Council's comment and acceptance at the City Council's next possible meeting whenever the Mayor or City Manager prepares, executes and transmits a communication indicating a comment or position on pending State legislation pursuant to the authority delegated under this Resolution, which report shall include a copy of such pending State legislation and the comment or position transmitted.

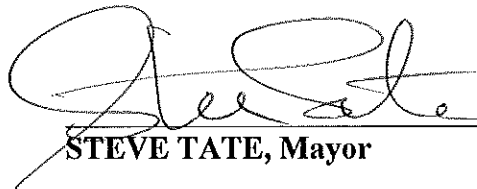
Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 16th day of April, 2014 by the following vote:

AYES: **COUNCIL MEMBERS:** Rich Constantine, Marilyn Librers, Gordon Siebert, Steve Tate
NOES: **COUNCIL MEMBERS:** None
ABSTAIN: **COUNCIL MEMBERS:** None
ABSENT: **COUNCIL MEMBERS:** Larry Carr

ATTEST:


IRMA TORREZ
City Clerk

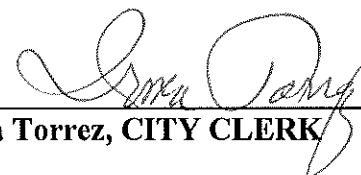

STEVE TATE, Mayor

∞ 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. 6851, adopted by the City Council at the meeting held on April 16, 2014.

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

DATE: 4/21/2014


Irma Torrez, CITY CLERK

SUSTAINABLE MORGAN HILL



VISION

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

Choose Morgan Hill

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment
- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
- Preserving and Cultivating Public Trust
- Preserving our Community History
- Enhancing Diversity and Inclusiveness
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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



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 Policy

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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

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 (CONTINUED):

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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.



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 and 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.



morganhill.ca.gov

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agricultural Preservation											
1	Update Agricultural Lands Preservation Program	Community Services & Development Services	City Staff are working to: a) finalize the acquisition of Fountain Oaks Ranch and Maple Ave sites, b) finalize decision regarding potential conversion of ball field site to agricultural easements, c) amend ag preservation ordinance/removal of stay ahead provision, and d) continue discussions with County and Open Space partners regarding opportunities for grants and potential funding sources.								
Cannabis Policy											
2	Complete all necessary steps to tax out-of-town cannabis deliveries	Finance	Working with sales tax and business license Consultant and contacting businesses to bring them into compliance.								
Community Engagement and Messaging											
3	Develop and implement extensive community engagement strategy related to the City's infrastructure and public safety needs, continuing to explore funding possibilities	Communications & Engagement	Engage Morgan Hill - A community conversation regarding services, funding, and priorities launched in May 2019. The Engage Morgan Hill Community Advisory Group (CAG) met monthly from June through December 2019 and learned about essential services the City provides. CAG is now working to make informed recommendations to the City Council about how to move forward for a sustainable future.								
4	Police Special Operations will present Parent Project classes	Police Special Operations	A mini Parent Project will take place in February 2020 at Park Place. Student Resource Officers will be attending Parent Project training at the end of January and aim to offer classes in Spring 2020.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5	Develop a partnership with security camera owners for emergency and investigative purposes	Police Dispatch Services	Will have access to MHUSD cameras and public camera registry and access by Q3 FY 2019-20. MOUs routed and technological development from service providers given.								
Economic Development											
6	Develop a Retail Concentration strategy	Economic Development	A Retail Capacity Study was completed as part of the Monterey Corridor Flex-Use Zoning. The Study identified viable retail properties along Monterey Corridor. Staff is working with Strategic Economics on an analysis of all commercial properties in the City and will develop recommendations on where to prioritize retail within the City.								
7	Develop a Form-Based Code and Specific Plan	Development Services	New State Housing eliminates the City's ability to require commercial along the corridor. A Specific Plan would allow the City to influence the type of development that happens along the Monterey Corridor. Staff expects to bring forward this discussion as part of future budget considerations.								
8	Develop a Freeway Signage program	Economic Development	Initial analysis was completed for properties along the freeway to identify recommendation how to develop a unified freeway signage program. Final policy recommendations need to be completed and presented to the Planning Commission.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED ONGOING

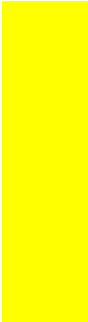


	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
9	Implement Economic Blueprint and new Zoning Code outreach and advertising campaign	Economic Development	Zoning Code Update completed. The City has completed a marketing and advertisement contract with the Silicon Valley Business Journal highlighting the 4 key industries from the Economic Blueprint. City staff is working with Hearst Media on a targeted electronic campaign.								
10	Implement Economic Development Speaker Series	Economic Development	First Annual Speaker Series was completed in Fall 2019. Five discussions took place focused on economic development, retail, innovation & manufacturing, tourism and healthcare. Each speaker series event had experts and industry leaders that shared their thoughts on successes, challenges, and opportunities facing their sector.								
11	Adopt an Industrial Land Preservation strategy	Economic Development	Staff is working with Strategic Economics to analyze the industrial and commercial lands inventory. Staff is reviewing initial findings and anticipates to complete policy recommendations by Spring 2020. A Priority Production Area application has been completed and aligns with the City's goals for Industrial Land Preservation.								
12	Establish next steps on Property Based Improvement District (PBID)	Economic Development	Staff will analyze the cost impact to the City and will perform a cost-benefit analysis on the establishment of the PBID.								
Financial Stewardship											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED      ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
13	Continue the City tradition of developing a prudent and balanced budget with effective long-term financial planning	Finance	Council adopted the FY2018-19 and FY2019-20 Operating and CIP Budget on June 6, 2018. A mid-cycle review was presented at the Engage Morgan Hill Workshop on May 22, 2019. Mid-cycle budget amendments for the FY2019-20 were adopted on June 5, 2019 at a regular Council meeting. Development of the new Biennial Budget began in January 2020.								
14	Pursue revenue Ballot Measures	City Manager	Extensive community education occurred regarding the TOT increase and Cannabis Tax in September/October 2018. Both revenue measures passed. The efforts of Engage Morgan Hill will help inform other revenue generation options to meet the projected funding gap.								
High Speed Rail											
15	Communicate with Council and the Community regarding High Speed Rail and advocate for measures to mitigate potential impacts	Development Services & City Attorney	Ongoing. Staff provided comments on the CHSRA staff's preferred alignment for the September 2019 CHSRA Board meeting. Staff has retained the services of a consultant to help the City respond to the Environmental Impact Report/Study scheduled to be released in the Spring.								
Homelessness											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

Red Yellow Orange Green

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
16	Collaborate with dedicated South County Case Management Worker, Santa Clara County, and the City of Gilroy and continue to build a South County homeless response system that integrates County Safety Net Services	Housing	Destination Home is expected to issue an RFP funding opportunity for Pilot Homeless programs in February or March of 2020. Cities will be eligible to apply at which point staff will return to Council with an update if funds are awarded. The Safe Parking Program continues to provide stability and services for 8 families, approximately 30 people on any given night. The 2019 Homeless Count shows a 71% decrease in homelessness. Services include prevention through rental assistance, deposit assistance outreach, engagement, and setting aside new units.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Housing											
17	Identify Sites and Non-profit partners to construct very low income housing units	Housing	Identifying potential sites and completing predevelopment evaluation is ongoing. Timing is uncertain. - Treehouse intergenerational community continues to work with MidPen Housing to identify a site for a 78 unit intergenerational foster family and senior project. - Braddock & Logan have submitted plans to build a 389 unit apartment complex at Butterfield and Sutter, of which 78 VLI rental units will be included (these units are already counted in the pipeline and in our pending RHNA goals). -Eden Housing will pull permits in early 2020 for the rehabilitation of Depot Commons and adding an additional 14 units. -First Community Housing is in the process of securing a site for approximately 60 units. -UHC continues to work with Valley Water regarding the flood study at a site at Monterey & Watsonville. Viability is being determined. -Cochrane Commons is considering partnering with a nonprofit to meet their inclusionary requirement. -EAH "Scattered sites" leased up in 2018-19. -UHC - The "Crossings at Monterey" leased up Dec of 2019.								
18	Monitor Housing legislation; advocate for legislation which supports Morgan Hill housing program	Housing	Participating in Regional Housing Need Allocation (RHNA) Subregion working group, League Policy Board, and raising awareness of Morgan Hill concerns with local legislators.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Infrastructure											
19	Continue annual pavement maintenance projects	Engineering CIP	Hill Road and Sutter Ave were successfully rehabilitated in 2018. In 2019 Monterey Road north of Cochrane, Cochrane Road from Monterey to DePaul Drive, Butterfield Road north of Main Avenue, Depot Street, and some streets in the Jackson Meadows Neighborhood were rehabilitated.								
20	Lead coordination on regional planning efforts related to bringing recycled water to Morgan Hill	Water Conservation	City teammates have been actively involved in Valley Water planning for its Recycled Water Master Plan. City staff partnered with the City of Gilroy and developed a water supply strategy document for the South County. This document is designed to inform staff and elected officials within the two cities, relating to water supply and recycled water. This work did not clearly identify recycled water as the highest priority projects related to water supply sustainability. City staff are currently engaging in a study to understand the feasibility of a recycled water plant in Morgan Hill. Staff intend to return to the Council in the Spring of 2020 with the results of this specific work.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

Red Yellow Orange Green

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
21	Participate with SCRWA on Plant Expansion	CIP Engineering	Staff have continued working with SCRWA and the City of Gilroy to refine the scope of the treatment plant expansion. The project is currently scheduled to commence construction in 2021 and conclude in 2025. Updated plant expansion scope and design costs were provided in September 2019. The estimated costs total \$74.6 million. Engineering and Finance teammates have developed the necessary financing plan to fund the City’s share of the project (\$31.3M) through use of impact fees. Financing may be necessary depending on the timing of the project.								
22	Continue to participate in Upper Llagas Flood Control project	CIP Engineering	Construction of Phase 1 (South of Watsonville Road) is underway. Phase 2 construction is not completely funded, but the Valley Water Board has authorized a portion of Phase 2 (Phase 2A) to move forward. It is anticipated that Phase 2A will include the a tunnel under Nob Hill and work on Hale Avenue at the Main Avenue intersection. Construction should begin in the Spring of 2020 and be completed in conjunction with the City’s Hale Avenue Extension project. Valley Water is continuing to work on finalizing funding for the remaining portion of Phase 2 and the remaining portions of the project could commence as early as 2022.								
Telecommunications											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING

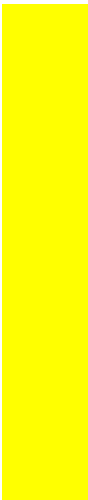


	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
23	Inventory and create a conduit map of all available City conduit	Economic Development	Civic Foundry has completed mapping locations of City owned and some privately owned conduit in the City as part of identifying assets for the development of the Fiber Network RFP. In addition, Civic Foundry has included City assets as part of the drafted RFP which is currently out for bid.								
24	Issue a Request for Proposals for fiber network infrastructure for City facilities	Economic Development	In June 2019, the City issued an Enhanced Broadband Services RFP with the primary goal of increasing service to the City facilities and secondary goal of expanding service to the business parks and community. City staff have been holding interviews with the companies that submitted interest and are finalizing initial review of submittals. An update of the RFP is expected to be presented to Council in February/March 2020.								
25	Develop a "Dig Once" ordinance, Revise Zoning to improve the permitting process for Telecommunication Facilities on private property, and bring forward policy that supports master Small Cell Licensing Agreements	Economic Development	City Council approved small cell design standards, changes to Title 18 Zoning Code and authorized the City Manager to execute Small Cell License Agreements in March 2019. It is anticipated that the Dig Once Policy along with other policies (we anticipate the RFP process will inform other policy changes) will be brought forward at the conclusion of the Enhanced Broadband project further supporting telecommunications investments in Morgan Hill.								
Traffic/Transportation											

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED     → ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
26	Participate and advocate for South County in regional transportation planning initiatives with Valley Transportation Agency (VTA), Caltrain, Boards, and Committees	City Manager & Economic Development & Engineering	Staff and delegated Council Members regularly attend regional transportation meetings, serve on leadership committees, and host South County coordination meetings. City Staff have actively participated in the Caltrain Business Plan and Caltrain/VTA train service changes. Staff has provided comments to CHSRA on the HSR staff's preferred alignment and comments to the Caltrain Board on the Caltrain 2040 Business Plan.								
27	Implement CIP projects consistent with Vision Zero related to pedestrian and bike improvements, including safe routes to school	CIP Engineering	Design of Main Avenue improvements are underway: sidewalk between El Toro School and Grand Prix, flashing beacons at Grand Prix, and buffered bike lanes from Butterfield to Condit. Construction scheduled to begin in early 2020. Buffered bike lanes and green bike lanes were installed on Cochrane Avenue and Monterey Road as part of the 2019 Pavement Improvement Project. In ground pedestrian flashing lights are scheduled to be installed on First and Fifth Street in the downtown in the next month. Enhanced pedestrian crosswalks are currently in design for crossings on Lacrosse Avenue at the West Little Llagas Creek Trail and at Wright Avenue at Del Monte Avenue.								
Completed/Ongoing/Routine											
	Update website for ease of use by the public	Communications & Engagement	After extensive clean-up, a newly refreshed website was launched in September 2019.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED → ONGOING



	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Continue to develop our connections with our local Hispanic/Latino community, finding best ways to outreach and share important community information	Communications & Engagement	Ongoing. Another year of facilitating a Women's Empowerment Group at the Learning and Loving Center has been completed. As of June 30, 2019, we no longer have the part- temp resource for outreach with the Spanish speaking community. Staff is reevaluating how to best move forward.								
	Continue facilitating community engagement opportunities with the Mayor and reporting out meeting notes	Communications & Engagement	Notes and follow-up from the Mayor's "Lunch with the Seniors" and "Coffee with Mayor" are provided to all participants, made available on the City website, and included in the Weekly 411.								
	Seek grant funding for street safety and circulation improvements	Congestion Management	Ongoing review of grant opportunities are underway. Measure B Funds for Hale Avenue are a priority. The City has applied and received funding for paving the Madrone Channel Trail. The City received a grant for Green Bike Lanes at the Cochrane Freeway Interchange and these improvements were completed during the 2019 Pavement Rehabilitation Project. City staff applied for a significant Safe Routes to School Grant in 2018, that was ultimately not awarded due to the City's low collision rates and higher income levels.								
	Evaluate Urban Service Area Expansion/Annexation opportunities and assist applicants with LAFCO applications	Development Services	Submitted the Catholic High School LAFCO application. Will complete the annexation EIR in order to consider other application requests.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED ■ ■ ■ ■ → ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Develop a parklet pilot program	Economic Development	In 2018 the Council approved a temporary parklet pilot program in response to the City's Station Area Master Plan and Complete Streets/Traffic Calming work program. In May 2019, staff finalized program requirements. Staff continue to promote the program with downtown businesses with limited interest.								
	Produce a Manufacturing Day Panel and Company Tours Event	Economic Development	Building on the success of the 2018 Manufacturing Day, staff have begun outreach to local manufacturers about opening for factory tours on National Manufacturing Day, October 4th. Early coordination has begun with MHUSD about student participation.								
	Present to Planning Commission for Cannabis recommendations on: appropriate zoning, buffering from sensitive uses, and suggested number of retail sites	Police & Development Services	Community Workshop with the Planning Commission (PC) on July 23, 2019.								
	Develop Cannabis regulatory program	Police & Development Services	On August 27, 2019 the Planning Commission voted to recommend a land use ordinance to City Council.								
	Present recommended Cannabis ordinance language	Police & Development Services	On November 6, 2019 City Council voted to maintain the prohibition of commercial cannabis within City limits.								
	Implement text to 911	Police Dispatch Services	A Countywide roll out of Text to 911 occurred in December 2019.								

City of Morgan Hill Strategic Priorities Work Plan 2019-2020

The chart below represents the work plan items in furtherance of City Council's 2019-2020 Strategic Priorities.

TO BE STARTED

→

ONGOING

	Activity Goals	Department/ Division	Status Update	2019				2020			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Continue annual program to seal and refresh City owned parking lot facilities	Street Maintenance	The 2018 and 2019 projects were completed on schedule.								

City Council Follow-up/Future Business Items

<u>January 15, 2020</u>		
<u>Follow up items</u>		<u>Teammate</u>
14. Census	Carr - Bring the item back periodically for updates including how the grant money is used	Tobin 03/4/2020
<u>December 18, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked that staff look into bringing forward an ordinance prohibiting Diesel Engine Braking		
Martinez Beltran would like a workshop regarding the UGB		Goal Setting 2020
Martinez Beltran would like more signage for tourism		Referral to TBID
<u>October 23, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
7. Building Electrification	Carr asked staff to explore requiring battery back ups for new construction	Eulo Spring 2020/Memo
<u>Future Business Items</u>		<u>Teammate</u>
Spring asked for a Legislative Update in regard to Police Services		Swing 2/5/2020
Spring asked for a conversation about how our City will look in the future as a "Smart City"		Lang 02/2020
Council Member Martinez Beltran asked staff to look into Mobile Cancer Screenings		Larkin Memo
<u>October 2, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
website update	Carr asked that staff come back to Council in a few months with analytics on the new website	Tobin 02/2020
5. Depot-Latala	Follow up on CCC Parking Enforcement	Ghione April 2020
<u>September 18, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
10. Use of Herbicides	Report back to Council in Summer 2020 and incorporate options into the budget	Dapp/Ghione 06/2020
11. Citywide Traffic	Traffic workshop/Vision Zero	Ghione spring/2020
12. GIS Strategic Plan	Spring asked that staff bring report back to Council in a year to see if we have accomplished what we hoped	Van der Leeden fall/2020
<u>July 17, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Agreement with Boys and Girls Club	Council asked staff to return to Council with an update (6 months) on the program including an update on the budget for the program	Dabel 2/19/2020
<u>Future Business Items</u>		<u>Teammate</u>
Spring proposed that we look into a responsible construction ordinance		Larkin/Carman 3/4/2020
Carr requested that we get an update on the Santa Clara Valley Habitat Agency		Carman 2/5/2020

Attachment: 13. Council Follow-up (2632 : City Council Goal Setting Workshop 2020)

<u>June 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
McKay asked staff to explore creating a social media page or web page called "Rumors" to have a place where people can go to find out what the truth is.		Tobin
<u>April 17, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Spring requested that staff bring a climate action plan back to Council		Eulo Memo
<u>March 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
5. Downtown Special Events Update	Bring this item back to Council as the residential projects on 3rd street near completion	Martin 05/2020
<u>February 27, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Constantine would like the City to look into providing power and energy (i.e. acting as our own power company) to our residents and businesses		Turner/Ramirez
<u>February 6, 2019</u>		
<u>Follow up items</u>		<u>Teammate</u>
15. Lobbyist ordinance	Bring forward suggestions regarding a Council Policy vs. an Ordinance (City Council policy on ex-parte contacts)	Larkin Goal Setting 2020
<u>Goal Setting - January 25 & 26, 2019</u>		
<u>Future Business Items</u>		<u>Teammate</u>
Additions to Council Policy 97-01 for policies on community meetings		Turner Goal Setting 2020

Outline of SB 50 (Wiener) Planning and Zonings. Housing Development Incentives.
As Amended 01/06/2020

Key Elements of SB 50 as Amended 01/06/2020

- Allows developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, and parking requirements. These overrides are called “equitable communities incentives (ECI).” [Please see pages 2-3 for more detail].
- SB 50’s requirements are applied differently based on city population and the population of the county in which the city is located.
- Requires all cities to allow up to fourplexes in single-family neighborhoods, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.
- Allows “sensitive communities” identified by councils of governments to develop a community plan, as prescribed, and not be required to grant an ECI as long as the “community plan” achieves similar objectives and goals.
- Allows cities to develop a HCD-approved “local flexibility plan”, as an alternative to the requirements in SB 50.

The “Local Flexibility Plan:” Amendments adopted on January 6, 2020

The amendments offer an alternative: Cities and counties can adopt a “local flexibility plan” approved by HCD by January 1, 2023 or be required to grant ECI overrides of density, height and parking) of SB 50.

A “local flexibility plan” submitted on or after July 1, 2021 to HCD, must do all of the following:

- Affirmatively further fair housing, as that term is defined in Section 8899.50, to an extent as great or greater than if the local government were to grant an ECI.
- Achieve a standard of transportation efficiency as great or greater than if the local government were to grant an ECI.
- Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.

On or before July 1, 2021, OPR, in consultation with HCD, will develop guidelines for the submission and approval of a local flexibility plan. Rules, regulations and guidelines may be adopted with limited public process.

A local flexibility plan is an alternative to granting an ECI. A local flexibility plan does not exempt a city from ministerial approval of a fourplex in a single-family zone, on vacant land or limited conversion of an existing structure, through a streamlined, ministerial approval process unless project would have specific, adverse impact upon public health or safety.

Comments Regarding the Amendments Adopted on January 6, 2020

- It appears that the intent of the amendments is to provide local governments with an opportunity to develop their own plans to meet the goals and objectives of SB 50. Unfortunately, the amendments, as drafted, raise the following concerns:
 - OPR and HCD are tasked with developing “rules, regulations, or guidelines for the submission and approval of a local flexibility plan” without sufficient Legislative direction. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.

- The elements of the plan are not clear: “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” SB 50 does not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard.
- Without clearly identified criteria, we are unable to evaluate whether the “local flexibility plan” is actually an alternative planning option.

The Community Plan: Sensitive Communities

Unchanged by the amendments are SB 50’s alternative for “sensitive communities.” Sensitive communities are determined by councils of governments (or by MTC in the ABAG region). The ECI provisions of SB 50 will apply to a “sensitive community” after January 1, 2026 unless the community adopts a “community plan” aimed toward increasing residential density and multifamily housing choices near transit stops. The community plan must:

- Permit increased density and multifamily development near transit with all upzoning linked to onsite affordable housing requirements;
- Include provisions to protect vulnerable residents from displacement;
- Promote economic justice for workers and residents; and
- Be developed in partnership with a nonprofit or community organization.

Equitable Communities Incentives

City must grant an Equitable Community Incentive (ECI) to “jobs-rich” or “transit-rich” project on a site zoned to allow housing with certain site exclusions as described below unless city makes finding that incentive would have a specific, adverse impact on any real property or historic district. Project must comply with city’s conditional use or other discretionary permit approval process and with certain affordability requirements (or local inclusionary ordinance) and is subject to CEQA review.

Counties with a population less than or equal to 600,000: Cities with population OVER 50,000

- Equitable Community Incentive to a jobs-rich or transit-rich housing project located within ½ mile of a major transit stop with a minimum density of 30 units/acre in “metropolitan” community or 20 units/acre in “suburban” community:
 - 1 additional story or fifteen feet in height.
 - Waiver of 0.6 Floor Area Ratio.
 - Maximum 0.5 parking spots per units; and no minimum parking requirement if within ¼ mile of rail transit station in city with population greater than 100,000.
 - Waiver of maximum controls density.
 - Site exclusions: architecturally or historically significant district; special flood hazard area.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Counties with a population over 600,000: All cities (except those under 50,000 in the coastal zone)

- Equitable Community Incentive to a jobs-rich or transit-rich housing project:
 - Waiver of maximum controls on density.
 - 0.5 parking spots per unit.
 - Within 1/2 mile of a major transit stop – height up to 45 feet, Floor Area Ratio of 2.5, and no parking requirements.
 - Within 1/4 mile of a major transit stop – height up to 55 feet, Floor Area Ratio of 3.25, and no parking requirements.
- Mandatory inclusionary housing requirements apply, as well as unit set aside for extremely low income, very low income, and low income households within one-half mile of the development.
- Existing Density Bonus Law may be applied to the project.

Key Definitions

“Jobs-rich area” means an area identified by HCD in consultation with OPR that is high opportunity and either is jobs rich or would enable shorter commute distances based on whether, in a regional analysis, the tract meets both of the following:

- The tract is high opportunity, meaning its characteristics are associated with positive educational and economic outcomes for households of all income levels residing in the tract.
- The tract meets either of the following criteria:
 - New housing sited in the tract would enable residents to live near more jobs than is typical for tracts in the region.
 - New housing sited in the tract would enable shorter commute distances for residents, relative to existing commute patterns and jobs-housing fit.

HCD shall, commencing on January 1, 2021, publish and update, every five years thereafter, a map of the state showing the areas identified by the department as “jobs-rich areas.”

“Job-rich housing project” means a residential development within a jobs-rich area. A residential development shall be deemed to be within a jobs-rich area if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of the jobs-rich area.
- No more than 10 percent of residential units or 100 units, whichever is less, of the development are outside of the jobs-rich area.

“Transit-rich housing project” means a residential development, the parcels of which are all within a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor. A project shall be deemed to be within the radius if both of the following apply:

- All parcels within the project have no more than 25 percent of their area outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.
- No more than 10 percent of the residential units or 100 units, whichever is less, of the project are outside of a one-half mile radius of a major transit stop or a one-quarter mile radius of a stop on a high-quality bus corridor.

“High-quality bus corridor” means a corridor with fixed route bus service that meets all of the following:

- It has average service intervals for each line and in each direction of no more than 10 minutes during the three peak hours between 6 a.m. to 10 a.m., inclusive, and the three peak hours between 3 p.m. to 7 p.m., inclusive, on Monday through Friday.

- It has average service intervals for each line and in each direction of no more than 20 minutes during the hours of 6 a.m. to 10 p.m., inclusive, on Monday through Friday.
- It has average service intervals for each line and in each direction of no more than 30 minutes during the hours of 8 a.m. to 10 p.m., inclusive, on Saturday and Sunday.
- It has met the criteria specified above for the five years preceding the date that a development proponent submits an application for approval of a residential development.

“Major transit stop” means a rail transit station or a ferry terminal that is a major transit stop pursuant to subdivision (b) of Section 21155 of the Public Resources Code.

“Sensitive community” means either of the following:

- Except as provided in paragraph (2), an area identified pursuant to subdivision (b) of Section 65918.58.
 - (b) On or before July 1, 2023, sensitive communities in each county shall be identified and mapped in accordance with the following:
 - The council of governments, or the county board of supervisors in a county without a council of governments, shall establish a working group comprised of residents of potentially sensitive communities within the county, ensuring equitable representation of vulnerable populations, including, but not limited to, renters, low-income people, and members of classes protected under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2).
 - The working group shall develop a map of sensitive communities within the county, which shall include some or all of the areas identified as potentially sensitive communities pursuant to subdivision (i) of Section 65918.50. The working group shall prioritize the input of residents from each potentially sensitive community in making a determination about that community.
 - Each board of supervisors or council of governments shall adopt the sensitive communities map for the county, along with an explanation of the composition and function of the working group and the community process and methodology used to create the maps, at a public hearing held on or before July 1, 2023.
 - In the Counties of Alameda, Contra Costa, Marin, Napa, Santa Clara, San Francisco, San Mateo, Solano, and Sonoma, areas designated by the Metropolitan Transportation Commission on December 19, 2018, as the intersection of disadvantaged and vulnerable communities as defined by the Metropolitan Transportation Commission and the San Francisco Bay Conservation and Development Commission, which identification of a sensitive community shall be updated at least every five years by the Department of Housing and Community Development.



2019-2020

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January 14, 2020

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
State Capitol Building, Room 2206
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Portantino:

The League of California Cities must continue to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 do not take into account our primary objections to SB 50. However, the League of California Cities is pleased to see that recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones. Unfortunately we can’t evaluate whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

It appears that the intent of the amendments are to provide local governments with an opportunity to develop their own plan to meet the goals and objectives of SB 50. Although the goal of increased density around transit is clear; the goal of the bill regarding a jobs-rich housing project is not. The amendments, as drafted, raise the following concerns:

- **Without clearly identified criteria, we are unable to evaluate** whether the “local flexibility plan” is actually viable alternative planning option.
- **Office of Planning and Research (OPR) and HCD are tasked with developing “rules, regulations, or guidelines”** for the submission and approval of a “local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **Further legislative direction is required, the elements of the plan are not clear:**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- o “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
- o SB 50’s “community plan” for sensitive communities provides a much clearer alternative and should be considered as a possible alternative planning process for all jurisdictions.

Remaining Objections to SB 50

If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers.

Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, the League has significant concerns with the following:

- **Wasting time and money.** SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
- **Gives housing developers and transit agencies, who are unaccountable to local voters, the power to determine** housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit.

- **What is the full scope of SB 50?** As presently drafted, it is very difficult to determine what constitutes a “jobs-rich area” since the HCD and OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Greater density but no public transit?** SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled.
- **Two-tiered process that exempts** cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.

For these reasons, the League of California Cities must continue to oppose SB 50 unless it is further amended to address the above concerns. We continue to be committed to finding solutions to the housing supply and affordability crisis gripping many regions of the state and look forward to working with you and all other stakeholders in the coming Legislative Session. If you have any questions, please feel free to contact me at (916) 658-8264.

Sincerely,



Jason Rhine
Assistant Legislative Director

cc. Senator Scott Wiener
Members, Senate Committee on Appropriations
Mark McKenzie, Chief Consultant, Senate Committee on Appropriations
Ryan Eisberg, Consultant, Senate Republican Caucus



January 14, 2020

Honorable Scott Wiener
California State Senate
State Capitol, Room 5100
Sacramento, CA 95814

RE: **SB 50 (Wiener) Planning and zoning: housing development: streamlined approval: incentives.**
Oppose Unless Amended (as amended 1/6/20) as recommended

Dear Senator Wiener,

I write to you today in response to your January 6, 2020 amendments to SB 50. In line with you and other legislative leaders, the Los Angeles County Division of the League of California Cities® (Division), representing 86 cities in the county, recognizes the urgent and unprecedented housing crisis that our state is facing and we commend you and other legislative leaders for your efforts to develop concepts to tackle this challenge. In this spirit, the Division has proactively made continued efforts to engage with you, beginning with our July 12, 2019 driving tour through Southeast Los Angeles County, to initiate consistent personal messages and most recently to produce our December 15, 2019 letter and white paper outlining our concerns with your bill. We offered viable and proactive solutions that could increase housing, provide affordability and sustain community services, in order to meet our state's collective housing needs sooner rather than later.

Our Division Board was intentional and proactive in creating the SB 50 Working Group that developed our alternative proposal. Our group was comprised of mayors and council members with diverse backgrounds, political perspectives, professional disciplines, and represented different regions with varying populations in Los Angeles County. We invested an incredible amount of time and resources to demonstrate our genuine goal and sincerity to be a partner with you and provide viable solutions to the state's housing crisis. Additionally, I took personal efforts to reach out to you with our proposal prior to distributing the letter to our Los Angeles Delegation and other stakeholders. This is why we are very disappointed that despite our efforts to create an open dialogue, our proposal, from the largest Division and group of cities in our state, was unanswered and not reflected in the amended version of your bill.

We are left with no alternative but to continue to oppose SB 50 unless amended not only on its lack of sound planning and real affordability measures, but because our good-faith efforts to work with you have not been reciprocated.

Our alternative proposal to SB 50 is updated below. We have also attached our white paper that includes an expanded discussion based on the proposed amendments.

Recommended Locally-Led Alternatives to Addressing the Housing Crisis

- **Create entitlement certainty for multi-family housing.** The "local flexibility plan" developed under the amended version of SB 50 is duplicative of existing

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JOHN WICKHAM
LOS ANGELES

EXECUTIVE DIRECTOR
JENNIFER QUINN

planning processes, and establishes hypothetical development baselines that depend on a city speculating developer interest in equitable community incentives.

Alternative: A mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) could give certainty to the development community while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, could be replicated and required.

- **Density must be combined with long-term funding tools.** SB 50 does not provide funding for local governments to sustain exponential long-term density.

Alternative: Incentives should be offered that provide permanent, ongoing funding sources for multi-family and affordable housing projects to ensure their sustainability and success. These can include housing block grants or tax increment programs like SB 795 (Beall/Portantino/McGuire) that provide a long-term financing tool for cities to address increased vital services for infrastructure, park, public safety and other community priorities resulting from the greater demand for such services that occurs with new construction. We recognize the state's effort to provide funding through SB 2 and AB 101/SB 102. However, those funding sources are either one-time uses or insufficient to sustain the state's housing goals.

- **Affordability must be prioritized and sensitive communities must be protected from displacement.** SB 50 gives generous "equitable community incentives" to a developer within a specified radius of a "transit rich or "jobs rich" area. However, the affordability requirement in SB 50 does little to address rising housing costs that affect our communities' most vulnerable residents.

Alternative: Multi-family housing developments must provide a minimum of 25% inclusionary housing, unless a local agency has enacted a higher minimum, to receive any development incentives and entitlement certainty incentives for multifamily developments. The State should also encourage the development of more local Housing Authorities to facilitate construction of affordable housing.

Why SB 50 (as amended 1/6/20) is Not a Practical Solution to the Housing Crisis

Notwithstanding the alternatives to SB 50 recommended above, there continues to be unsustainable flaws to the bill in its current form:

- **The Local Flexibility Plan established under the amended SB 50 is duplicative of existing planning process.** This Plan lacks any real local flexibility and would establish a hypothetical development baseline that depends on a city speculating developer interest in and use of various equitable community incentives. The Division remains concerned that "one size fits all" metrics of SB 50 do not work in real world circumstances that exist in many of our communities. Cities and California's Department of Housing and Community Development (HCD) have an established Housing Element process created through state law along with financial penalties for non-compliance. The Housing Element process requires significant city resources to develop, obtain public input, and receive approval from HCD. SB 50 would require cities to use precious time and resources to create a duplicative process that competes with the Housing Element.

Alternative: The Division proposes amending SB 50 to "create entitlement certainty for multi-family housing" in urban areas of California. The mandatory local entitlement process (entitlement incentives) for multi-family housing developments, in areas selected by local governments (transit corridors, commercial corridors, downtown districts, and other locally defined areas) would give entitlement certainty to the development community, while preserving local control and protecting community engagement. A process similar to SB 540 (Roth, 2017), which created a voluntary entitlement program and was sponsored by the League of California Cities, is proposed to be replicated and required in SB 50.

- Carve outs must have merit.** The proposed carve-outs in SB 50 are arbitrary and will do little to solve the crisis.
Alternative: While the Division believes that the entire state should contribute to solving our unprecedented housing crisis, we believe that carve outs should only be carefully considered for the most dense and sensitive areas of the state, as well as coastal zones and historical districts. Carve outs for coastal zones recognizes the unique landscape in these areas and carve outs for historical districts would prevent the demolition of historic resources and protect the planning and architectural character of neighborhoods with a high number of historic residences and other historically significant buildings.
- Focus Should be on Multi-Modal Transportation Options.** Definitions of “transit rich” areas in SB 50 are poorly defined, in many cases, based on routes that were established decades ago and in some cases, temporary in nature.
Alternative: Access to transit varies widely throughout the state, including providing limited or no weekend services, which do not fulfill the mobility needs for residents to reach employment or other destinations. Local leaders are in the best position to address transportation options and transit access as part of the multi-family housing development planning process.
- Jobs Accessibility Areas should be defined by the local agency.** Current definitions of “jobs rich” is loosely defined in SB 50.
Alternative: Replace the ambiguous “jobs rich” definition with the locally defined “jobs accessibility areas”. Local leaders have the most intimate knowledge of their communities to map these areas based on real local data that will take into account local zoning, the safety and appropriate co-location of jobs and housing, and to successfully connect them with effective transportation options and development.
- Recent State legislation already eliminates Single Family Residential (SFR) neighborhoods.** Four-plexes or other small developments in former SFR zones are unnecessary as new legislation currently allow up to three units of housing in existing SFR neighborhoods. Further, none of these units are required to have an affordability requirement.
Alternative: Remove language related to four-plexes to allow local governments to implement Accessory Dwelling Unit legislation.
- Commercial/Multi-Family areas need flexible ratios to accommodate different neighborhoods.** SB 50 requires commercial/multi-family ratios that may not be logistically or financially feasible in some communities.
Alternative: Allow a lower residential threshold that may expand the number of commercial developments open to mixed-use residential uses.

Conclusion

The state and our region have faced many housing crises. The causes of the latest crisis are multi-faceted and complex. There is no single solution. Our discussion on solutions cannot happen in a vacuum without tackling various related issues such as CEQA obstacles, potential revisions of the housing element and zoning laws and practices. It will take a long-term effort of engagement, education and consensus building with all stakeholders. It is our hope that our proposal is included in that spirit of open dialogue and cooperation.

Again, we acknowledge your and other state leaders’ bold efforts to tackle our state’s housing crisis. We appreciate efforts to work with all stakeholders to ensure that the goals of any housing solutions are balanced with community essentials like equity, infrastructure, and public safety, among other important values. We continue to be prepared to work with the legislature in January 2020 and beyond to find long-term, viable and sustainable solutions to this crisis, and look forward to discussing our proposals with you in greater detail and context in the near future. Despite the aforementioned lack of response from you, I continue to be hopeful that, through a collaborative and sincere approach in resolving our state’s comprehensive housing needs,

together we can all contribute towards solving this problem and especially help those most vulnerable in our mutual communities.

If you have any questions, please contact Division Staff, Jennifer Quan at jquan@cacities.org or 626-786-5142.

Regards,



Juan Garza
President, Los Angeles County Division, League of California Cities
Mayor, City of Bellflower

cc: Office of Governor Gavin Newsom
Los Angeles County Legislative Delegation

Attachment: Goals and Objectives for Amendments to SB 50 as approved by the Los Angeles County Division, League of California Cities, November 22, 2019



P.O. Box 3144
Los Altos, CA 94024
www.citiesassociation.org
408-766-9534

January 23, 2020

The Honorable Scott Wiener
Senator, California State Senate
State Capitol Building, Room 5100
Sacramento, CA 95814

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives
Oppose Unless Amended (as amended 01/06/2020)

Dear Senator Wiener:

The Cities Association of Santa Clara County (CASCC) continues to oppose SB 50 unless the measure is further amended to address our key concerns. The amendments taken on January 6, 2020 still fail to take into account our primary objections to SB 50. Although CASCC is pleased to see that the recent amendments attempt to create an alternative planning process for jurisdictions to develop a “local flexibility plan” that, if approved by the California Department of Housing and Community Development (HCD), would exempt cities from nearly all aspects of SB 50 with the exception of requiring fourplexes in single-family zones, it still falls short. CASCC is not able to evaluate, for example, whether the “local flexibility plan” is a viable alternative because the amendments do not clearly identify the elements of the plan.

Specific Concerns with the January 6, 2020 Amendments

The amendments, as drafted, raise many concerns, including the following:

- **Little to no public input on the local flexibility plan process.** The Office of Planning and Research (“OPR”) and HCD are tasked with developing “rules, regulations, or guidelines” for the submission and approval of a local flexibility plan” without sufficient direction from the Legislature. This rulemaking process is exempt from the Administrative Procedures Act, thus allowing the OPR and HCD to craft rules, regulations, or guidelines with little to no public input or oversight.
- **The elements of the plan are not clear.**
 - “Achieve a standard of transportation efficiency as great or greater than if the local government were to grant equitable communities incentives.” SB 50 does not contain any language regarding “transportation efficiency.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.
 - “Increase overall feasible housing capacity for households of lower, moderate, and above moderate incomes, considering economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” The override provisions of SB 50 do not contain any language

regarding “feasible housing capacity for households of lower, moderate, and above moderate incomes,” nor does it address “economic factors such as cost of likely construction types, affordable housing requirements, and the impact of local development fees.” Therefore, it is not possible to determine how HCD, OPR or a local government will determine how to meet this standard or how a “local flexibility plan” is expected to comply with this standard.

- **Continues to take away local control.** If a city elects not to develop a “local flexibility plan” or if HCD does not approve a submitted “local flexibility plan” by January 1, 2023, a city is required to give a developer an “equitable communities incentive”, which overrides locally developed and adopted height limitations, housing densities, and parking requirements. Many statewide standards, enacted by the Legislature, are included in the State’s Planning law. Standards should be established by the Legislature, not by individual developers. Developers of certain housing projects should not be allowed to override locally developed (and HCD-approved) housing elements which identify adequate sites with sufficient density to accommodate a city’s share of the regional housing need. Specifically, CASC has significant concerns with the following:
 - Wasting time and money. SB 50 would greatly undermine locally adopted General Plans, Housing Elements (which are certified by the HCD, and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community-based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In 2019 alone, HCD allocated nearly \$130 million to local governments to update their housing plans and approval processes. The 2019/2020 State Budget allocated an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
 - Gives significant power to housing developers and transit agencies. Housing developers and transit agencies, who are not accountable to local voters, will have the power to determine housing densities, heights up to 55 feet, parking requirements, and design review standards for “transit-rich housing projects” within one-half mile of a major transit stop. For those “transit-rich housing projects” within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit
- **Undefined essential terms cause confusion.** It is very difficult to determine what constitutes a “jobs-rich area” since the HCD and the OPR are largely tasked with making that determination. It is hard to understand why the Legislature would want the Executive Branch to define essential terms that have broad implications for how SB 50 would be implemented. Additionally, by not defining “jobs-rich area” in statute, there is no way of knowing if SB 50 will actually accomplish its stated goal.
- **Appears to conflict with existing state laws and policies.** Greater density but no public transit? SB 50 would require cities to allow greater density in communities that are high opportunity and jobs rich, but may lack access to public transit. This seems at odds with many state policies that encourage and incentivize more dense housing near transit so that individuals may become less dependent on automobiles. It’s only been a few years

since the Legislature determined that the impact on the transportation environment from a housing project should be measured in vehicle miles traveled. The proposed amendments also appear to conflict with recent legislation related to ADUs and the Housing Crisis Act of 2019.

- **Arbitrary exemption for certain cities.** Two-tiered process that exempts cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.
- **Timeline to develop the local flexibility plan is not realistic.** SB 50 gives cities 18 months to develop and receive certification for a local flexibility plan once OPR and HCD release final regulations or guidelines (July 1, 2021 to January 1, 2023). 18 months is too short for cities to perform all the tasks needed to create a new plan, including meaningful public outreach, drafting a plan, performing CEQA and other required analyses (equivalence to equitable community incentives, transportation efficiency, feasible housing capacity), and then waiting for HCD to certify the plan. The CEQA process for an area plan EIR, for example, generally takes 1-2 years or longer.

Therefore, although CASC supports finding a workable solution for our housing crisis in California, for the reasons stated above, CASC opposes SB 50 unless amended.

Sincerely,



Larry Klein
 President
 Mayor, City of Sunnyvale

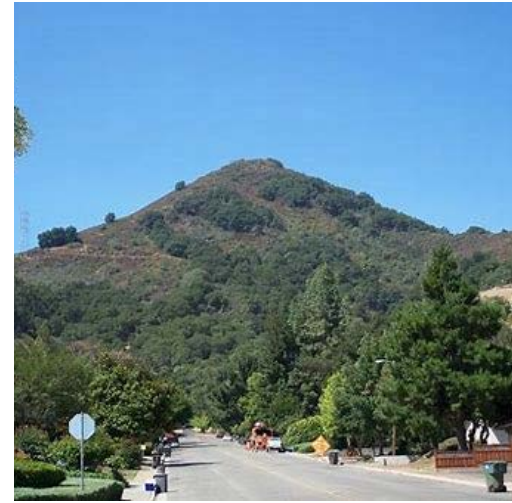


Neysa Fligor
 Chair, Legislative Action Committee
 Vice-Mayor, City of Los Altos

cc: Senators Wieckowski, Beall, Hill, Monning,
 Assembly Members Rivas, Kalra, Chu, Berman, Low, Stone
 Senator Scott Wiener
 Seth Miller, Peninsula Division, League of California Cities (via email)
 League of California Cities, cityletters@cacities.org

About: The Cities Association of Santa Clara County is a collaboration of the fifteen cities of the county and addresses pressing issues of mutual interest for our region. The Association is comprised of the elected representatives of over 1.9 million Bay Area residents. Our diverse community includes cities with a few thousand residents to a large city with a million people. Finding consensus and solutions remains our goal.

Community Advisory Group City Council Goal Setting Workshop January 24th-25th Update-Discussion-Recommendations



The charter of the community advisory group is to become educated about essential City services, share ideas, and make informed recommendations to the City Council about how to move forward for a sustainable future.

Setting the Landscape

Commissioned:

June 29th, 2019

Current Membership:

31 Community Voices



1.q



Shakeeb Ahmed

Inga Bredehoeft

Sally Casas

Nancy Domnauer

Tim Fu

Nick Gaich

Kim Gaxiola

Ava Geddes

Delia Gomez

Gale Hoover Hammond

John Horner

Caitlin Jackimowicz

Rick Kent

Sue Koepp Baker

Matthew Kulick

David Lovato

Michelle McKay

Jody McRoberts

Beverly Mercurio

Doug Muirhead

Jeff Perkins

Cecelia Ponzini

Yvonne Randolph

Brittney Sherman

Brian Sullivan

Kathy Sullivan

Jennifer Tate

Steve Tate

Charles Weston

Terry Williams

Beth Wyman

Packet Pg. 162



Principle Aims:

- Commit to being actively involved in learning about the challenges facing the City and providing feedback, ideas and support
- Serve as a Community Voice “Catalyst” for current and future revenue challenges and potential solutions serving the greater good of our community
- To actively pursue and acquire the in-depth knowledge needed to be effective communicators serving as an independent “source of truth” to benefit the health and welfare of our community

The Road to Discovery

Deep Immersion-Learning Transfer



Kick Off Meeting



Budget



Economic Development



Budget Presentation



Housing Growth, Impacts



Infrastructure Traffic, Recreation



Pensions



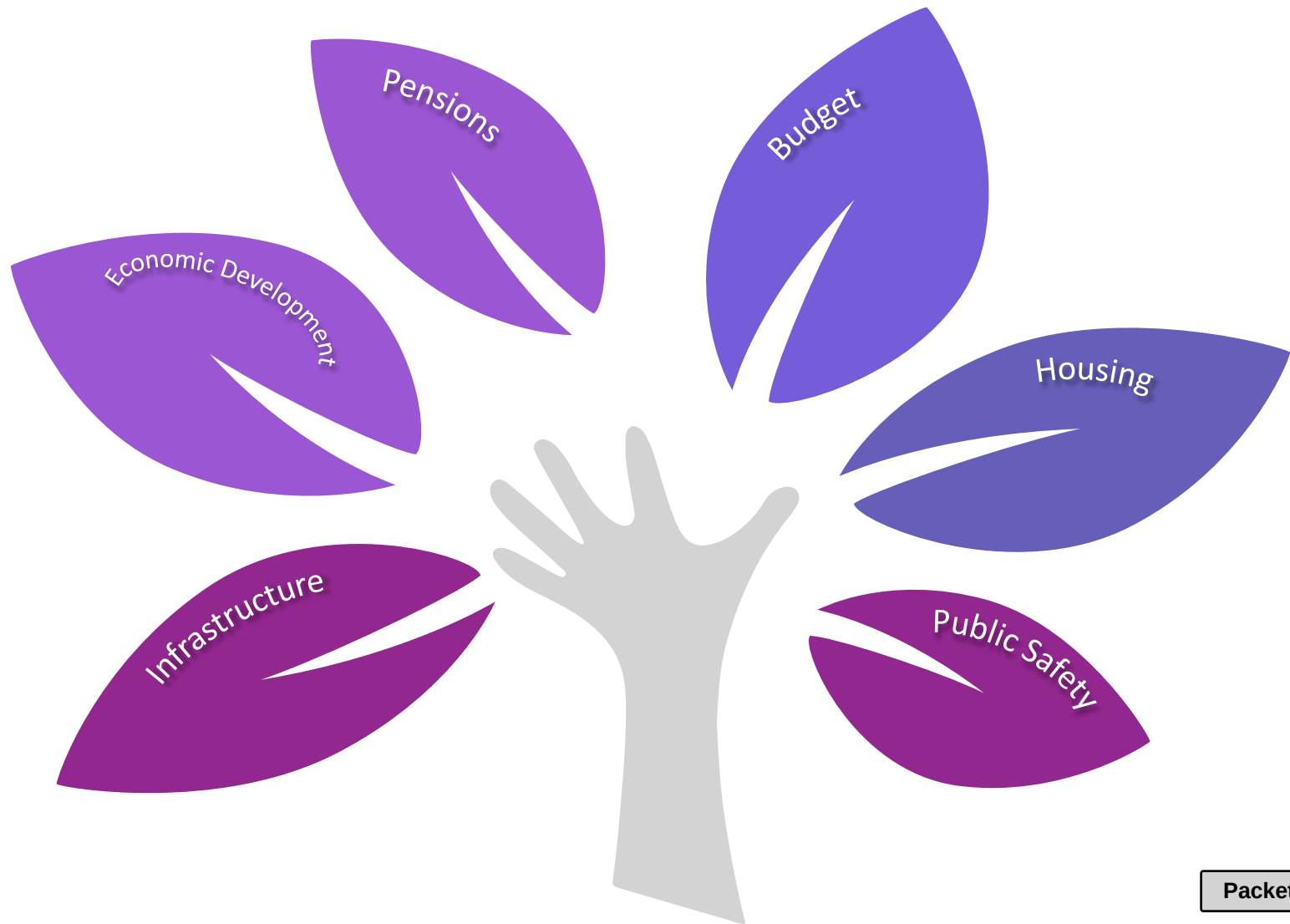
Polling for potential revenues

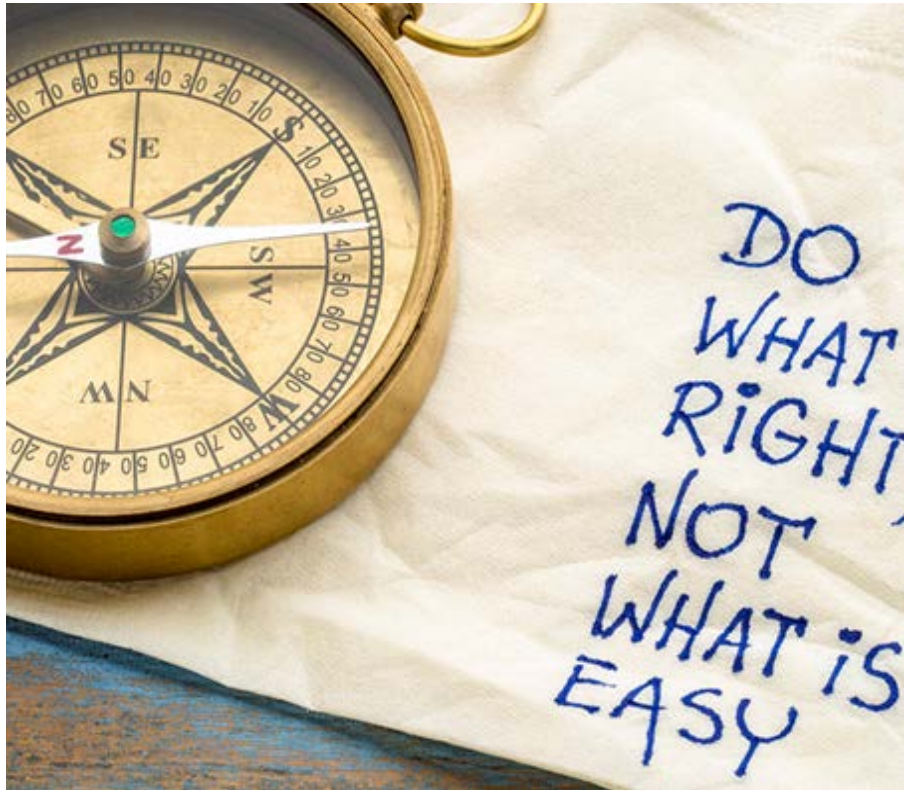


Public Safety

Translating Lessons Learned: “Ideation”

Distilling down key areas of focus





Translating Lessons Learned: “Ideation”

Distilling down key areas of focus



Answering the Why.....

- Quality of Life
- How to handle the shortfall
- Get the Community actively learning
- Expanding – Extending the voice of the Community

Centering our Efforts

1.q

Budget

- Biggest Question is “Why is there a Shortfall?”
- Public Safety is the number one issue with expanding population, Police \$1.3M and Fire \$2.3M
- City Infrastructure \$3.4M
- SB 330 eliminating RDCS for next five years another \$1.1M

Community Concerns



Tax Measure

- Residents Do Not Want More Taxes
- Need to Show Holistic Approach to Sell Tax Increase
- Need to have an Active Discussion about Trade offs
- Not going to be an Easy Sales Job no matter what the polls tell us

Economic Development

- Right Kind of Economic Development
 - Hotels
 - Cochrane Commons
 - Evergreen
 - R&D and Advanced Manufacturing
- The Wrong Kind of Development
 - Shoe Palace
 - Trammel Crow
 - The Electorate will be heard

Underlying Issues

- Traffic is a Regional Problem
 - Need to get creative to get North South traffic off of our streets, not provide thorough affairs
 - Lobby Hard for Hwy 101 expansion
 - San Martin - Morgan Hill
 - Tracy – Livermore
- First Responders inefficient
 - Fire Department
 - EMS

Packet Pg. 167

Establishing a Holistic Approach

1.q

- **Creative Revenue Generation Grants**
Projects that generate revenue for the GF
- **Cost savings – Challenge every department to come up with 10% savings**
- **Economic Development is key**
- **Revenue Measure possible Sales Tax Measure on November ballot**
- **Impact of SB 330**



Formulating our Approach



Connect and Cascade

- *Independent Source of Truth*
 - *Authentic and Relevant*
 - *Unbiased and Inclusive*
 - *Instill a growth mindset*
- *Respective and Participatory*

In Flight Discussions/Ideas

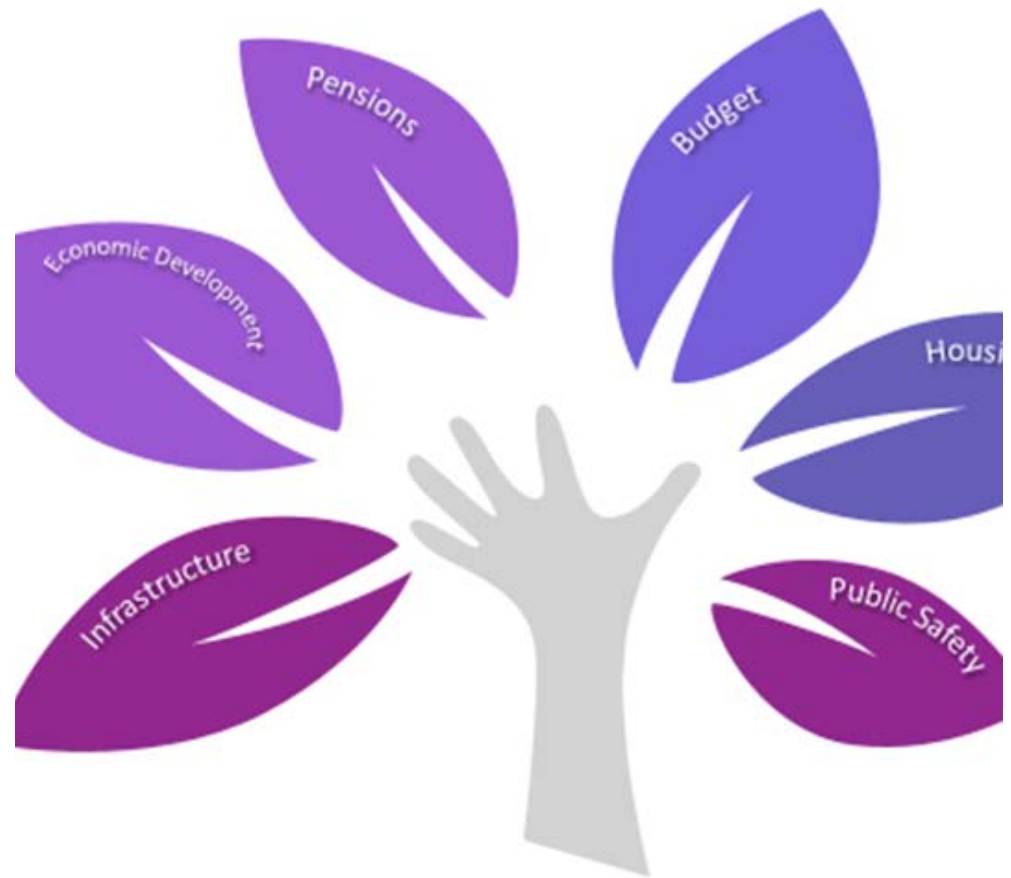
- **6 on 6 Podcasts (6 areas of focus-6 targeted questions-6 micro learning facts)**
- **Community Group Associations sessions**
- **CAG Facebook page**
- **City Council Community update rotation series**
- **News and Publication Awareness Campaign (Morgan Hill Life etc.)**

Outreach Invitation

- Mission Ranch Homeowners Association
 - Brad Krouskup Pro Measure A
 - Asit Panwala Con Measure A
 - Scott Bohrer Cochrane Commons
 - Joe Baranowski Morgan Hill Responsible Growth Coalition
- Held on January 27th at 7pm
- Cultural & Community Center Hiram Room
- Community is invited
- City is invited

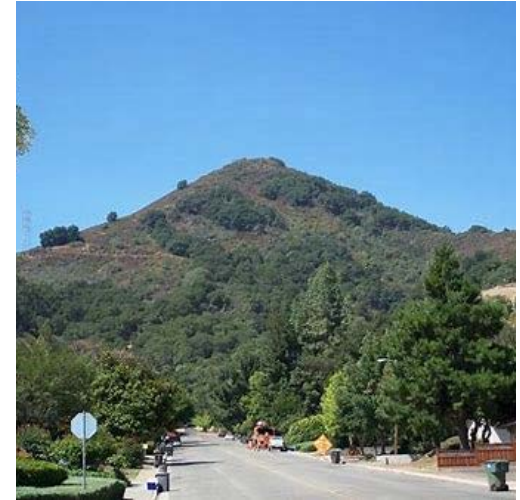
Translating Lessons Learned: “Ideation”

Distilling down key areas of focus



Attachment: CAG Presentation (2632 : City Council Goal Setting Workshop 2020)

Open Microphone



The charter of the community advisory group is to become educated about essential City services, share ideas, and make informed recommendation to the City Council about how to move forward for a sustainable future.

From: [Christina Turner](#)
To: [Michelle Bigelow](#); [Angie Gonzalez](#)
Cc: [Harjot Sangha](#); [Edith Ramirez](#); [Chris Ghione](#)
Subject: FW: Morgan Hill Chamber of Commerce supports Measure A on March 2020 ballot
Date: Saturday, January 25, 2020 8:00:01 AM

Please supplement this morning.

Morgan Hill Chamber of Commerce Members,

The Morgan Hill Chamber of Commerce believes that approval of Measure A on the upcoming March 2020 ballot will be positive for our community. Approval of this measure will clear the path for two additional hotels to be built on vacant land off Cochrane Road directly behind the small shopping center where Pete's, Fedex, Five Guys, etc. are presently located.

We believe that having access to additional lodging choices will be good for our businesses and residents and that the resulting additional City of Morgan Hill general fund revenues will be an important part of meeting the needs of our community. Some of the existing hotels in our city are concerned about the business impact of new competition and have funded the effort to reverse the decisions of your elected representatives by putting this measure on the ballot. We respect the right of voters to have the final say, and we ask for your support of allowing this project to move forward by voting yes on Measure A. Having developers and visitors pay more of the cost of providing the fire, police, recreation and other services we all enjoy is a good thing.

Several documents from the "Yes on A" campaign are attached, including an endorsement form should you be interested in signing it.

[Measure A Campaign Fact Sheet](https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureAFactSheet.pdf) [https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureAFactSheet.pdf](https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureABallotArgument.pdf)
[Measure A Ballot Argument](https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureABallotArgument.pdf) https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureABallotArgument.pdf
[Measure A Rebuttal](https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureARebuttal.pdf) https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureARebuttal.pdf
[Measure A Endorsement Form](https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureAEndorsementForm.pdf) https://chambermaster.blob.core.windows.net/userfiles/UserFiles/chambers/1806/File/Measure_A/MeasureAEndorsementForm.pdf

As a process reminder: **All registered voters should expect to receive a vote-by-mail ballot in early February. Mailing in your ballot or dropping it off at in the secure box at City Hall will be the easiest way to vote.** There will also be in person voting places available for everyone, but the old process of having many local precincts to vote at is being replaced by fewer in-person places which are open for many more days and at which a voter can vote no matter where in the county they reside. For more information: <https://www.sccgov.org/sites/rov/vca/Pages/home.aspx>

Thank you for your time and involvement,
John Horner
President & CEO, Morgan Hill Chamber of Commerce

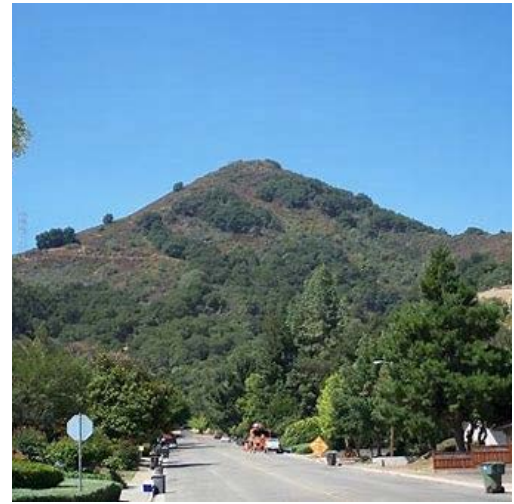


This email was sent on behalf of Morgan Hill Chamber of Commerce by GrowthZone, 4837 County Road 77, Nisswa, MN 56468. To unsubscribe [click here](#). If you have questions or comments concerning this email or GrowthZone services in general, please contact us by email at support@growthzone.com.

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Morgan Hill IT Department by opening a new helpdesk request online or call 408-909-0055.

Community Advisory Group City Council Goal Setting Workshop January 24th-25th Update-Discussion-Recommendations



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Current Membership:

31 Community Voices



Shakeeb Ahmed

Inga Bredehoeft

Sally Casas

Nancy Domnauer

Tim Fu

Nick Gaich

Kim Gaxiola

Ava Geddes

Delia Gomez

Gale Hoover Hammond

John Horner

Caitlin Jackimowicz

Rick Kent

Sue Koepp Baker

Matthew Kulick

David Lovato

Michelle McKay

Jody McRoberts

Beverly Mercurio

Doug Muirhead

Jeff Perkins

Cecelia Ponzini

Yvonne Randolph

Brittney Sherman

Brian Sullivan

Kathy Sullivan

Jennifer Tate

Steve Tate

Charles Weston

Terry Williams

Beth Wyman



Principle Aims:

- Commit to being actively involved in learning about the challenges facing the City and provide feedback, idea's and support
- Serve as a Community Voice “Catalyst” for current and future revenue challenges and potential solutions serving the greater good of our community
- To actively pursue and acquire the in-depth knowledge needed to be effective communicators serving as an independent “source of truth” to benefit the health and welfare of our community

The Road to Discovery

Deep Immersion-Learning Transfer



Kick Off Meeting



Budget



Economic Development



Budget Presentation



Housing Growth, Impacts



Infrastructure Traffic, Recreation



Pensions



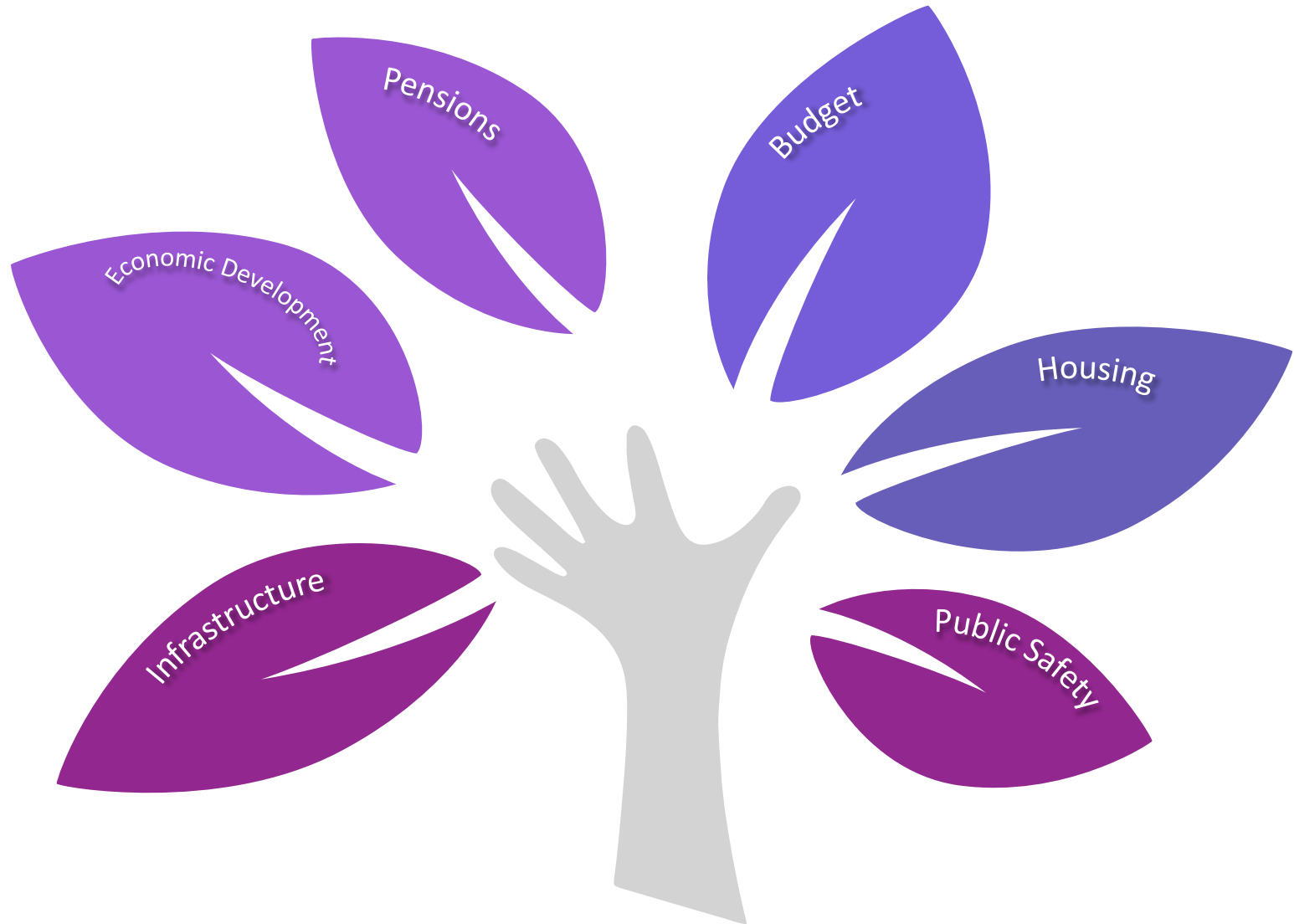
Polling for potential revenues

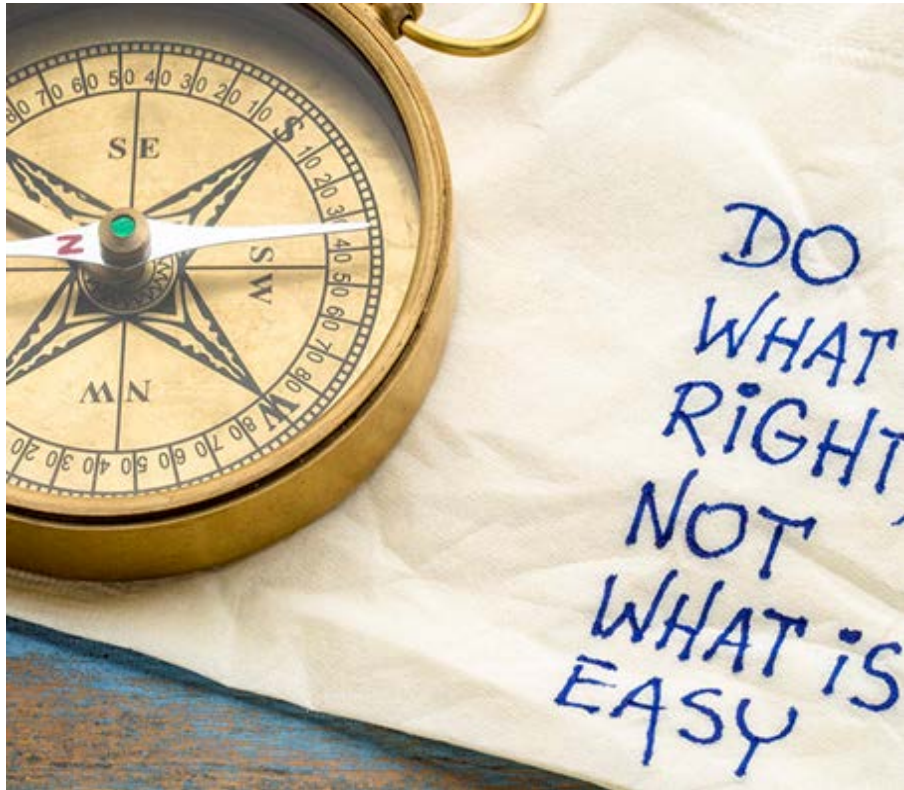


Public Safety

Translating Lessons Learned: “Ideation”

Distilling down key areas of focus





Translating Lessons Learned: “Ideation”

Distilling down key areas of focus



Answering the
Why.....

- Quality of Life
- How to handle the shortfall
- Get the Community actively learning
- Expanding – Extending the voice of the Community

Centering our Efforts

Budget

- Biggest Question is “Why is there a Shortfall?”
- Public Safety is the number one issue with expanding population, Police \$1.3M and Fire \$2.3M
- City Infrastructure \$3.4M
- SB 330 eliminating RDCS for next five years another \$1.1M

Community Concerns



Tax Measure

- Residents Do Not Want More Taxes
- Need to Show Holistic Approach to Sell Tax Increase
- Need to have an Active Discussion about Trade offs
- Not going to be an Easy Sales Job no matter what the polls tell us

Economic Development

- Right Kind of Economic Development
 - Hotels
 - Cochrane Commons
 - Evergreen
 - R&D and Advanced Manufacturing
- The Wrong Kind of Development
 - Shoe Palace
 - Trammel Crow
 - The Electorate will be heard

Underlying Issues

- Traffic is a Regional Problem
 - Need to get creative to get North South traffic off of our streets, not provide thorough affairs
 - Lobby Hard for Hwy 101 expansion
 - San Martin - Morgan Hill
 - Tracy – Livermore
- First Responders inefficient
 - Fire Department
 - EMS

Establishing a Holistic Approach

- **Creative Revenue Generation Grants**
Projects that generate revenue for the GF
- **Cost savings – Challenge every department to come up with 10% savings**
- **Economic Development is key**
- **Revenue Measure possible Sales Tax Measure on November ballot**
- **Impact of SB 330**



Formulating our Approach



Connect and Cascade

- *Independent Source of Truth*
 - *Authentic and Relevant*
 - *Unbiased and Inclusive*
 - *Instill a growth mindset*
- *Respective and Participatory*

In Flight Discussions/Ideas

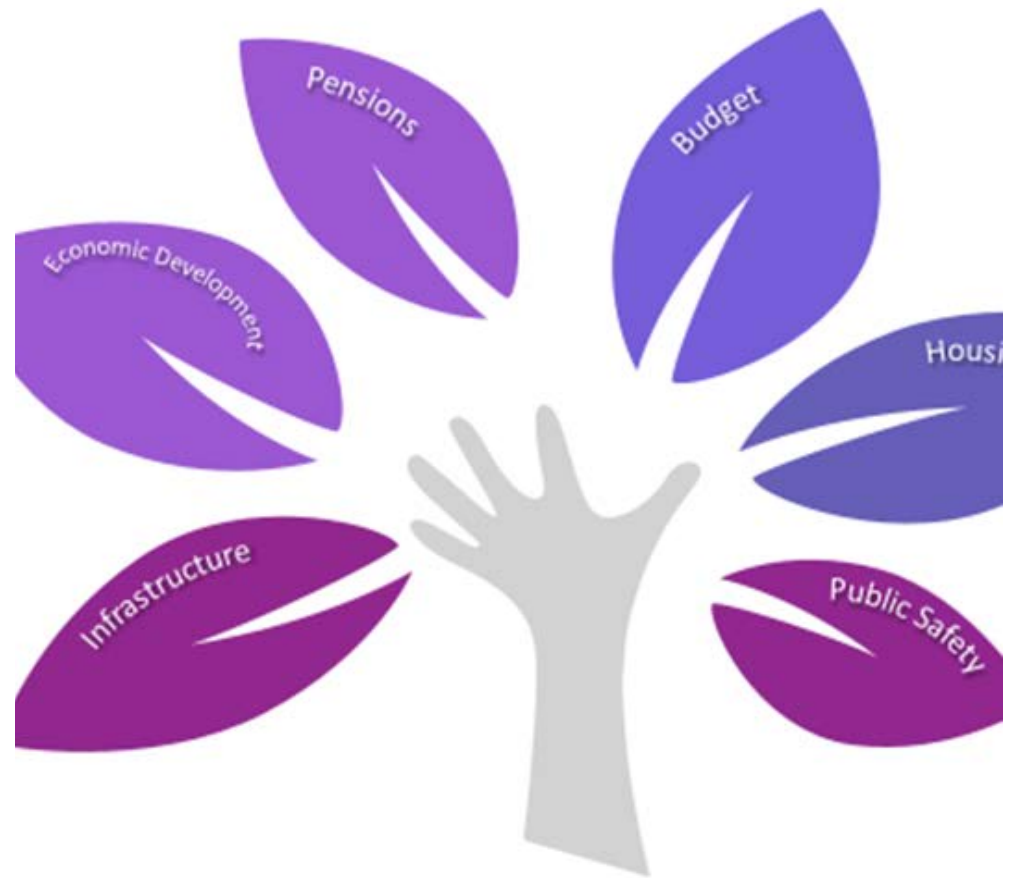
- ***6 on 6 Podcasts (6 areas of focus-6 targeted questions-6 micro learning facts)***
- ***Community Group Associations sessions***
- ***CAG Facebook page***
- ***City Council Community update rotation series***
- ***News and Publication Awareness Campaign (Morgan Hill Life etc.)***

Outreach Invitation

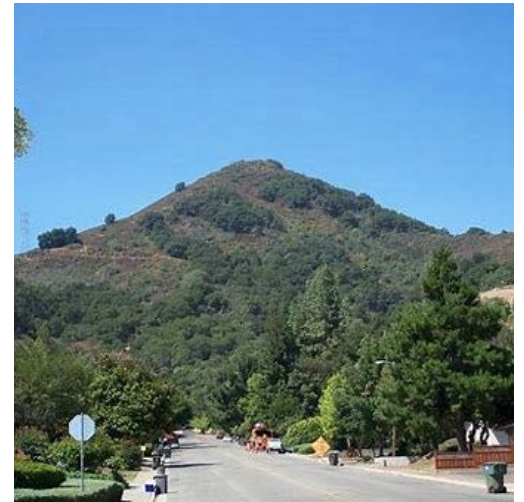
- Mission Ranch Homeowners Association
 - Brad Krouskup Pro Measure A
 - Asit Panwala Con Measure A
 - Scott Bohrer Cochrane Commons
 - Joe Baranowski Morgan Hill Responsible Growth Coalition
- Held on January 27th at 7pm
- Cultural & Community Center Hiram Room
- Community is invited
- City is invited

Translating Lessons Learned: “Ideation”

Distilling down key areas of focus



Open Microphone



The charter of the community advisory group is to become educated about essential City services, share ideas, and make informed recommendations to the City Council about how to move forward for a sustainable future.

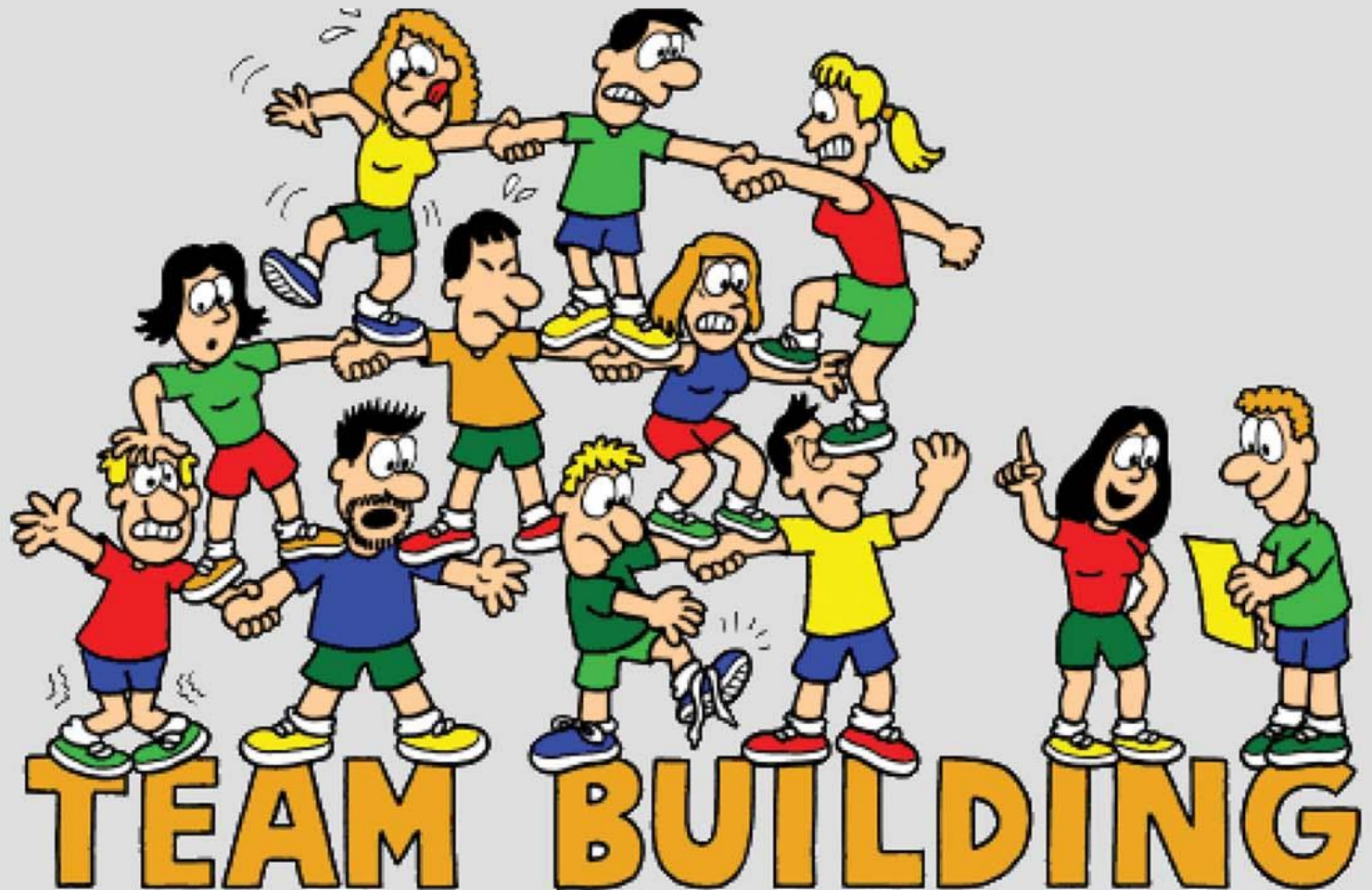


2020 City Council Annual Goal Setting Workshop



January 24-25, 2020

City Council Team Building



Choose Morgan Hill!

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



Workshop Agenda



Friday, January 24th

- 2019 Accomplishments
- City Council Policies, Procedures, & Protocols
- Sustainable Morgan Hill and workplan

Saturday, January 25th

- Fiscal Sustainability – Budget & Economic Development
- Engage Morgan Hill Community Advisory Group

If time permits:

- Agricultural Preservation
- Housing

2019 Accomplishments



City of Morgan Hill, CA



Tips



Police



Crime Map



Crime

Summary of Council Member Interviews



City Council Norms



City Council Policy Considerations



City Council Policy Considerations



- 97-01 Rules for the Conduct of City Council Meetings
- 96-01 Placement of Items on the Agenda & Matters to be Reconsidered by the City Council
- 94-09 Proclamation Policy
- 03-02 Ex Parte Contacts
- Resolution No. 6851 Authority to Take Legislative Positions

Sustainable Morgan Hill 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
- Advancing Regional Initiatives

2019-2020 Strategic Priorities

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



Review of 2019-2020 Strategic Priorities Workplan



Strategic Priority: 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.

Strategic Priority: Cannabis Policy



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 determining how the presence of cannabis retailers could enhance or detract from our fiscal sustainability and community character.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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 Development Control System (RDCS), and/or explore and propose changes to the RDCS to respond to changes in the law and City growth management goals.

Strategic Priority: 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.

Strategic Priority: 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.

Strategic Priority: 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 and 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.

Council Follow-Up/Future Business



Questions?

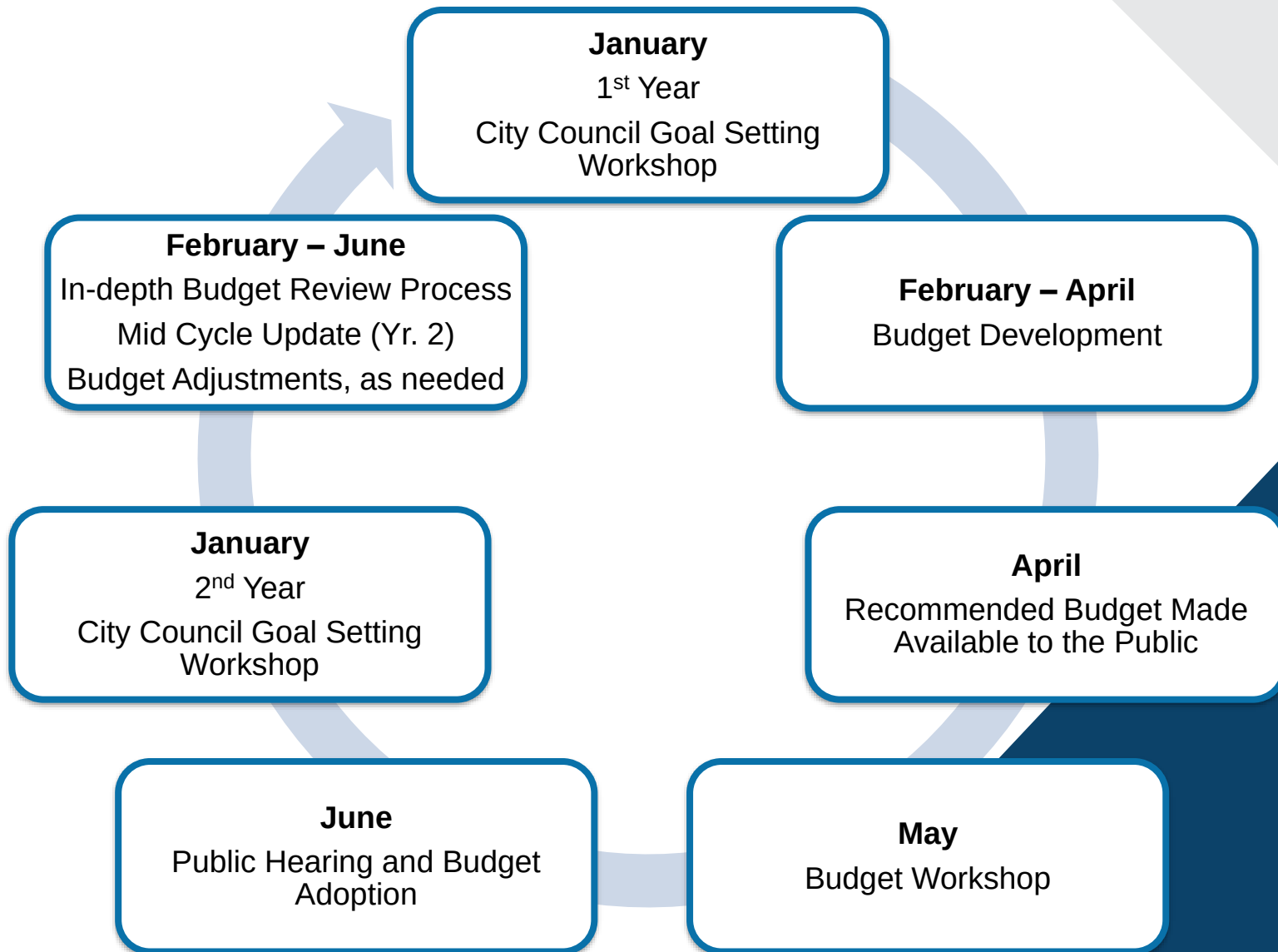


CITY OF MORGAN HILL

Fiscal Sustainability

Budget & Economic Development Update

2 Year Budget Process



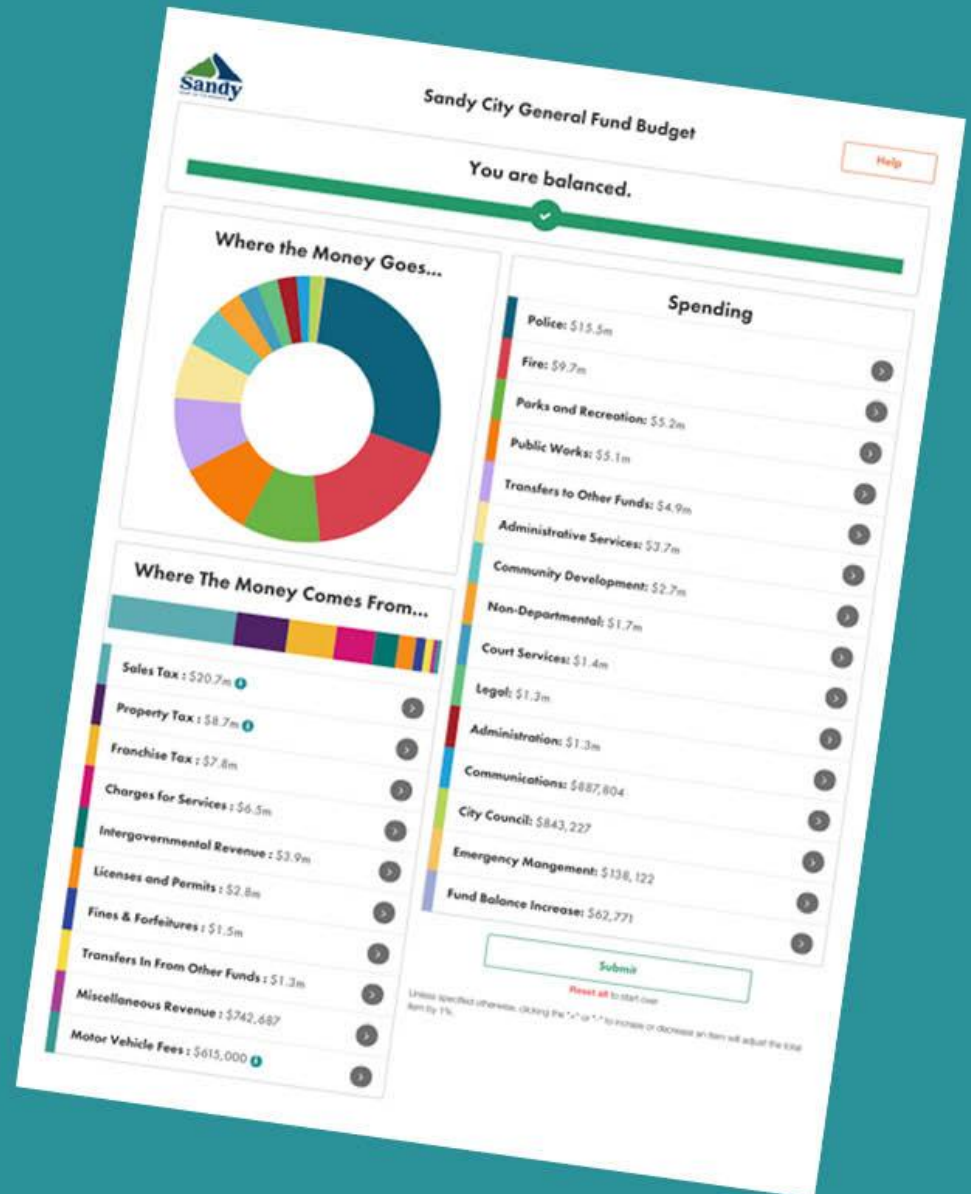
Budget Calendar



Key Dates:

Meeting	Dates
Community Engagement Budget Workshop	Saturday, March 21 st
Community Engagement Budget Workshop	Thursday, March 26 th
Recommended Budget Presented to Council	Wednesday, April 22 nd
Community Engagement Budget Workshop	Thursday, April 30 th
City Council Budget Workshop	Friday, May 15 th
Budget Public Hearing	Wednesday, June 17 th

Balancing Act



Budget Development Message



Provide high quality services for a low cost:

- Citywide staffing levels per capita lower today than 10 years ago
- Innovative partnerships
- Employee cost sharing for pension cost increases – reduced pension benefits for new employees
- Actively and successfully pursuing grants
- Economic development guided by the Economic Blueprint

Budget Development Message

(con't)



Challenges Ahead:

- Increased Public Safety service levels
- Deferred maintenance of City facilities
- Loss of RDCS = loss of local control and funding
- Increased housing = increased demand for services

Budget Development Message

(con't)



Revenue Strategies:

- Potential new taxes
- Continue to focus on Economic Development opportunities
- Continue to look for innovative approaches to providing services
- Review service levels and areas of service

Budget Development Message

(con't)



Recommendations on what will not be considered this budget cycle:

- Layoffs
- Salary freezes
- Opening employee contracts
- Service level enhancements/new programs unless there is cost recovery or associated decreases to expenses

Budget Development Message

(con't)



What may be considered this budget cycle:

- Strategic hiring freeze before rehiring
- Staffing schedules and operating hours
- Additional strategic partnerships

Budget Update



General Fund Revenue Updates:

- **Sales Tax** - HdL's latest forecast, no significant change since mid-cycle
- **Property Tax** - based on County's latest forecast (November 2019)
 - Approx. \$900K increase (Additional ERAF and RDA Apportionment)
- **TOT** – reflects rate increase from 10% to 11%
 - Includes New Downtown hotel coming online FY 2020-21
 - Excludes 2 hotels until completion of the referendum

Budget Update (cont'd)

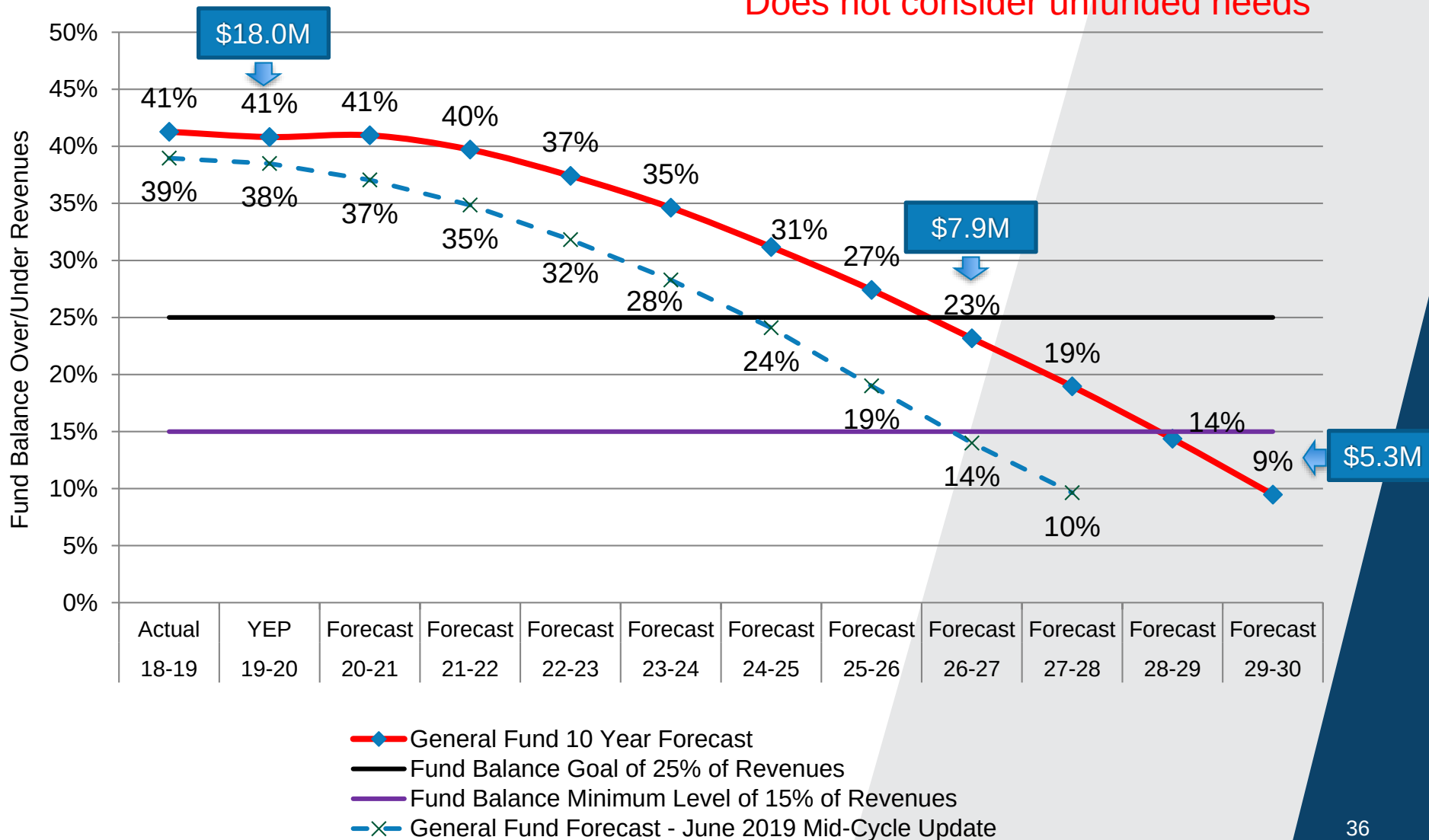


Strategic Use of General Fund Reserve/Budgetary Surplus

- Building Replacement Fund - increased by additional \$250K/yr
- Park maintenance - increased by additional \$150K/yr (from \$200K/yr to \$350K/yr)
- OPEB – One-time \$400K contribution
 - Plus, increased annual contribution by \$100K/yr (from \$300K/yr to \$400K/yr)
- Pension Trust – One-time \$400K contribution
- Outfitting of donated ambulance \$75K

General Fund Balance

Does not consider unfunded needs



Fiscal Sustainability

Unfunded Liabilities and Needs

Unfunded General Fund Needs



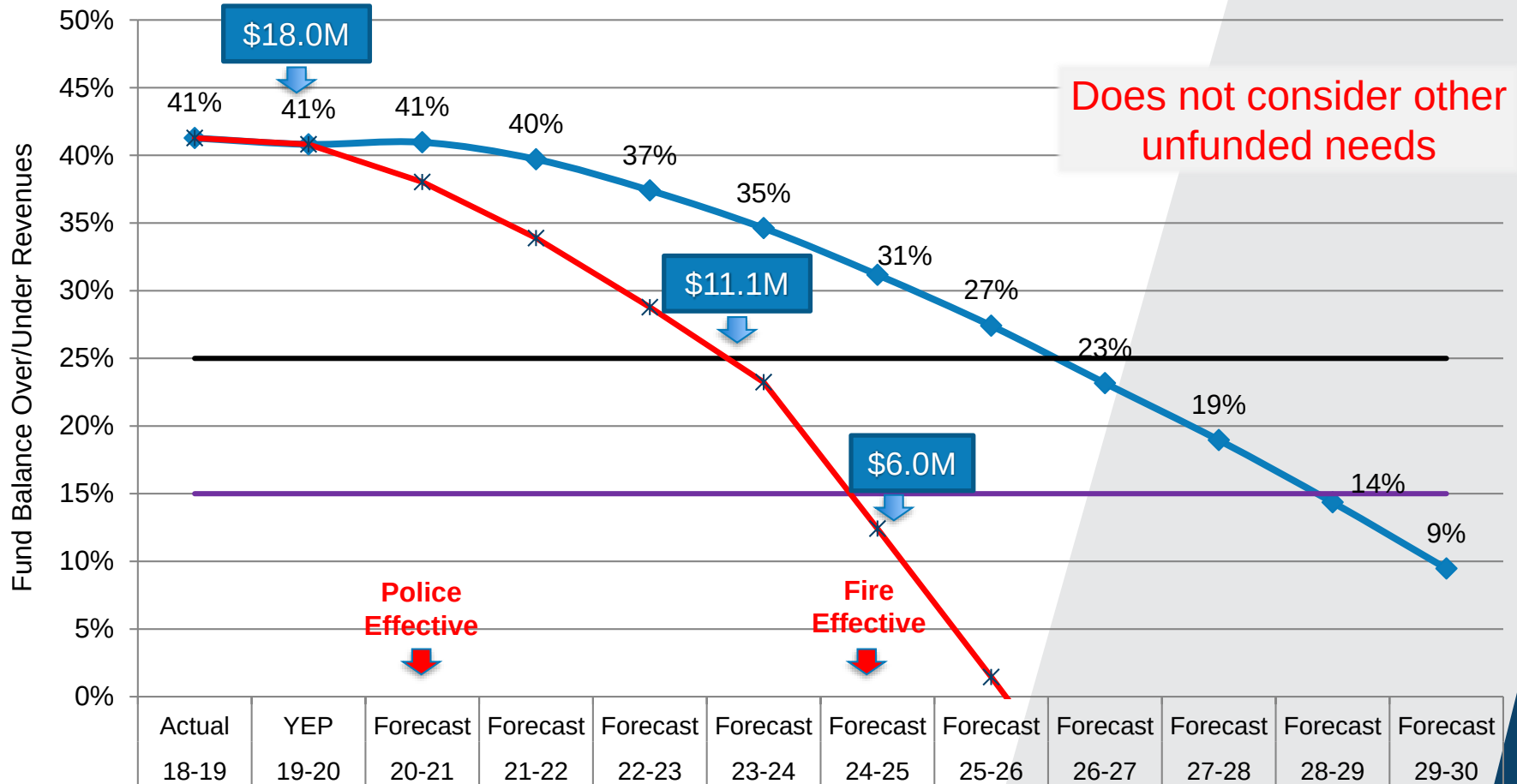
Total Annual Unfunded General Fund Needs = **\$7.3M**

- Police \$1.3M
- Fire \$2.3M
- Building Maintenance \$0.2M
- Pavement Rehabilitation \$2.3M
- Street Maintenance \$0.2M
- ~~Park Maintenance \$0.7M~~ ← Addressed via Quimby Fee
- NEW** • Operational loss due to RDCS Suspension \$1.0M

Unfunded Liabilities

- Total Unfunded Liabilities = **\$56.4M** Updated
(up from \$49.0M)
 - Public Employees Retirement System (PERS) - \$51.6M
 - Other Postemployment Benefits (OPEB) - \$4.8M
- General Fund Share = 67% or \$37.8M
- Current Funded Status
 - Misc. Plan = 71.6%
 - Safety Plan = 68.3%

General Fund Balance (With Public Safety Master Plan Only)



- ◆ General Fund 10 Year Forecast - Current
- Fund Balance Goal of 25% of Revenues
- Fund Balance Minimum Level of 15% of Revenues
- * General Fund 10 Year Forecast - With Additional PD & Fire

Fire Standards of Coverage



Fire Service Background



- Early 1900's single station department
- 1970's 2 station department
- 1990's contracted with Santa Clara County Fire Department
- 2013 transitioned to a regional fire protection model with CAL FIRE

This includes a shared facility at the CAL FIRE/South Santa Clara County Fire Protection District headquarters and a crucial Regional Boundary Drop Agreement with the South County District and the City of Gilroy.

2014 Fire Service Study



Center of Public Safety Management study

- In 2014 City Council contracted with the Center of Public Safety Management to provide operational and administrative analysis of the city and surrounding Fire District
- In the report to Council in January 2017, CPSM provided 11 findings including the recommendation to conduct a "formal fire risk analysis"

Standards of Coverage Study



- November 2018 Council approved participation in a 3-agency study with Morgan Hill, Gilroy and the South County Fire District
- Study included a 3-year historical assessment of incident type, risk of incident type on the community and current resource deployment
- This study would also include evaluations for future fire station locations, personnel staffing models, and delivery methods

Highlights of the Study



Daily Staffing Capacity:

The consultant recommends that both Cities construct and staff an additional fire station as soon as fiscally feasible

First Due Response:

MH stations do not meet the intended 7:30 best practice goal for urban fire service response. 1200 calls per year are simultaneous calls in the City

Mutual Aid Isolation:

The best long-term solution is to use the cooperative service delivery model due to the fact that all three agencies rely heavily on each other for fire/EMS response. Geographically all three agencies are isolated from "outside" aid from San Jose, Pajaro Valley, Hollister, and Watsonville

Where are we now?



From 911 call to engine company arrival at scene.
(3-year study 2016 to 2018)

Dunne Hill Station:
9 mins 51 seconds

El Toro Station:
8 mins 31 seconds

Morgan Hill Station: (shared Engine 67)
9 mins 25 seconds

NOTE: 7 mins 30 seconds is the performance standard. Brain death generally occurs at 8 mins as well as fire propagation

Where do we need to be?



3rd Fire Station

- Building and staffing the 3rd station is the only way to handle the longer than desired travel times in Morgan Hill

Incremental Steps Towards Proper Staffing

- Staffing the truck with 3 additional personnel daily at El Toro Station
- or**
- Staff a 2-person Rescue/Squad at El Toro Station

Next Steps

Adopt Recommended Performance Objectives

- 7 min 30 secs for first due engine company (3 FF's)
- 11 min 30 secs for first alarm assignment (14 FF's)

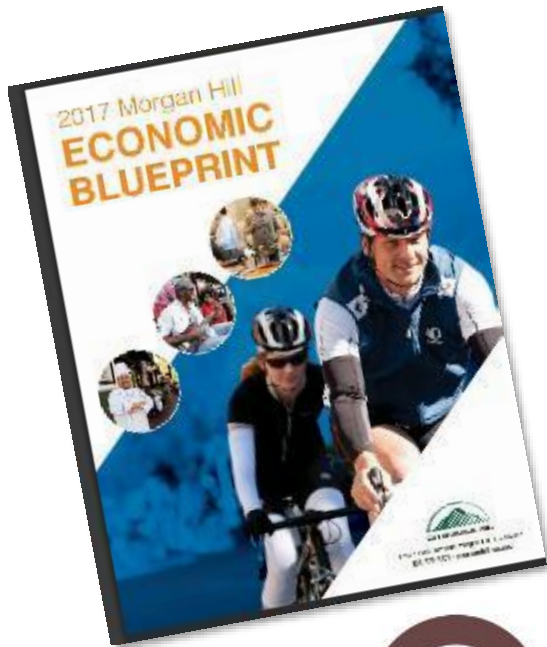
Benefits to Adopting Performance Objectives

- We need to have a target in order to achieve a goal of providing excellent public safety
- Establishing performance objectives will ensure we do not decrease our level of service as the City grows

Economic Development Update



January 25, 2020



Economic Blueprint



Four Industry Areas



Innovation and Advanced Manufacturing
Grow existing companies, attract new industry and grow professional jobs.

Retail
Grow retail offerings and strengthen commercial nodes.

Tourism
Grow leisure, agriculture, wine country and recreational tourism.

Healthcare
Grow and foster the medical service and diagnostics industry by attracting services and facilities.

Economic Blueprint Indicators 2020 Update

- ✓ Increased sales, property and transient occupancy tax revenues
- ✓ Low unemployment industrial vacancy rates
- ✓ Limited growth on number of businesses, number of jobs in Morgan Hill, and business to business revenue
- ✓ High number of residents that commute to work

Economic Indicators — Updated! Jan 2020

The City will evaluate the success of the Economic Blueprint through different measures of success that are based upon the four economic pillars.



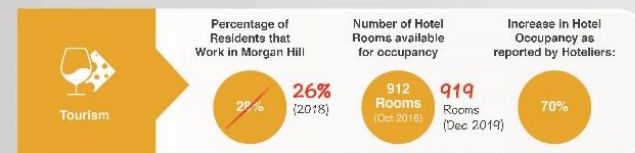
Sources: State of California Employment Development Department, Census Bureau, ACS 2016



Sources: Santa Clara County Assessor's Office, State of California Board of Equalization, CoStar International



Sources: State of California Employment Development Department, CDTFA



Source: Individual Hoteliers

Applied Motion Products

(Madrone Pkwy)



48,000 SF of Office, R&D, Manufacturing & Assembly
Groundbreaking in February

Butterfield Technology Park

(Butterfield & Jarvis)



- 600,000 SF Industrial Park with 383 Units of Residential
- Design & Grading Permits Submitted

Carpenters Training Center

(Madrone Pkwy, North of Lightpost Way)

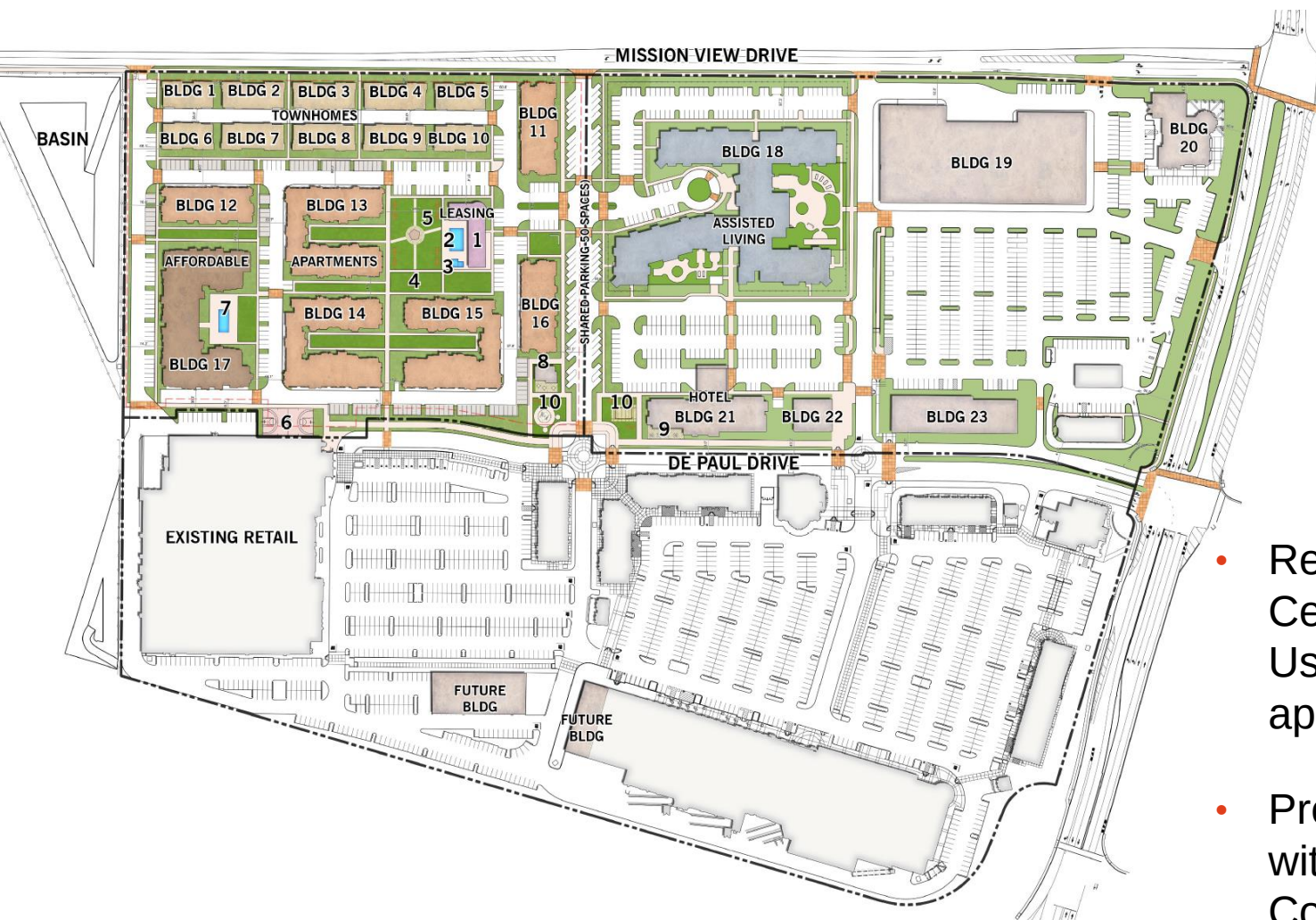
55,000 SF expansion

Building entitlements in process



Cochrane Commons Phase II

(Cochrane Rd. & Hwy 101)



- Repositioning Retail Center as Mixed-Use project with 260 apartments
- Preliminary review with Planning Commission in February 2020

Edes Building

(Second St. & Monterey Rd.)



Mixed-use project
with roof-top lounge

Entitled

Evergreen Village Shopping Center

(Cochrane Rd. & Butterfield Blvd.)



20-acre commercial development Uses:
Hotel, Gas Station,
Grocery Store, Retail, &
Skilled Nursing

Street improvements
underway

Project to be developed
in phases

Fairfield Inn & Home2 Suites

(Madrone & Woodview)



- 206 Hotel Rooms
- Entitlements Completed
- Voter Referendum Scheduled for March 2020



Golden State Assembly Expansion

(18220 Butterfield Blvd.)



40,000 SF Expansion

Manufacturing, Warehouse &
Distribution

Grading complete

Granada Hotel

(Monterey Rd & First Street)

- Construction underway
- Anticipated completion in 2021



Granary Expansion

(Depot Street)

5,000 SF Retail
Under Construction



Level 10 Construction

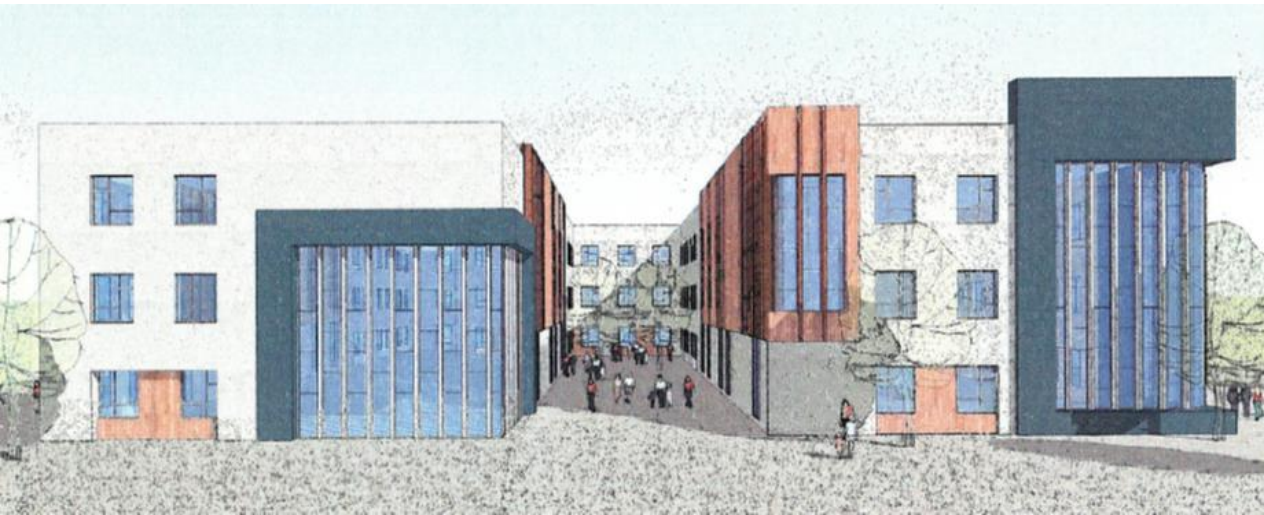
(Railroad & Barrett)

- 70,226 SF Construction office & yard
- Design Review underway



Lillian Commons

(Juan Hernandez & Barrett Ave)



Conceptual Mixed-Use Project
for:

- ✓ 55-bed hospital
- ✓ 10,000 SF medical office
- ✓ 4,000 SF urgent care facility
- ✓ 10,000 SF retail space
- ✓ 200 multi-family units

General Plan & Zoning
Amendments required

Preliminary Review with
Planning Commission on
January 28th

Lumber Yard-Latala

(Depot Street)

46-Unit Mixed-Use Project
Construction to begin Fall 2020



Morgan Hill Technology Park

(De Paul Dr. & Hwy 101)

- 1.1 MSF of Industrial Spec buildings with 3+ acres of commercial
- Environmental study underway



Shoe Palace Expansion

(745 Jarvis Dr.)

503,000 SF Expansion

Office, Warehouse &
Distribution

Under Construction



Speculative Industrial Building

(Madrone Pkwy & Butterfield Blvd.)



- 31,000 SF Industrial Spec Building
- Building permit issued

Techcon Corporation Expansion

(Monterey Road & Cochrane Road, Fronting Cochrane Circle)

- 40,399 SF R&D, manufacturing and office facility
- Design Review is underway





ENGAGE MORGAN HILL

A conversation about services, funding, and priorities.

www.EngageMorganHill.org



Engage Morgan Hill Topics



- Budget Basics
- Pensions
- Economic Development
- Recreation
- Infrastructure Replacement/Maintenance
- Traffic/Congestion
- State Housing Legislation
- Public Safety
- December – wrap up

Community Advisory Group Discussion



Agricultural Preservation



Agricultural Preservation



- Funding for direct City purchase of easements in the future is financially unrealistic due to the loss of RDCS.
- Potential transfer of development credit program and “stay ahead” provision are now no longer possible due to RDCS suspension.
- City staff will continue to engage County and our regional partners about opportunities for aligning strategies for agriculture preservation on borders of Morgan Hill.
- City is working directly with County and regional partners on City sports and recreation facilities related to City owned property adjacent to/or within the County.

Housing Update



Current Regional Housing



Current RHNA #'s (2014-2019) - HCD									Projection		
Income Level	RHNA # Allocated to MH	Permits Issued 2014/ 2015	Permits Issued 2016	Permits Issued 2017	Permits Issued 2018	Permits Issued 2019	Total	HCD % Met	HCD Remaining Allocation	Pipeline	Units Still needed
Very Low Income up to 50% AMI (includes ELI)	273	12	29	0	39	0	80	29%	193	98*	95*
Low Income 51% to 80% AMI	154	118	23	13	24	11	189	123%	0	66*	-101*
Moderate Income 81% to 120% AMI	185	107	6	9	263	14	399	216%	0	352**	-566**
Above Moderate Income/Market Rate more than 120% AMI	316	647	219	192	193	142	1393	441%	0	TBD	-1077
Total	928	884	277	214	519	167	2061	222%	193	516	95

* MWest included (78 VLI) * Beacon Included (20 VLI and 61 LI)

Non – Deed Restricted Moderate Units Included – NOT yet issued: (311 MWest, 8 Borello (ADU's), **Already Issued and Reported: 167 Evergreen, 83 Sunsweet 11 Borello, and 61 Diamond Creek

Housing Units In Pipeline

Year	Permits Issued or Expected to be Issued
2014/2015	884
2016	277
2017	214
2018	519
2019	167
2020	755
2021 - on	959

SB 330: City Preparedness



- Attended Realtors Association and Rotary meetings to discuss impact to City
- Prepared media campaign and press releases to discuss changes including placing full page ads in two local media resources
- Adopted Objective Design Criteria
- Re-Designed application and other permit forms
- Created Information sheets regarding changes and website instructions related to SB 330 and processing requirements

SB 330: City Preparedness (Con't)



- Established on-line application submission appointment system for use by Development Community
- Mailed informational letters to all architects, engineers and developers who regularly work in City or who have asked to be placed on DS mailing list
- Held team implementation meetings to discuss process changes
- Collaborated with Community Engagement program to share information on various social media sites
- Estimated housing permits in next 5 years 1500-2000

SB 50: Equitable Communities Incentive (ECI) Benefits



- Requires local governments to grant transit-rich and jobs-rich housing projects certain benefits and waivers of local development regulations based on their location.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)



County with a population that is greater than 600,000, the following incentives apply:

- Any transit-rich or jobs-rich housing project that meets the eligibility criteria above shall receive waivers from maximum controls on density and minimum automobile parking requirements greater than 0.5 parking spots per unit.
- A residential development that is located within one-half mile radius, but outside one-quarter mile radius, of a major transit stop shall also receive waivers from maximum height requirements less than 45 feet, maximum FAR requirements less than 2.5, and any minimum automobile parking requirements.

SB 50: Equitable Communities Incentive (ECI) Benefits (Con't)



County with a population that is greater than 600,000, the following incentives apply (Con't):

- A residential development that is located within one-quarter mile radius of a major transit stop shall also receive waivers from maximum height requirements less than 55 feet, maximum FAR requirements less than 3.25, and any minimum automobile parking requirements.
- Must meet local inclusionary requirements

SB 50: Option for Local Flexibility Plan – Submit by July 2021



- Plan must increase feasible housing capacity of lower, moderate and above moderate income, considering costs of construction, affordable housing requirements, and local development fees
- Increase transportation efficiency as great or greater than if the local gov. were to grant an ECI

SB 50: Neighborhood Multifamily Projects

- SB 50 would also provide for a specified streamlined ministerial approval process of specified “neighborhood multifamily projects” that would either construct a multifamily structure on vacant land, or to convert an existing structure that does not require substantial exterior alteration into a multifamily structure. A neighborhood multifamily project must consist of up to 4 residential dwelling units and that meets local height, setback, and lot coverage zoning requirements as they existed on July 1, 2019

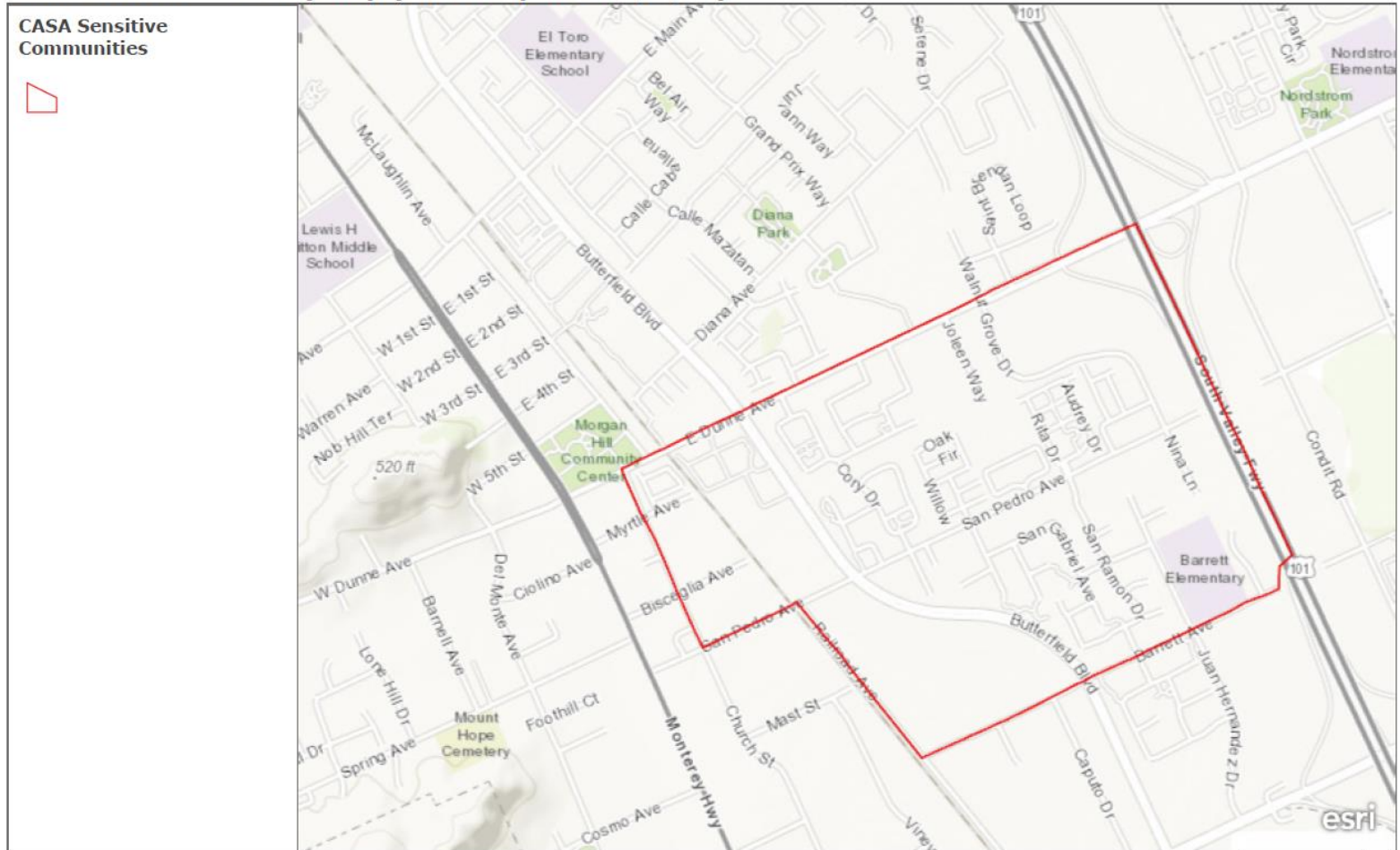
SB 50: Community Plan for Sensitive Communities



- Very small part of MH eligible by ABAG/MTC determination. No big housing opportunity sites envisioned without GP/Zoning amendment

SB 50: Community Plan for Sensitive Communities (Con't)

Senate Bill SB 50 Policy Map (DRAFT Updated 5/8/19)



This map allows for the exploration of policies that were written into SB 50.

Other Bills to Watch



- AB 1484 (Grayson) Mitigation Fee Act
– 2-year bill
 - Shell bill intended to set standards for Impact Fees and other development related City infrastructure costs
 - Numerous changes proposed could significantly limit how local governments impose fees to mitigate the impact of housing development
 - Broad support from Builders and Housing Advocates

Other Bills to Watch (Con't)



- AB 1356 (Ting) Retail Commercial Cannabis Activity – 2-year
 - Requires Cities where more than 50% of voters voted in favor of Prop 64, to permit and issue a minimum number of licenses authorizing retail cannabis activity
 - 1 retail cannabis license for every 4 liquor licenses or one per every 10,000 residents

Other Bills to Watch (Con't)



- AB 1907 (Santiago) Homeless and Affordable Housing CEQA Exemptions
 - Exempts Homeless Shelters and Affordable housing projects from CEQA review
 - Affordable Housing to 80% AMI and below
 - Expands bill that was approved and impacted the City of Los Angeles only, in 2019.

Goal Setting Wrap-Up





Budget Workshop Agenda

City Council

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

Friday, January 24, 2020 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 is called Friday, January 24, 2020 at 9:00 a.m. for the purpose of conducting the Annual Goal Setting Workshop and Saturday, January 25, 2020 for the continuation of the Annual Goal Setting Workshop.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

Deputy City Clerk Michelle Bigelow

DECLARATION OF POSTING OF AGENDA

Per Government Code Section 54954.2
Deputy City Clerk Michelle Bigelow

PUBLIC COMMENT

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ADOPTION OF AGENDA

GOAL SETTING WORKSHOP

1. CITY COUNCIL GOAL SETTING WORKSHOP

Recommendation:

1. Review 2019 Accomplishments;
2. Review and discuss City Council Policies, Procedures, and Protocols;
3. Review and discuss 2019 - 2020 Sustainable Morgan Hill, including Vision, Ongoing Priorities, Strategic Priorities, and Staff Work Plan;
4. Review and discuss Fiscal Sustainability - Budget and Economic Development; Update from Engage Morgan Hill Community Advisory Group; and
5. Other topics, time permitting; Agricultural Preservation and Housing.

ADJOURNMENT TO SATURDAY, JANUARY 25, 2020 AT 9:00 AM

SATURDAY, JANUARY 25, 2020 9:00 A.M.

GOAL SETTING WORKSHOP CONTINUED

Continuation of the January 24, 2020 City Council Goal Setting Workshop.

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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.

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AMERICANS WITH DISABILITIES ACT (ADA)

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VISION

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- Maintaining Fiscal Responsibility
- Supporting our Youth, Seniors, and Entire Community
- Fostering a Positive Organizational Culture
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- Preserving our Community History
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- Agricultural Preservation
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- Community Engagement and Messaging
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- Telecommunications
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- High Speed Rail
- Homelessness
- Housing
- Infrastructure
- Telecommunications
- Traffic/Transportation



From: [Christina Turner](#)
To: [Michelle Bigelow](#); [Angie Gonzalez](#)
Cc: [Harjot Sangha](#); [Edith Ramirez](#); [Chris Ghione](#)
Subject: FW: Morgan Hill Chamber of Commerce supports Measure A on March 2020 ballot
Date: Saturday, January 25, 2020 8:00:01 AM

Please supplement this morning.

Morgan Hill Chamber of Commerce Members,

The Morgan Hill Chamber of Commerce believes that approval of Measure A on the upcoming March 2020 ballot will be positive for our community. Approval of this measure will clear the path for two additional hotels to be built on vacant land off Cochrane Road directly behind the small shopping center where Pete's, Fedex, Five Guys, etc. are presently located.

We believe that having access to additional lodging choices will be good for our businesses and residents and that the resulting additional City of Morgan Hill general fund revenues will be an important part of meeting the needs of our community. Some of the existing hotels in our city are concerned about the business impact of new competition and have funded the effort to reverse the decisions of your elected representatives by putting this measure on the ballot. We respect the right of voters to have the final say, and we ask for your support of allowing this project to move forward by voting yes on Measure A. Having developers and visitors pay more of the cost of providing the fire, police, recreation and other services we all enjoy is a good thing.

Several documents from the "Yes on A" campaign are attached, including an endorsement form should you be interested in signing it.

[Measure A Campaign Fact Sheet](#)
[Measure A Ballot Argument](#)
[Measure A Rebuttal](#)
[Measure A Endorsement Form](#)

As a process reminder: **All registered voters should expect to receive a vote-by-mail ballot in early February. Mailing in your ballot or dropping it off at in the secure box at City Hall will be the easiest way to vote.** There will also be in person voting places available for everyone, but the old process of having many local precincts to vote at is being replaced by fewer in-person places which are open for many more days and at which a voter can vote no matter where in the county they reside. For more information: <https://www.sccgov.org/sites/rov/vca/Pages/home.aspx>

Thank you for your time and involvement,
John Horner
President & CEO, Morgan Hill Chamber of Commerce



This email was sent on behalf of Morgan Hill Chamber of Commerce by GrowthZone, 4837 County Road 77, Nisswa, MN 56468. To unsubscribe [click here](#). If you have questions or comments concerning this email or GrowthZone services in general, please contact us by email at support@growthzone.com.

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Morgan Hill IT Department by opening a new helpdesk request online or call 408-909-0055.

From: [Christina Turner](#)
To: [Michelle Bigelow](#); [Angie Gonzalez](#)
Cc: [Harjot Sangha](#); [Edith Ramirez](#); [Chris Ghione](#)
Subject: FW: Morgan Hill Chamber of Commerce supports Measure A on March 2020 ballot
Date: Saturday, January 25, 2020 8:00:01 AM

Please supplement this morning.

Morgan Hill Chamber of Commerce Members,

The Morgan Hill Chamber of Commerce believes that approval of Measure A on the upcoming March 2020 ballot will be positive for our community. Approval of this measure will clear the path for two additional hotels to be built on vacant land off Cochrane Road directly behind the small shopping center where Pete's, Fedex, Five Guys, etc. are presently located.

We believe that having access to additional lodging choices will be good for our businesses and residents and that the resulting additional City of Morgan Hill general fund revenues will be an important part of meeting the needs of our community. Some of the existing hotels in our city are concerned about the business impact of new competition and have funded the effort to reverse the decisions of your elected representatives by putting this measure on the ballot. We respect the right of voters to have the final say, and we ask for your support of allowing this project to move forward by voting yes on Measure A. Having developers and visitors pay more of the cost of providing the fire, police, recreation and other services we all enjoy is a good thing.

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President & CEO, Morgan Hill Chamber of Commerce



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