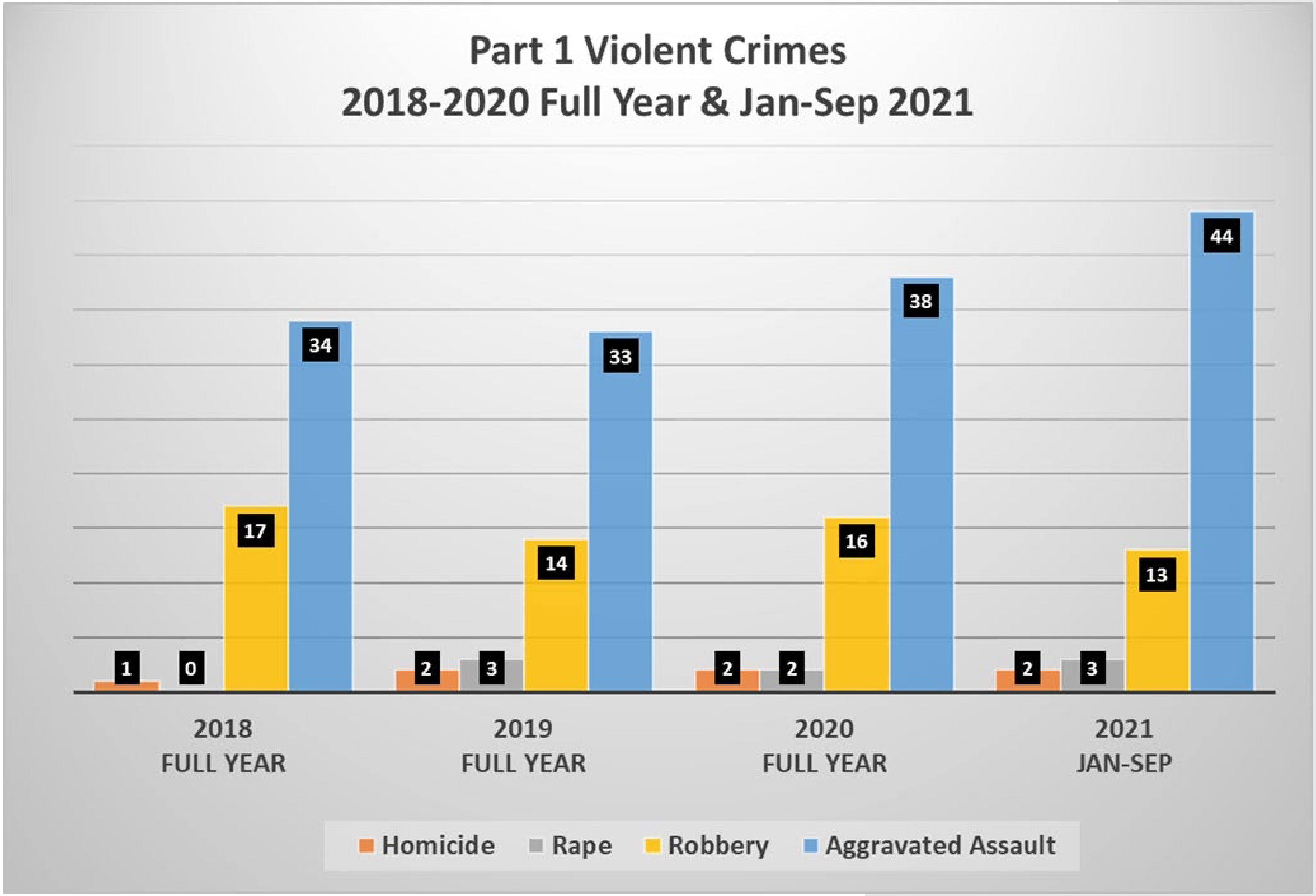
CITY OF MORGAN HILL

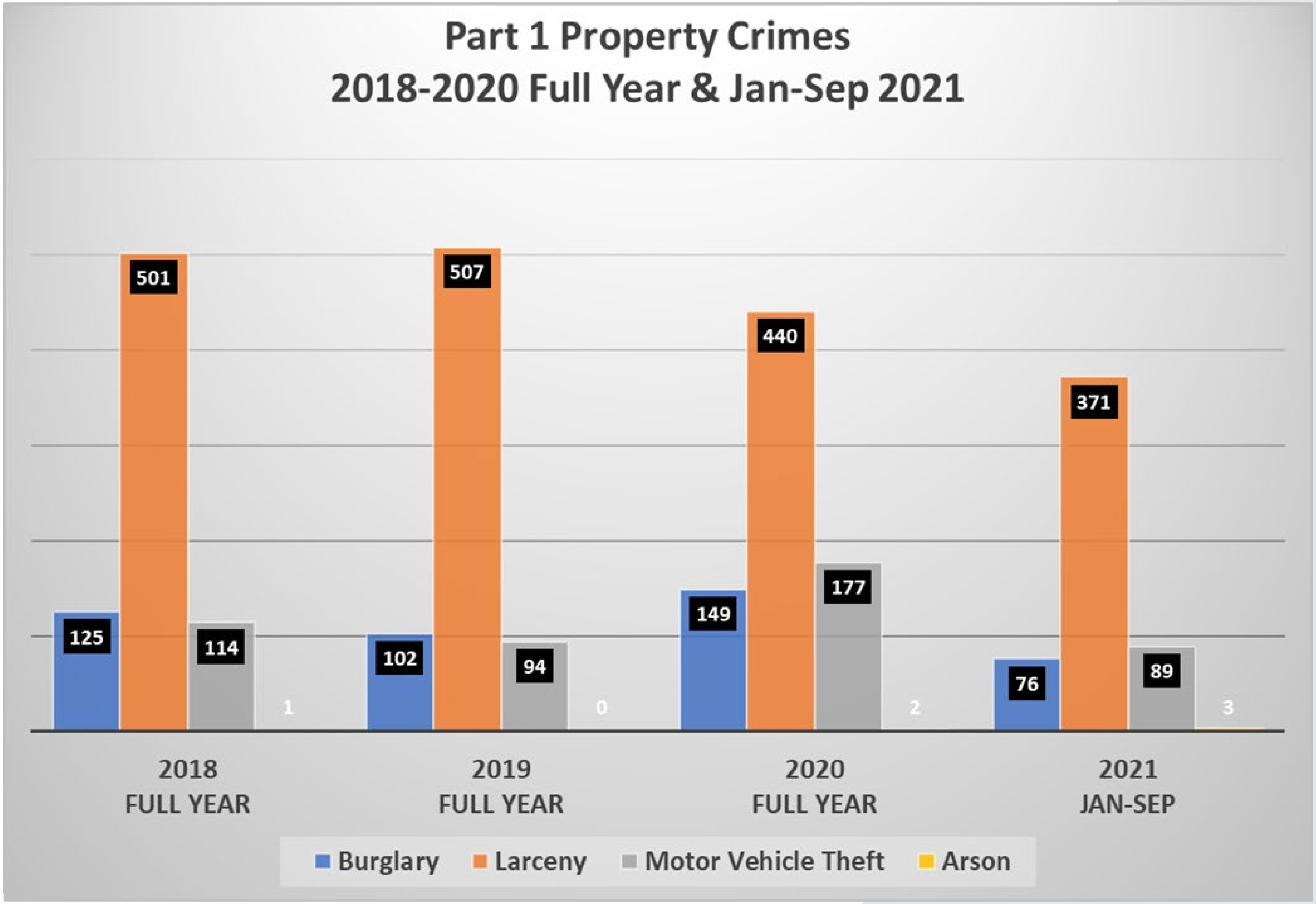
2021 Morgan Hill Police Department and California Legislative Updates

Presented by Chief Shane Palsgrove and MHPD Admin Team December 1, 2021

Violent Crimes



Property Crimes



Innovative Programs

- MOBILE CRISIS RESPONSE TEAM (MCRT)
- YOUTH DIVERSION PROGRAM
- FLOCK SAFETY
- COMMUNITY TOBACCO GRANT
- CRIME PREVENTION UNIT
- POLICE CADET AMBASSADOR PROGRAM

Future Programs

- PSYCHIATRIC EMERGENCY RESPONSE TEAM (PERT)
- HOUSING SERVICES DIVISION
  HOMELESS SPECIALIST

- HOMELAND SECURITY GRANT APPLICATION FOR
  ARMORED PERSONNEL CARRIER

Field Operations Staffing

CITY OF MORGAN HILL

Current Patrol Schedule

Day Shift: 1 Sergeant
1 Corporal
1 Officer
1 Officer
1 Officer Not Filled
1 Vacant Officer

Night Shift: 1 Sergeant
1 Acting Corporal
1 Officer
1 Officer
1 Officer Not Filled
1 Vacant Officer

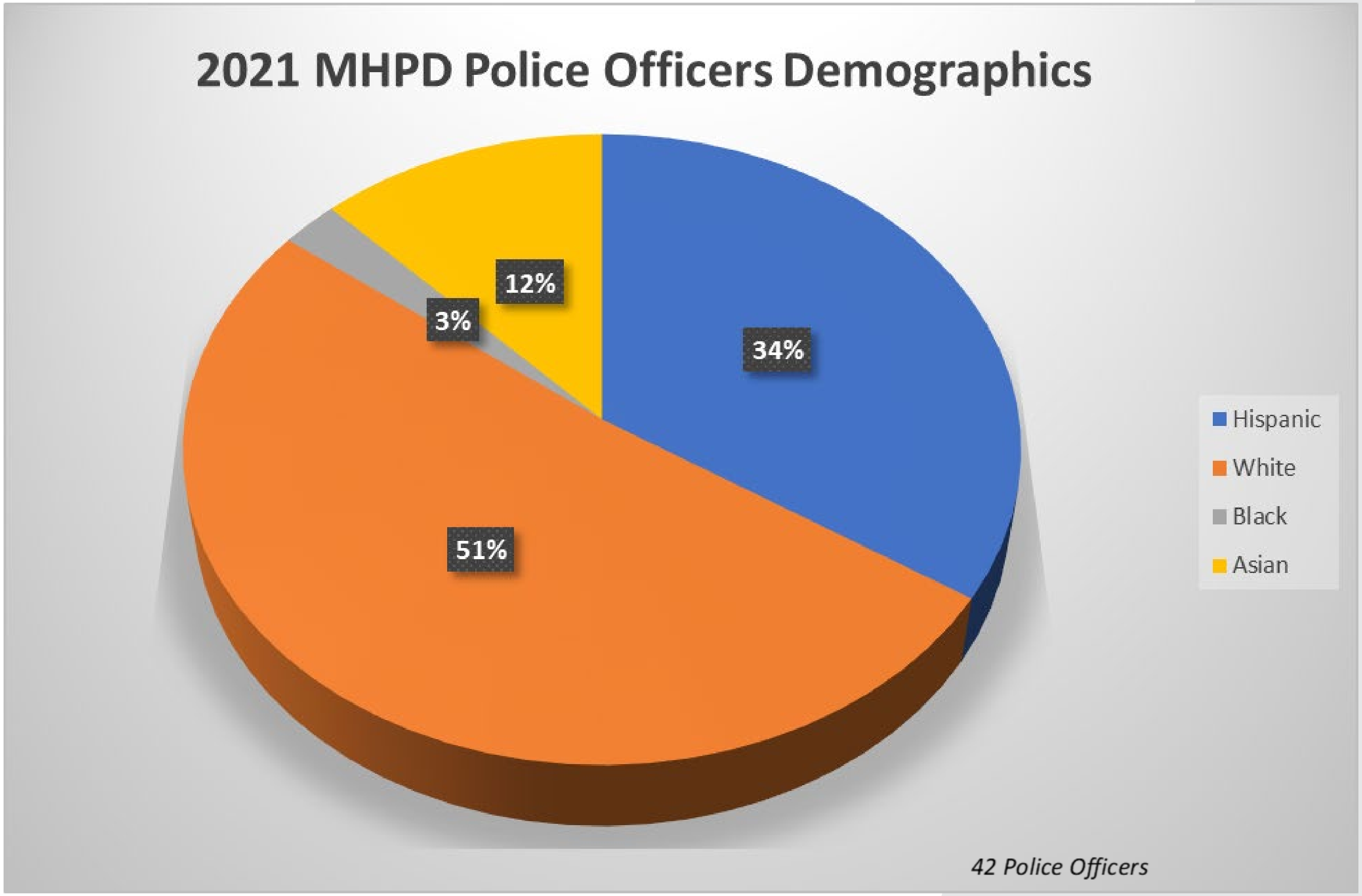
TRAFFIC: 1 Acting Corporal
1 Officer
1 Officer Not Filled

Day Shift: 1 Sergeant
1 Corporal
1 Officer
1 Officer
1 Officer Not Filled
1 Vacant Officer

Night Shift: 1 Sergeant
1 Corporal
1 Officer
1 Officer
1 Officer
1 Vacant Officer

Special Operations: 1 Sergeant
1 Corporal
1 Detective
1 Detective
1 Detective
1 Detective
1 Detective
1 Detective
1 Detective
1 Detective
1 Vacant Detective

Police Officer Demographics



CITY OF MORGAN HILL

Crime Trends

- Vehicle Side-Shows
- Thefts of high-end bicycles
- Thefts of catalytic converters
- Gun crimes including 2 homicides
- Organized retail crime crews/thefts from large retail and drug stores
- Narcotics: Methamphetamine and Fentanyl
- In the past 18-months Officers have successfully saved 7 lives with the use of Narcan

Post-Pandemic Programs/Projects

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- Community Police Academy
- Police Explorer Program
- Parent Project
- Crime Prevention Unit
- Volunteers in Policing (VIPs)
- Police Cadet Ambassador Program

Flock Security Cameras

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- Began August 30, 2021
- In 10 Weeks
  - Recovered 51 stolen cars
  - Arrested 61 suspects
    - 96% of arrested suspects reside outside of Morgan Hill

Special Operations Positions

Detective Assignments:

- *Property Crimes* – Burglary, Larceny, Vehicle Theft, Fraud
- *Person Crimes* – Assaults, Rape, Domestic Violence
- *Street Crimes* (3 Detectives) – Homicide, Robbery, Drugs, Weapons
  - One Vacant Detective
- *General Crimes* – MCRT, Missing Persons, Crime Prevention
- *School Resource Officer* – Dedicated to schools to enhance campus safety
- *Community Tobacco Officer* - Dedicated to reducing the use of tobacco, including vaping products throughout Morgan Hill
- *Regional Enforcement Allied Computer Team (REACT)* – 1 detective embedded in the Task Force
- *Regional Automobile Theft Task Force (RATTF)* – 1 detective embedded in the Task Force

Special Operations Future Needs

- 1 FTE Multi-Service Officer
- 1 FTE School Resource Officer (SRO)
- 1 FTE PERT Detective
- 1 FTE Internet Crimes Against Children Detective

Special Operations Cases

CITY OF MORGAN HILL

- *January 11, 2021* – Morgan Hill Ulta store thieves and car jacking suspects arrested following a pursuit to Oakland
- *January 14, 2021* – Homicide investigation related to domestic violence at a residence.
- *January 15, 2021* – Attempted homicide suspect located and arrested at a Morgan Hill residence
- *July 19, 2021* – Homicide investigation at the Intersection of Monterey Road and Spring Avenue
- *August 25, 2021* – Two signal jamming devices responsible for impeding with communications transmissions over the Countywide public safety radio frequency were located in a Morgan Hill residence
- *November 4, 2021* – Three suspects arrested for firearms and narcotic violations following a search warrant being served *(AR-15 rifle, an SKS rifle, a .22 caliber rifle, a 9mm handgun and high-capacity magazines were located. In addition, 34 pounds of marijuana and small amounts of psilocybin and cocaine were found)*
- *November 17, 2021* – M & H Tavern shooting suspect arrested from an October 29, 2021 firearm discharged during fight case

Office of Emergency Services

New for 2022:

- Implementing Neighborhood Community Emergency Response Teams (CERT)
- Organizing trained community members educated in disaster preparedness and response into neighborhood groups
- Assisting neighborhoods before, during, and after a large-scale emergency, such as an earthquake

Records Division

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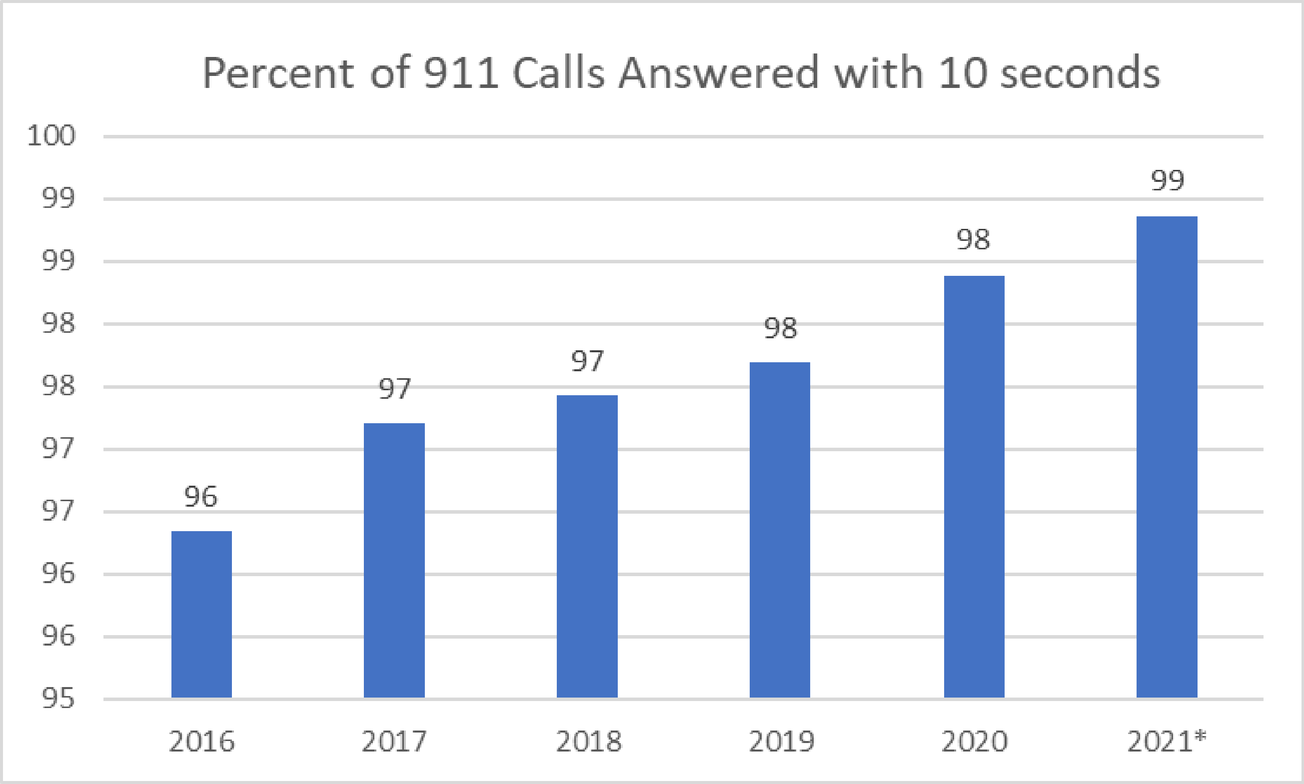
- 4.5 FTE Police Records Specialists have processed an average of 3,800 reports and 683 arrest warrants per year over the last 3 years.

- 1 FTE Evidence Technician manages the 83,000+ property and evidence items secured and maintained in the property room.

Dispatching Calls for Service



**Date Range for 2021 Data is January 1, 2021 to October 31, 2021*

Recent Bills Signed into Law

New Laws Pertain to Law Enforcement Reform

- 10 Recent California Legislative Bills Signed

AB 26 Peace Officers: Use of Force

CITY OF MORGAN HILL

Created Additional Requirements for Agencies' Use of Force

AB 48 Law Enforcement: Use of Force

CITY OF MORGAN HILL

Sets Restrictions on Less Lethal Force During Protests

AB 89 Peace Officers: Minimum Qualifications

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Requires a Modern Policing Degree Program to be Developed and Implemented

AB 333 Participation in a Criminal Street Gang

Would Prohibit the Use of the Currently Charged Crime to Prove the Pattern of Criminal Gang Activity

AB 481 Law Enforcement and State Agencies

CITY OF MORGAN HILL

Requires a Law Enforcement Agency to Adopt a Military Equipment Use Policy

AB 490 Law Enforcement Agency Policies

Imposes a State-mandated Local Program by Requiring Local Agencies to Amend Their Use of Force Policies

AB 958 Peace Officers: Law Enforcement Gangs

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Requires a Policy Prohibiting Unlawful or Unethical On-Duty Behavior of a Group of Law Enforcement Officers

SB 2 Peace Officers: Certification

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Creates a Process to Decertify Officers for Serious Misconduct

SB 16 Peace Officers: Release of Records

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Will Make Specific Sustained Findings Subject to Disclosure

SB 98 Public Peace: Media Access

Prohibits Media Access Being Denied to a Duly Authorized Media Representative When Individuals are Engaged in a Primarily Constitutionally Protected Activity

Conclusion

CITY OF MORGAN HILL

Questions?

Better Together

From: Christina Turner

To: Michelle Bigelow; Angie Gonzalez

Subject: Supplement for Item 7

Date: Wednesday, December 1, 2021

Staff Report: Flock Safety - Officers have recovered 51 vehicles

Question: One CLEF member told me that on a ride-along responding to a Flock alert, another alert had to be ignored due to lack of resources. How often and how many times has this happened?

Response: We do not track the number of times we are not able to respond due to a lack of resources

Staff Report: Psychiatric Emergency Response Team (PERT). Behavioral Health employee dedicated to Morgan Hill 40 hours/week

Question: Is this Monday-Friday 8 am-5 pm? How often/percent have previous calls come in outside these hours?

Response: The PERT clinician will be working Tuesday through Friday from 7 am to 5 pm. From 2020 data, 75% of all mental health calls were reported Tuesday through Friday, and 50% of all calls were between the hours of 8 am to 5 pm.

Staff Report: Homeland Security Grant Application for Bear Cat

Question: Is there a documented procedure for when to employ an armored vehicle? For example, would the Bear Cat be used to serve a search warrant?

Response: We do not have a policy at this time; however, a policy will be created if the grant is approved. In current practice, the bearcat is used only during high-risk operations.

Staff Report: Other factors affecting workload are state reforms that have resulted in a higher number of individuals previously incarcerated back into the community.

Question: Is the South County Re-Entry Network office still operating?

Response: Yes.

Question: What is the relationship between MHPD and County Re-Entry programs?

Response: MHPD is continuing to collaborate and support the County in an effort to assist with the reentry of individuals convicted of non-serious and non-violent crimes back into South County. However, because of COVID, the services and hours are limited.

Staff Report: Special Operations Division Mobile Crisis Response Team and partnership with the Housing Services Division to launch the Psychiatric Emergency Response Team (PERT).

Questions: Who decides that an encampment needs to be cleared? Do officers provide security during the cleanup? Do you monitor the site to deter/prevent re-occupation? Specific example is site under Butterfield overpass between RR tracks and City fence. Cleared two weeks ago. At least one tarp/tent now present. Many bike wheels and frames at site and more at crash rail next to Railroad Ave. Also 4 grocery carts.

Response: With the hiring of the new Housing Specialist, our Housing Services Division will be monitoring the encampments and providing resources to the unhoused community. The only role the police department will have moving forward will be to investigate any criminal matters. All other matters from clean up to re-occupation will be the responsibility of the Housing Services Division. As a City organization, we stand by our commitment to provide resources to our unhoused community and recognize being unhoused is not a crime.

Staff Report: Nextgen 911 (NG911) Deployment

Question: I forget the exact date that cities were to update their 911 database of addresses. Did Morgan Hill complete that task?

Response: This is a state project. City GIS was involved to verify road centerlines. We have not been updated on the status of this project.

Question: You recently added text access to 911. What is the outlook for video in a 911 call? Several years ago, County Communications was thinking about how to train/prepare their dispatchers for the emotional impact of actually viewing the scene of the call. What is your outlook?

Response: Text to 911 has been live since September 2019. The State will be completing the upgrades to the infrastructure (fiber lines) soon. We do not yet have an estimate for when video to 911 will be available to the public. As with text to 911, this will likely be a coordinated regional effort as a countywide roll-out improves the user experience.

Preparing and training dispatchers for NextGen 911 is a significant undertaking for the department. The department is prioritizing wellness initiatives, promoting resiliency and self-care, and destigmatizing mental health support for the dispatchers. The department will be able to provide support via trauma informed care, peer support, critical incident debriefings, chaplaincy program, and perhaps even through our in-house PERT clinician.

Staff Report: Dispatch team has consoles that are rapidly approaching the end of their useful life. There are currently 3 main consoles and a 4th auxiliary console. The consoles were installed when the Police Department moved into its current facility in 2004.

Comment: I do not understand. You got new consoles and radios as part of the SVRIA County multi-band digital conversion.

Response: The new consoles and radios as part of the SVRIA County multi-band digital conversion are referring to the radio consoles. The consoles we are referring to are the actual dispatch workstations.

Staff Report: 2021 CALIFORNIA LEGISLATION - AB 89 (Jones Sawyer) Peace Officers: Minimum Qualifications

Question: Little Hoover Commission study of Law Enforcement Training issued two briefs and just announced the full report (I watched the hearings and read the 2 briefs but have not read the full report). Does the department concur with the issues and suggestions in the report?

Response: Department has not had a chance to review the report.

Staff Report: AB 481 (Chui) Law Enforcement and State Agencies: Military Equipment: Funding, Acquisition, and Use "Military equipment" means the following: (13) Taser Shockwave, microwave weapons, water cannons, and the Long-Range Acoustic Device (LRAD)

Comment: I remember at a town hall a resident from an eastern ridge community complemented the department on use of LRAD during SCU wildfire. And City staff noted that the department had several vehicles mounted LRADs. Some news articles claim that these devices can also be used as sonic weapons, contrary to manufacturer's claims.

Response: We have been awarded a homeland security grant to purchase two LRADs, funds have not been released from the State to the County yet.

Staff Report: ATTACHMENT 2 - Flock Safety Update. 9 cases listed in memo. The link to the transparency portal is: https://transparency.flocksafety.com/morgan-hill-ca-pd

Comment: You continue to highlight the Flock-maintained "transparency portal". It only reports the camera numbers. Not breakout by alert type. Not false alerts. Not responses by MHPD. No way to understand large number of hits versus much smaller number for reaction by MHPD. And vehicle passing multiple cameras gets counted by each camera.

Response: The portal has been created by the vendor and the department is in conversation with Flock about the software capabilities.

From: D. Muirhead
To: Shane Palsgrove
Cc: CC Public Comment
Subject: [EXTERNAL] Comment Morgan Hill City Council December 1 Item #7 2021 Police Update
Date: Wednesday, December 1, 2021 8:16:29 AM

Hello Chief Palsgrove,

Comment for Morgan Hill City Council meeting
December 1 2021
Item #7 Receive 2021 Police Update and response
to California legislative bills

Since I was unable to read your agenda item until late last night,
I am just going to submit my notes into the record.
You presented a lot of useful information. But with what I think I know,
you also omitted a lot of interesting information. Perhaps some day we
can continue this conversation.
Thank you for your consideration, Doug Muirhead, Morgan Hill
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*Flock Safety officers have recovered 51 vehicles
---
comment: One CLEF member told me that on a ride-along responding to a
Flock alert, another alert had to be ignored due to lack of resources.
How often and how many times has this happened?
-----
*Psychiatric Emergency Response Team (PERT)
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comment: Is this Monday-Friday 8AM-5PM? How often/percent have previous
calls come in outside these hours?
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*Homeland Security Grant Application for Bear Cat
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vehicle? For example, would the Bear Cat be used to serve a search warrant?
-----
*Other factors affecting workload are state reforms that have resulted
in a higher number of individuals previously incarcerated back into the
community:
---
comment: Is the South County Re-Entry Network office still operating?
What is the relationship between MHPD and County Re-Entry programs? The South County
office was created with the support
of the former Chiefs of Morgan Hill and Gilroy.
-----
*Special Operations Division Mobile Crisis Response Team
and partnership with the Housing Services Division to launch the
Psychiatric Emergency Response Team (PERT).
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comment: So who decides that an encampment needs to be cleared?

Do officers provide security during the cleanup? Do you monitor the site to deter/prevent re-occupation? Specific example is site under Butterfield overpass between RR tracks and City fence. Cleared two weeks ago.
At least one tarp/tent now present. Many bike wheels and frames at site and more at crash rail next to Railroad Ave. Also 4 grocery carts.
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Not breakout by alert type. Not false alerts. Not responses by MHPD.
No way to understand large number of hits versus much smaller number for reaction by MHPD. And vehicle passing multiple cameras gets counted by each camera.

Good Evening Mr. Baranowski,

1) On slide 6 'Field Operations Staffing' – what is the difference between '**Officer Not Filled'** and **'Vacant Officier'**? **Officer Not Filled refers to officers on light duty or not available for full duty. Vacant Officer is a position we need to hire for.**

2) On slide 7, 'Police Officer Demographics', there is a note on the bottom of the pie chart that says '42 Police Officers'. In Chief Swing's Nov 2019 presentation, he noted that at that time there were 42 sworn officers in the MHPD Team. **Is it correct that the number of sworn officers today is the same as it was in 2019 – 42? Yes, we are at the same number of 42 sworn officers today.**

3) Chief Swing included a chart showing the number of Police Officers per Capita (per 1000 residents, I assume although I suppose this could be residents plus the number of daily employees?). The chart noted that in 119 MH had a ratio of 1.3 officers in 1992 and in 2017 that ratio had been reduced to 0.89 – the lowest of any city in Santa Clara County at that time. Assuming there are in fact 42 sworn officers today and the 2021 estimated population of MH is (according to US Census data) ~47,668 then **an estimate of the sworn officers per capita is about what it was in 2017 at 0.88 officers per 1000. Is that a correct assumption? Would this still be the lowest of any city in Santa Clara County? Yes, your 'assumption' is correct we are at .88 officers per 1000 and if not the lowest definitely amongst the lowest. I would be remis if I did not state that the ratio is one measurement of staffing levels, it is dependent on the crime rate of the City and the expectation of the community.**

4) The 2019 presentation included a Violent and Property Crimes summary looking at previous years and the Jan-Sep 2019 statistics. Slide 2 of your presentation 'Violent Crimes' show that the total number of violent crimes leveled off in 2018 and 2019 at 52 each year. Then last year there was a 13% year-over-year increase (from 52 to 59). Comparing what was the 'Jan – Sep' 2019 data to the 2019 Full Year shows that both Violent and Property Crimes are 'weighted' more in the Oct – Dec final quarter of the year. The percental of Violent Crimes committed in the last quarter of 2019 accounted for 33% of the total. Obviously one year does not make a trend so hopefully that doesn't always happen. The 2021 Jan-Sep total violent crimes is 62. Assuming either an equal 'calendar weight' of 25% or a '2019 historical weight of 33%**' the total number of 2021 Violent Crimes can be expected to be between 78 and 80, representing approximately a 35% year-over-year increase from 2020 and a 54% increase from 2019. Are that an accurate summary and if so, what do you attribute the large increase in Violent Crimes to and what is being done to address it? I don't feel comfortable projecting the increase of violent crime due to a variety of reasons, new technology, staffing levels, past legislation (listed in the staff report), COVID, Zero dollar bail, etc. Some of these issues reduces violence and some increase violence. We have added technology to assist us in solving crimes and preventing crimes. Council approved the purchase and implementation of 25 automated license plate readers (Flock Cameras) and that has allowed us to arrest 61 criminals—many in possession of weapons while committing crimes in our city (listed in our Flock exhibit). We are using other strategies in retail centers and other high crime areas. We are following up with community members that are experiencing crisis reducing future violent incidents. We are implementing a youth diversion program to deescalate and mediate conflict that often leads to fights resulting in stabbings, shootings, moderate/major injuries, added a cadet ambassador program for extra eyes in key locations, to name a few.**

5) In 2019 the Unfunded General Fund Needs for Police Services was stated to be $1.3M per year and among the identified resources which those funds were targeting included 1 sergeant and 3 officers in Field Operations Staffing and 1 Crimes Detective in Special Operations Staffing. **How many additional**

officers are currently identified as being 'needed' for which there is no funding available? $1.268 million-- 1 Multi-Service Officer (Patrol), 1 Multi-Service Officer (Detective Bureau), 1 Dispatcher, 1 Psychiatric Emergency Response Team Officer, 1 Internet Crimes Against Children Detective and 1 School Resource Officer.

In 2019 the unfunded needs were projected at $1.3M. MH's population has increased approximately 7% since then but if my assumption in question 2 is correct we still have the same number of sworn officers (42). It seems illogical that the current unfunded needs would somehow still just turn out to be the same as it was in 2019 ($1.3M) but that is what is continually shown on various City documents**. Is there an updated estimate for the current Unfunded Needs for the MHPD? $1.268 million conservatively. Would having more officers in Field Operations and Special Operations be a deterrent to the increasing number of Violent Crimes? Yes, to a certain degree. For example, a 3 person street crimes team would have an impact on reducing gang violence. However, there are several other factors affecting violent crimes to include but not limited to mental health crisis, road rage, domestic violence, etc. While I believe having more officers on the streets is helpful in deterring/suppressing/displacing crime, other factors such as growth of the community, legislation, zero bail, COVID restrictions and the growing anxiety with the economy and keeping the 42 officers we have funded healthy and filled on the streets etc. all have an impact on violent crime that a few more officers are not going to be able to deter only investigate to a successful arrest.**

6) The first of Chief Swings "Key Takeaways" in his Nov 2019 presentation was "Need Officers Today - even before population increase". **Is that still a key takeaway two years later? Yes, with a twist, "Need Officers Today—especially now that the population has increased." Also remaining at current 42 funded officer levels would also be impactful.**

From:	Michelle Bigelow
To:	Angie Gonzalez
Cc:	Christina Turner
Subject:	FW: [EXTERNAL] Questions re. MHPD Update December 1, 2021 CC Meeting
Date:	Wednesday, December 1, 2021 7:48:35 PM
Attachments:	Questions on MH Police Department Update Dec 1 2021 City Council Meeting.pdf

Supplement to process.

Michelle Bigelow, MMC, CPMC
City Clerk/Interim Communications & Engagement Director
she | her | hers *(what's this?)*

City of Morgan Hill
City Clerk's Office
17575 Peak Avenue, Morgan Hill, CA 95037

D: 408.310.4678 **O:** 408.779.7259
michelle.bigelow@morganhill.ca.gov
morganhill.ca.gov | **facebook** | **twitter**

From: Joe Baranowski <[redacted]>
Sent: Wednesday, December 1, 2021 6:30 PM
To: Shane Palsgrove <Shane.Palsgrove@morganhill.ca.gov>
Cc: Christina Turner <Christina.Turner@morganhill.ca.gov>; Michelle Bigelow <Michelle.Bigelow@morganhill.ca.gov>
Subject: [EXTERNAL] Questions re. MHPD Update December 1, 2021 CC Meeting

Good evening Chief Palsgrove,

I look forward to hearing your update this evening. I was just able to reveiw your presentation now and am attaching some questions as written public comment for tonight's agenda item.

If there is not time this evening to address my questions, perhaps we can follow up at some point in the future.

Happy Holidays and thank you and the MHPD and all Public Safety teams for what you do,

Joe Baranowski

Good evening Chief Palsgrove.

I apologize for the lateness of these questions but I have just now had time to look at the presentation attached for the 'Police Department Update' agenda item on tonight's City Council meeting calendar.

I first want to thank you and all of the Morgan Hill Public Safety personnel for the dedication, professionalism and level of service you provide to our City. I spoke out asking that you be given careful consideration to become the permanent Chief when you were first given the 'acting' position after Chief Swing left and you have proven that the City's choice was a wise one. That is even more evident than ever after looking at some basic facts that arise in reviewing your presentation AND in looking back just over two years ago when Chief Swing gave a presentation to the Engage Morgan Hill group (pertinent parts attached for reference).

I have the following questions which I hope you will cover tonight:

1) On slide 6 'Field Operations Staffing' – what is the difference between '**Officer Not Filled'** and **'Vacant Officier'**?

2) On slide 7, 'Police Officer Demographics', there is a note on the bottom of the pie chart that says '42 Police Officers'. In Chief Swing's Nov 2019 presentation, he noted that at that time there were 42 sworn officers in the MHPD Team. **Is it correct that the number of sworn officers today is the same as it was in 2019 – 42?**

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Slide 2 of your presentation 'Violent Crimes' show that the total number of violent crimes leveled off in 2018 and 2019 at 52 each year. Then last year there was a 13% year-over-year increase (from 52 to 59).

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if so, what do you attribute the large increase in Violent Crimes to and what is being done to address it?

5) In 2019 the Unfunded General Fund Needs for Police Services was stated to be $1.3M per year and among the identified resources which those funds were targeting included 1 sergeant and 3 officers in Field Operations Staffing and 1 Crimes Detective in Special Operations Staffing.

How many additional officers are currently identified as being 'needed' for which there is no funding available?

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Would having more officers in Field Operations and Special Operations be a deterrent to the increasing number of Violent Crimes?

6) The first of Chief Swings "Key Takeaways" in his Nov 2019 presentation was "Need Officers Today - even before population increase". **Is that still a key takeaway two years later?**

CITY OF MORGAN HILL

Engage Morgan Hill
Public Safety
November 23, 2019

Unfundeded General Fund Needs

Total Annual Unfunded General Fund Needs = **$7.0M***

- **Police $1.3M**
- **Fire $2.3M**
- Building Maintenance $0.2M
- Pavement Rehabilitation $2.3M
- Street Maintenance $0.2M
- Park Maintenance $0.7M

*additionally, recent legislative impacts result in an additional $1.1M funding gap

Morgan Hill
Police Department

David Swing
Chief of Police

CITY OF MORGAN HILL

MHPD Team

City of Morgan Hill

- 42 Sworn Officers
- 1 Animal Services Officer
- 3 Multi-Service Officers
- 9 Public Safety Dispatchers
- 4.5 Records Specialists
- 1 Evidence Technician
- 4 Admin./Support Staff
- 2 Cadets
- 1 K9 Officer

Divisions

CITY OF MORGAN HILL

- Police Administration
- Field Operations
- Special Operations
- Dispatch and Support Services
- Office of Emergency Services

Administration

- $1.3M Budget
- Four Personnel
  - Chief, Executive Assistant, Administrative Sergeant, Police Analyst
- Responsible for budgeting, hiring, crime analysis, internal investigations and special projects

Field Operations

CITY OF MORGAN HILL

- $9.1M Budget
- 29 Assigned Personnel
  - Field Patrol, SWAT
  - Four patrol teams working 12-hour shifts
- 25,255 radio calls for service
- 1,664 Arrests & 3,812 Reports in 2018

Special Operations

CITY OF MORGAN HILL

- $2.7M Budget
- Police Captain, Sergeant, 5 Detectives, 3 School Resource Officers, 3 Traffic Officers
- Includes Office of Emergency Services & Coordinator
- Major Case Investigation
- Taskforce Agents
- Animal Services Officer

Support Services

CITY OF MORGAN HILL

- $4.0M Budget
- Includes Records, Dispatch and Information Technology
- Dispatch - One Supervisor and eight dispatchers
  - Processed 13,263 9-1-1 calls in 2018
  - Processed 61,468 non-emergency phone calls & police service requests in 2018
- Records - Four F/T and one P/T Records Specialists and one Evidence Technician
  - Process criminal cases, document requests, ensure evidence chain of custody

Office of Emergency Services

- $200,000 Budget
- Includes One Emergency Services Coordinator
- Coordinates Disaster Preparedness efforts for the City
- Ensures the Emergency Operations Center is ready to activate in response to a large-scale emergency at any time

Unfundeded General Fund Needs

CITY OF MORGAN HILL

POLICE $1.3M annually

- Field Operations Staffing:
  - 1 Sergeant
  - 3 Officers
- Special Operations Staffing:
  - 1 General Crimes Detective
- Training Coordinator
- Information Technology Technician

Morgan Hill - Part 1 Crimes

CITY OF MORGAN HILL

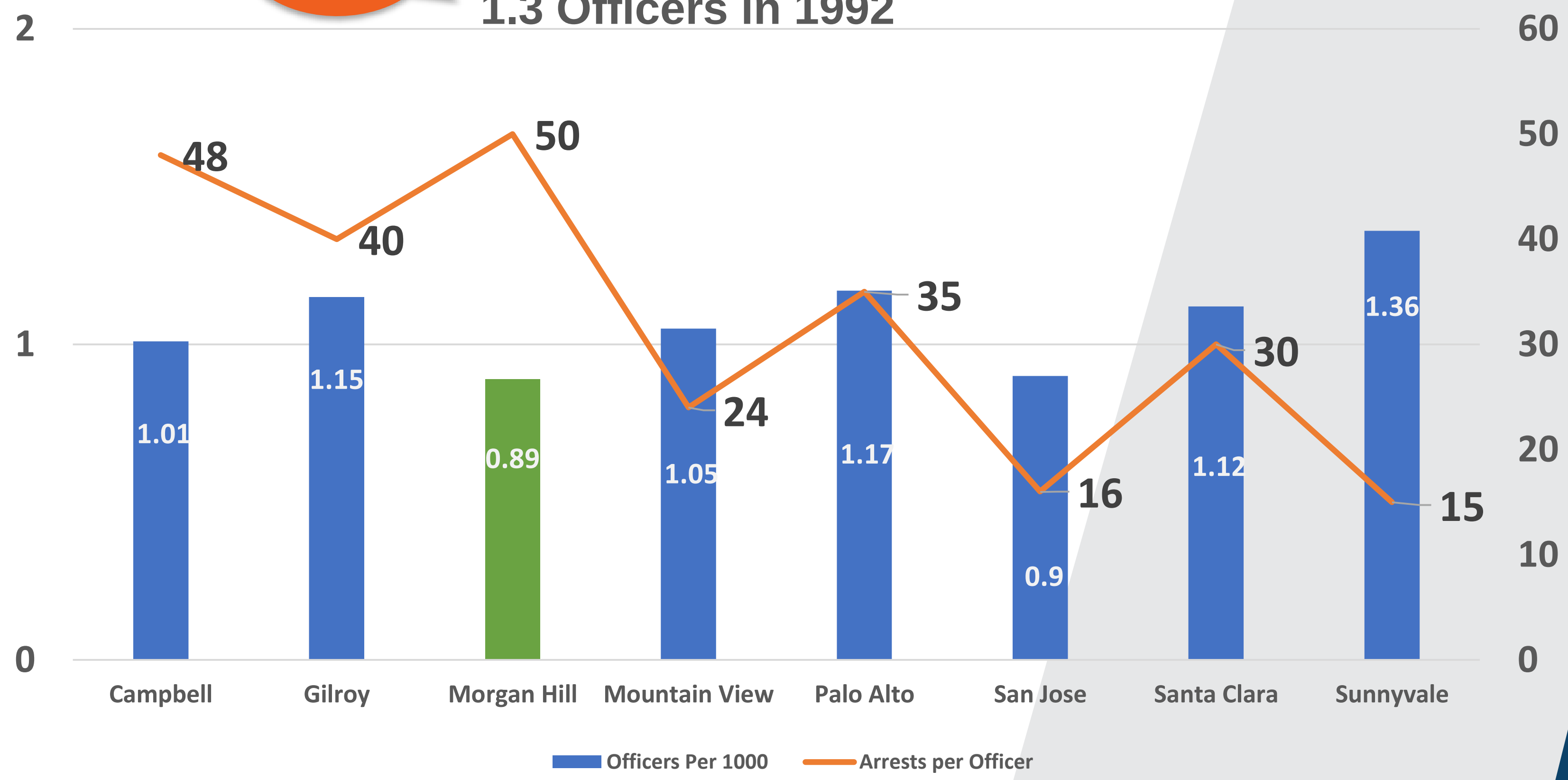
	Previous 3 Yr Avg 2015-2017	2018 Full Year	2019 Jan-Sep
Part 1 Violent Crimes			
Homicide	0	1	2
Rape	3	0	3
Robbery	19	17	11
Aggravated Assault	54	34	23
Total Part 1 Violent Crimes	75	52	39
Part 1 Property Crimes			
Burglary	101	125	70
Larceny	482	501	373
Motor Vehicle Theft	115	114	56
Arson	2	1	0
Total Part 1 Property Crimes	700	741	499

2017 Police Officers Per Capita & Arrests Per Officer Per 1,000

CITY OF MORGAN HILL

Did you Know?

Morgan Hill had a ratio of 1.3 Officers in 1992



Key Takeaways

CITY OF MORGAN HILL

- Need Officers today - even before increase in population
- Time spent on Homelessness
- Nature of job changing
- Hiring Process Timeline - Recruit
  - 6 months from interview to hire
  - 10 months for Academy & Field Training Program
- Criminals Today
  - Organized, Transitory, Younger and more Violent
  - Cybercrime

CITY OF MORGAN HILL

Amendments to the Affordable Housing Inclusionary Requirements

Current IHO Requirement

City established IHO after suspension of RDCS

IHO Requires new residential projects to either:

1) restrict 10% or 15% of total homes at affordable prices;
2) or pay a fee in-lieu of providing on-site homes.

The City's inclusionary requirements are codified in Chapter 14.04 of the City's municipal code.

Objectives

CITY OF MORGAN HILL

December 2020

- Broaden the first-time homebuyer pool to include lower income families
- Define the Moderate ownership sales price to a deeper affordable, yet still a “moderate” sales price, 110% of the Area Median Income (AMI)

June 2021

- Gain local control and protect the City from SB35 projects due to lack of RHNA compliance
- Seek to achieve the Very Low Income units earlier

Keyser Marston Associates, Inc. (KMA)

CITY OF MORGAN HILL

Evaluation included:

- An analysis of the additional financial cost to new for-sale residential projects to provide the proposed deeper levels of on-site affordable homes; and
- Proposed changes to current in-lieu fee levels IF the City decides to pursue the deeper levels of on-site affordable homes.

Keyser Marston & Associates (KMA) Approach to Calculating In-Lieu Fees

Step #1
Identify examples of New Residential Developments in Morgan Hill with published sales data

Step #2
Estimate the profit margin assuming a 100% market rate project

Step #3
Estimate the profit margin assuming a project with 10% to 15% inclusionary units

Step #4
The difference in profit represents the cost to providing inclusionary units

Step #5
Convert the reduction in profit to a cost per square foot = the in-lieu fee

Inclusionary Housing Ordinance (IHO) Amendments

CITY OF MORGAN HILL

Income-Based Housing to Create Homes & Support an Economically Diverse Housing Community

CITY OF MORGAN HILL

The proposed amendments to the Inclusionary Housing Ordinance will allow for the City to continue to create opportunities for income-based restricted units to be integrated within all housing developments while at the same time create a funding stream for the creation of affordable projects that support the City's needs in meeting our mandated RNHA goals.

Summary of Recommended Amendments

1. Accept In-Lieu Fee Payment for Half of the Requirement

2. Fees annually increase for inflation

3. Define Affordable Sales Price at 110% of AMI

4. Deviation from IHO requirements will trigger a deeper level of affordability or a higher number of units

5. ADUs will not be counted toward the requirement

6. Deleted “Incentives” to building on-site inclusionary housing (repetitive)

Recommendation 1: In-Lieu Fee Election for 50% of Required Inclusionary Units

CITY OF MORGAN HILL

- Developers may elect to pay an in-lieu fee for up to 50% of the number of required inclusionary units and construct the remaining required inclusionary units
- These funds would provide the City the ability to leverage outside funding sources to build very low-income and extremely-low income units
- This helps the City meet its Regional Housing Needs Allocation (RHNA)

Example In-Lieu Fee

CITY OF MORGAN HILL

- 100 units
- 200,000 Total SF
- IHO Obligation 15% = 15 Inclusionary Below Market Rate (BMR) homes
- Fee Calculation: 200,000 SF x $19.70 = $3,940,000
- Each BMR is valued at $262,667. ($3,940,000/15)
- Developer contributes $1,838,669 in-Lieu of 7 BMR homes and builds 8 BMR homes onsite

Recommendation 2: In-Lieu Fees to Increase with Inflation

CITY OF MORGAN HILL

Fees would increase annually for inflation, effective January 1, 2023

(based on the Construction Cost Index annual increase in inflation, reported in the Engineering News Record City Cost Index)

Recommendation 2: In-Lieu Fees to Increase with Inflation, Cont.

CITY OF MORGAN HILL

Current Fees:

- $19.70 PSF For-Sale Projects outside of Downtown
- $13.20 PSF For-Sale Projects within Downtown
- $29.00 PSF Rental Projects outside of Downtown
- $14.50 PSF Rental Projects within Downtown

Fees expected to increase by 12%

Recommendation 3: Define the Affordable Unit Sales Price at 110% of Area Median Income (AMI)

CITY OF MORGAN HILL

- Affordable Sales Price will be at 110% of AMI
- These units would remain Moderate units and be counted towards RHNA as such, just slightly more affordable.
- In alignment with state legal requirements.

California Housing and Community Development (HCD) income limits

CITY OF MORGAN HILL

HCD Income Table
(Effective April 26, 2021)

Household size	1	2	3	4	5	6	7	8
Extremely Low 0-30%	$34,800	$39,800	$44,750	$49,700	$53,700	$57,700	$61,650	$65,650
Very Low 30-50%	$58,000	$66,300	$74,600	$82,850	$89,500	$96,150	$102,750	$109,400
Lower 50-80%	$82,450	$94,200	$106,000	$117,750	$127,200	$136,600	$146,050	$155,450
Median	$105,900	$121,050	$136,150	**$151,300**	$163,400	$175,500	$187,600	$199,700
Moderate 80-120%	**$127,100**	**$145,250**	**$163,400**	**$181,550**	**$196,050**	**$210,600**	**$225,100**	**$239,650**

Proposed Maximum Inclusionary Home Prices (110% AMI)

- 2 Bedroom $523,618. vs $581,842
- 3 Bedroom $586,298. vs $651,001
- 4 Bedroom $634,840. vs $704,718
- 5 Bedroom $720,220. vs $797,860

Recommendation 4: Accessory Dwelling Units (ADUs)

CITY OF MORGAN HILL

- ADUs will not be counted toward satisfaction of the requirement to construct inclusionary units
- Current law does not allow a city to force a property owner to become a landlord
- Inclusionary Units must be monitored by city staff or paid administrator annually and must requalify each new applicant anytime occupancy changes

Recommendation 4: Accessory Dwelling Units (ADUs), Cont.

CITY OF MORGAN HILL

- The State Housing and Community Development Department (HCD) has advised that an affordability deed restriction could be considered an impediment to ADU creation

- The City's inclusionary detached homes have been 1,600 to 1,800 square feet and inclusionary attached townhomes condominiums have been 1,400 to 1,600 square feet

- ADUs range from 500 to 700 square feet

Recommendation 5: Alternatives

CITY OF MORGAN HILL

For developers who choose an alternative method for complying, the City is requiring a deeper level of affordability, or a higher number of units built to benefit the City.

- Rental Units in For-Sale Projects (15% Requirement)
- Off-site Construction (20% Requirement)
- Land Dedication equivalent in value to the amount of the In-Lieu Fee
- Payment of a Housing In-Lieu Fee

Recommendation 6: Incentives

CITY OF MORGAN HILL

The Incentives to building on-site inclusionary housing units are recommended for deletion as they are repetitive. These are available automatically through State Density Bonus Law.

Process & Community Engagement

CITY OF MORGAN HILL

- ✓ December 2, 2020, City Council Housing Workshop
- ✓ May 2021, Keyser Marston Associates, Inc. conducted an evaluation
- ✓ May & June 2021, a series of Community Housing Workshops
- ✓ May 24, 2021Developer Workshop
- ✓ June 8, 2021 Planning Commission Meeting
- ✓ October 22, 2021 Noticing
- ✓ November 9, 2021, Planning Commission Recommendation to adopt the amendments

RECOMMENDATIONS

CITY OF MORGAN HILL

1. Open/close public hearing; and,

2. Adopt Resolution recommending City Council approval of the Amendments to Chapter 14.04 (Housing) and Section 14.08.020 (Fee Established), and repealing Chapter 18.48 (Affordable Housing).

QUESTIONS?

CITY OF MORGAN HILL

November 29, 2021

RECEIVED NOV 2 9 2021
3:10pm smo

Mayor Constantine and City Council

17575 Peak Avenue

Morgan Hill, CA 95037

HAND DELIVERED

Re: Ordinance Amending the Inclusionary Housing Ordinance

Meeting date: December 1, 2021

Dear Mr. Mayor and Council members,

Please accept our letter as opposing the changes to the Inclusionary Housing Ordinance. Specifically, we oppose changing the moderate income designation from 81% to 120% to 81% to 110%. This change would expand the "missing middle" of those not being able to qualify to purchase a new home in Morgan Hill. Morgan Hill would be the only city within the Bay Area (ABAG) to eliminate these moderate rate qualified buyers.

In our case, New Horizons' many of our active Senior purchasers would be excluded from this BMR purchase program. In essence, by reducing the IHO qualifications the Morgan Hill community is saying do not "age in place" here in Morgan Hill… move elsewhere. The proposed "Deeply affordable", per Housing Staff, does not add BMR units.

Seniors have been excluded from our Below Market Rate program over the past 20 years. Less than 1% of for sale BMR units have been sold to Seniors…WHY? We asked the question at the Morgan Hill Senior Center and their first answer was emphatically "all BMRs have stairs" and we can not climb stairs as we get older. Why restrict Seniors even more?

Second issue we agree with Staff on a "buyout" at up to 50% of the Inclusionary units; and, importantly this buyout would be for those projects which presently are in the approval process such as New Horizons.

The Bay Area News Group gave Morgan Hill a D in Very Low Income category. As homebuilders in Morgan Hill for over 30 years it has been our objective to help provide Below Market Rate housing…unfortunately as market rate builders we are not geared to provide very low subsidized housing tied to grants and loans from the State, County or City. Income to the City from this Inclusionary buyout should be restricted to those rental units qualifying for that "very low income" program.

Our other concern: Staff's objection to including Accessory Dwelling Units as part of the BMR program (IHO). Accessory Dwelling Units (ADUs) are rental units; and, as they do not have a separate legal lot, they cannot be sold separately from the home. We are proposing in New Horizons both JADUs and ADUs. Junior ADUs will be in the Single Family Detached homes…smaller than 500 square feet and attached. Within the active Senior Cottages (2 and 3 bedroom, single story detached homes) we are proposing ADUs above the garage…they would have 500+ square feet…perfect for a future caregiver, adult child in transition or even an outside rental. These should be compared to other rentals and could be Deed Restricted to Low Income and help in the City's RHNA qualification numbers.

Numerous cities in the Bay Area have adapted this ADU concept and the ADUs have qualified for the State's RHNA. See Danville as a typical example. ADUs are comparable in size and amenities to other "rental" inclusionary units and can be counted toward the inclusionary unit requirement.

All in all, Morgan Hill needs to meet all its housing needs.

Thank you.

Rocke Garcia

Rocke Garcia

Morgan Hill Devco. LLc

KRISTINA D. LAWSON
MANAGING PARTNER
DIRECT DIAL (925) 746-8474
DIRECT FAX (925) 746-8490
E-MAIL klawson@hansonbridgett.com

HansonBridgett

November 30, 2021

VIA E-MAIL (ccpubliccomment@morganhill.ca.gov)

City Clerk
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037
Attn: Morgan Hill City Council

Re: Public Comment on Item 8 (Proposed Ordinance to Amend the City of Morgan Hill's Inclusionary Housing Ordinance)

Dear City Councilmembers:

Hanson Bridgett LLP represents Morgan Hill Devco, LLC, the applicant for the proposed New Horizons project ("New Horizons"), an intergenerational residential development located at Hill and Barrett Roads in the City of Morgan Hill ("City"). This letter requests revisions to the proposed amendments to the City's Inclusionary Housing Ordinance ("Ordinance"), on Item 8 on the City's December 1, 2021 agenda. Specifically, we have concerns that the revisions will severely impact the ability for Morgan Hill Devco, LLC and others to deliver much needed "missing middle" housing affordable to moderate-income households.

The Revised Definitions of "Affordable Sales Price" and "Affordable Rent" will Severely Impact the Viability of the New Horizons Project, which was Submitted to the City in 2018

Under the proposed definitions of "affordable rent" or "affordable sales price," the revised affordability criteria for moderate-income households would no longer factor households that earn 111-120% of the area median income. This change would severely disrupt the viability of the New Horizons project, which was designed pursuant to the existing definition that factors household incomes pursuant to affordability classifications in the California Health and Safety Code, consistent with nearly every other jurisdiction in California. If adopted, Morgan Hill would be the only city in the Bay Area Association of Governments (ABAG) to preclude households earning 111-120% AMI from the moderate-income Affordable Sales Price and Affordable Rent. This change will exacerbate the housing crisis by reducing the economic feasibility of moderate-income projects, which in turn will reduce the supply of homes available to moderate-income households.

The initial application for New Horizons was submitted in 2018; environmental review of the project has commenced, and revisions to the tentative map and planned development application are currently being reviewed by City staff. As such, Morgan Hill Devco LLC has expended a significant sum to process the application under the City's existing inclusionary housing ordinance.

New Horizons consists of 337 units, out of which 50 units are proposed as inclusionary units for seniors, to be affordable to moderate-income households. The affordable units are integral to the project, which will be marketed to seniors as part of New Horizons' intergenerational community concept. As proposed, New Horizons has been designed to offer 15% of its units as affordable to moderate income households, in compliance with the City's long-standing requirements. The project will also provide accessory dwelling units (ADUs) on many parcels, which will provide an additional source of affordable housing, resulting in a project that will have a greater degree of affordability units than required under the current Ordinance.

As the City knows, New Horizons was the subject of a 2020 application package, and a revised April 28, 2021 planned development application, which included a vesting tentative map and other submittals. The project also underwent Preliminary Plan Review before the Planning Commission on September 8, 2020. The California Environmental Quality Act environmental review process for the project, as currently constituted, has already begun. The Notice of Preparation was issued on June 25, 2021, a scoping meeting was held in July 13, 2021, and City staff have indicated that a draft environmental impact report is expected to be published in March 2022.

A change to the inclusionary requirements will threaten the continued viability of the project, and is inequitable given Morgan Hill Devco LLC's submittal of multiple project applications, numerous discussions with the City regarding inclusionary housing for the project, and the cost of initiating environmental review. If the proposed Ordinance is adopted, the applicant will have to determine whether New Horizons is economically feasible under the new requirements. More importantly, the imposition of new requirements threaten the project's proposed construction of much-needed affordable units for the elderly population in Morgan Hill, and run counter to various Morgan General Plan Housing Element policies that support intergenerational neighborhoods and senior housing, including Policies HE-4t, HE-1i, HE-3j, HE-4q, and HE-4s.

The simplest fix therefore would be to revert back to the definition of "affordable sales price" and "affordable rent" in the existing definition, which defines moderate-income households based on the limits authorized under California Health & Safety Code section 50025.5. At a minimum, the Ordinance should be revised to clarify that the changes will not apply to projects, such as New Horizons, that were submitted to the City prior to the Council's consideration of the proposed Ordinance.

The Revised Definitions of "Affordable Sales Price" and "Affordable Rent" will Limit the City's Ability to Meet Its RHNA Targets Established by ABAG

The current Ordinance defines "moderate-income household" as a "household with a gross annual household income between eighty-one percent and one hundred twenty percent of AMI for Santa Clara County." (Morgan Hill Code § 14.04.030). This definition explicitly corresponds to the definition of moderate-income household for state-assisted housing programs. (*Id*.) The proposed changes to the definition of “affordable rent” and “affordable sales price” will reduce the AMI level for moderate-income households from 120% to 110% of AMI.

This change in definition and methodology is not warranted, nor is it consistent with State guidance or other Bay Area municipalities. In its guidance regarding State Income Limits for 2021, the Department of Housing and Community Development, the State agency responsible for establishing California's moderate-income limit level, continues to set the income limit for moderate-income at 120 % of AMI. Furthermore, the Association of Bay Area Government's (ABAG) Final Regional Housing Needs Allocation (RHNA) Plan for the San Francisco Bay Area 2023-2031 Cycle also defines moderate-income level as 80 to 120 percent of AMI.[1] ABAG's final allocation of moderate income housing unit requirements for Morgan Hill is based on this particular income band. Morgan Hill's Inclusionary Housing Ordinance, which, per its statement of purpose is "intended to assist the city in meeting its Regional Housing Needs Allocation,"[2] should reflect the income limits used to determine the allocation.

If the Council acts to move forward with the proposed changes to the Ordinance under Item 8, we urge the Council to clarify that the new requirements of the housing ordinance will not apply to projects, such as the New Horizons Project, which have already submitted development applications, including vesting tentative maps, with the City, or which have already commenced environmental review under CEQA.

* * *

In summary, the proposed ordinance amending the City's existing Inclusionary Housing Ordinance makes changes to the City's inclusionary housing requirements that depart from state and regional guidance on inclusionary housing and RHNA requirements. The proposed changes, if enacted and applied to already submitted projects, will unfairly penalize and potentially render infeasible those projects, such as New Horizons, which were designed to comply with the City's current Inclusionary Housing Ordinance, and current state guidance.

Morgan Hill Devco LLC appreciates the proposed changes to the Ordinance that are intended to streamline the processing of in-lieu affordable housing fees. In addition, we will continue to work with City staff to address other aspects regarding implementation of the proposed Ordinance, such as the dispersal requirements and the treatment of ADUs. We are compelled, however, to address with the City Council the one policy change that threatens the economic viability of the New Horizons project. We therefore respectfully request that the City Council revise the Ordinance by reverting back to the definition of “affordable sales price” and “affordable rental” under the existing definition. Alternatively, the Ordinance should be amended to confirm that it will not apply to development projects that have already submitted development applications (including a vesting tentative map) to the City, and which were intended to comply with the requirements of the existing Ordinance.

[1] Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031 (https://abag.ca.gov/sites/default/files/documents/2021-11/proposed%20Final_RHNA_Allocation_Report_2023-2031.pdf) at p. 28.
[2] *See* Morgan Hill Code of Ordinances section 14.04.020.

Thank you for considering our request to revert back to the previous definition of “affordable sales price” and “affordable rent”, which we have proposed in fairness to developers such as Morgan Hill Devco LLC that have already expended significant sums to proceed with well-conceived projects that include onsite affordable housing and, if successful, would go a long way in assisting the City to reach its RHNA targets.

Very truly yours,

Kristina D. Lawson
Managing Partner

KDL

cc: Donald Larkin, City Attorney
Michelle Bigelow, Deputy City Clerk
Jennifer Carman, Development Services Director
Rocke Garcia
Vincent Burgos

From: Dennis Martin <[redacted]>
Sent: Monday, November 29, 2021 8:41 AM
To: CityCouncil <CityCouncil@morganhill.ca.gov>
Cc: Michelle Bigelow <Michelle.Bigelow@morganhill.ca.gov>; Rebecca Garcia <Rebecca.Garcia@morganhill.ca.gov>
Subject: [EXTERNAL] Morgan Hill City Council December 1, 2021 Agenda Item 8, Inclusionary Housing Ordinance Update

Dear Mayor Constantine and Members of the City Council,
Please accept and consider the attached letter of comment along with attachments during your deliberations on Agenda Item #8, the Inclusionary Housing Ordinance Update. Feel free to contact me with any questions or concerns.
Regards,
Dennis Martin
BIA Government Affairs
[redacted]

BIA BAY AREA

SCAG Regional Accessory Dwelling Unit Affordability Analysis

INTRODUCTION

As cities prepare site inventory analyses for the 6th Housing Element Planning Cycle, the last step in the process allows cities to determine whether the housing element demonstrates sufficient land suitable and available for residential development to meet the jurisdiction's Regional Housing Needs Allocation (RHNA) for each designated income level or if further program actions are required to accommodate a shortfall. Government Code section 65583.1 details how jurisdictions may consider alternative means of meeting RHNA beyond vacancy and underutilized sites. The potential for accessory dwelling units (ADUs) or junior accessory dwelling units (JADUs) is one of these available alternative means. A jurisdiction must include an analysis of the anticipated affordability of ADUs in order to determine which RHNA income categories they should be counted toward.

SCAG conducted this analysis in order to provide local governments in the region with assumptions for ADU affordability that can be used to assign ADUs to income categories for the purpose of Sixth Cycle Housing Elements. Affordability can be determined in a number of ways. This analysis examines current market rents for reasonably comparable rental properties, using platforms such as Craigslist, Zillow, and Westside Rentals and key words to identify units that appear to be ADUs[1]. The analysis relies on a survey of rents of 150 existing ADUs conducted between April and June 2020. Efforts were made to reflect the geographic distribution, size, and other characteristics of ADUs across the following counties/subregions[2]. For example, LA County is separated into two categories in order to better account for the disparities in housing costs between coastal and inland jurisdictions.

- LA County I (59), includes City of Los Angeles, Las Virgenes-Malibu, South Bay Cities, Westside Cities
- LA County II (20), includes all other LA County jurisdictions
- Ventura County (22)
- Orange County (46)
- Riverside and San Bernardino Counties (11)

[1] Key words used in searching rental listings included "ADU," "in-law," "granny," "detached guest studio."

[2] Please note that no listings were found in Imperial county owing to the lower occurrence of ADUs in Imperial county. Suggest using SB/RV as a proxy, or contacting SCAG staff (housing@scag.ca.gov) or HCD staff to discuss possible approaches should ADUs be a desired part of the housing element update.

ADUs and data on ADUs do not exist uniformly across the region, thus we encourage jurisdictions to refer to the raw data (included in Appendix A) to help gauge how representative this sample is to their ADU program. Jurisdictions may determine that the geographic distribution, age of structures, number of bedrooms, and square footage of the units surveyed in this analysis do not reflect the ADUs being built in their community and pursue their own analysis. A step-by-step explanation of how this report was conducted will allow jurisdictions to replicate the analysis with different data should they choose to do so. This analysis consists of five steps:

- **A.) Calculate maximum rent limits for RHNA income categories for both one-person and two-person households by county**
- **B.) Conduct survey of rents for ADUs in the SCAG region**
- **C.) Use regional survey to determine proportion of ADUs within each income category for both one-person and two-person households**
- **D.) Make assumption for what percentage of ADUs will be occupied by one-person households and two-person households**
- **E.) Use (D) to combine proportions from (C) into single breakdown of rented ADUs by income category**

The final affordability assumptions resulting from this analysis are as follows:[3]

	LA County I	LA County II	Ventura County	Orange County	San Bernardino/Riverside Counties
Extremely Low	15.0%	15.0%	15.0%	15.0%	15.0%
Very Low	2.0%	8.5%	0.0%	10.0%	7.7%
Low	43.0%	44.6%	30.9%	43.0%	34.8%
Moderate	6.0%	2.1%	42.5%	30.0%	34.8%
Above Moderate	34.0%	29.8%	11.6%	2.0%	7.7%

1. AFFORDABILITY BREAKDOWN OF RENTED ADUS

A) Calculate maximum rent limits for RHNA income categories for both one-person and two-person households by county

Median Incomes	
Los Angeles County	$64,251
Ventura County	$84,017
Orange County	$85,398
Imperial County	$45,834
Riverside County	$63,948
San Bernardino County	$43,136

[3] Please note that intermediate calculations displayed below are rounded to a whole percentage value.

Los Angeles County Maximum Rent by RHNA Income Category						
Category	Income Range	One Person Household		Two Person Household	
		Income[1]	Max Rent[2]	Income[1]	Max Rent[2]
Extremely Low	Below 30% of area median income	$21,950	$549	$25,050	$626
Very Low	30%-50% of area median income	$ 36,550	$914	$41,800	$1,045
Low	50%-80% of area median income	$ 58,450	$1,461	$66,800	$1,670
Moderate	80%-120% of area median income	$ 61,400	$1,535	$70,150	$1,754
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

1) Maximum of income range multiplied by household median income average based on 2019 State income limits (https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf)

2) Income maximum multiplied by 30% divided by 12 to yield monthly maximum affordable rent

Ventura County Maximum Rent by RHNA Income Category					
Category	Income Range	One Person Household		Two Person Household	
		Income[1]	Max Rent[2]	Income[1]	Max Rent[2]
Extremely Low	Below 30% of area median income	$22,000	$550	$25,150	$629
Very Low	30%-50% of area median income	$36,650	$916	$41,850	$1,046
Low	50%-80% of area median income	$58,600	$1,465	$67,000	$1,675
Moderate	80%-120% of area median income	$82,150	$2,054	$93,900	$2,348
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

1) Maximum of income range multiplied by household median income average based on 2019 State income limits (https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf)

2) Income maximum multiplied by 30% divided by 12 to yield monthly maximum affordable rent

Orange County Maximum Rent by RHNA Income Category					
Category	Income Range	One Person Household		Two Person Household	
		Income[1]	Max Rent[2]	Income[1]	Max Rent[2]
Extremely Low	Below 30% of area median income	$24,950	$624	$28,500	$713
Very Low	30%-50% of area median income	$41,550	$1,039	$47,500	$1,188
Low	50%-80% of area median income	$66,500	$1,663	$76,000	$1,900
Moderate	80%-120% of area median income	$82,250	$2,056	$94,000	$2,350
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

1) Maximum of income range multiplied by household median income average based on 2019 State income limits (https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf)

2) Income maximum multiplied by 30% divided by 12 to yield monthly maximum affordable rent

Imperial County Maximum Rent by RHNA Income Category					
Category	Income Range	One Person Household		Two Person Household	
		Income[1]	Max Rent[2]	Income[1]	Max Rent[2]
Extremely Low	Below 30% of area median income	$13,650	$341	$16,910	$423
Very Low	30%-50% of area median income	$22,700	$568	$25,950	$649
Low	50%-80% of area median income	$36,300	$908	$41,500	$1,038
Moderate	80%-120% of area median income	$54,450	$1,361	$62,200	$1,555
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

1) Maximum of income range multiplied by household median income average based on 2019 State income limits (https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf)

2) Income maximum multiplied by 30% divided by 12 to yield monthly maximum affordable rent

Riverside County Maximum Rent by RHNA Income Category					
Category	Income Range	One Person Household		Two Person Household	
		Income[1]	Max Rent[2]	Income[1]	Max Rent[2]
Extremely Low	Below 30% of area median income	$15,100	$378	$17,250	$431
Very Low	30%-50% of area median income	$25,150	$629	$28,750	$719
Low	50%-80% of area median income	$40,250	$1,006	$46,000	$1,150
Moderate	80%-120% of area median income	$58,550	$1,464	$66,900	$1,673
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

1) Maximum of income range multiplied by household median income average based on 2019 State income limits (https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf)

2) Income maximum multiplied by 30% divided by 12 to yield monthly maximum affordable rent

San Bernardino County Maximum Rent by RHNA Income Category					
Category	Income Range	One Person Household		Two Person Household	
		Income[1]	Max Rent[2]	Income[1]	Max Rent[2]
Extremely Low	Below 30% of area median income	$15,100	$378	$17,250	$431
Very Low	30%-50% of area median income	$25,150	$629	$28,750	$719
Low	50%-80% of area median income	$40,250	$1,006	$46,000	$1,150
Moderate	80%-120% of area median income	$58,550	$1,464	$66,900	$1,673
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

1) Maximum of income range multiplied by household median income average based on 2019 State income limits (https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf)

2) Income maximum multiplied by 30% divided by 12 to yield monthly maximum affordable rent

B.) Conduct survey of rents for ADUs in the SCAG region

The survey, included as appendix A, includes location, rent, sq. ft (if available), and a link for 150 accessory dwelling units across the SCAG region. SCAG searched for key terms (ADU, in-law, backyard cottage, granny flat, etc.) across a variety of rental housing search engines (including Craigslist, Zillow, Westside Rentals). ADUs were identified in 52 of the region's jurisdictions. Rental prices ranged from $650 to $4,800, with a median rent of $1,600. Sizes ranged from 175 square feet to 1,650 square feet, with a median size of 500 square feet.

C) Use regional survey to determine proportion of ADUs within each income category for both one-person and two-person households

Los Angeles County I Surveyed ADU Income Categories				
Category	One Person Household		Two Person Household	
	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]
Extremely Low	0	0%	0	0%
Very Low	0	0%	3	5%
Low	20	34%	40	68%
Moderate	7	12%	1	2%
Above Moderate	32	54%	15	25%

1) Number of all surveyed ADUs in step B that fall within the max rent in each RHNA income category

2) Percent of all surveyed ADUs (59)

Los Angeles County II Surveyed ADU Income Categories				
Category	One Person Household		Two Person Household	
	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]
Extremely Low	0	0%	0	0%
Very Low	1	5%	3	15%
Low	10	50%	11	55%
Moderate	1	5%	0	0%
Above Moderate	8	40%	6	30%

1) Number of all surveyed ADUs in step B that fall within the max rent in each RHNA income category

2) Percent of all surveyed ADUs (20)

Ventura County Surveyed ADU Income Categories				
Category	One Person Household		Two Person Household	
	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]
Extremely Low	0	0%	0	0%
Very Low	0	0%	0	0%
Low	8	36%	15	68%
Moderate	11	50%	5	23%
Above Moderate	3	14%	2	9%

1) Number of all surveyed ADUs in step B that fall within the max rent in each RHNA income category

2) Percent of all surveyed ADUs (22)

Orange County Surveyed ADU Income Categories				
Category	One Person Household		Two Person Household	
	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]
Extremely Low	0	0%	0	0%
Very Low	4	9%	7	15%
Low	21	46%	26	57%
Moderate	19	41%	13	28%
Above Moderate	2	4%	0	0%

1) Number of all surveyed ADUs in step B that fall within the max rent in each RHNA income category

2) Percent of all surveyed ADUs (46)

Riverside and San Bernardino Counties Surveyed ADU Income Categories				
Category	One Person Household		Two Person Household	
	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]	Number of Surveyed ADUs within Range[1]	Percent of Surveyed within Range[2]
Extremely Low	0	0%	0	0%
Very Low	0	0%	2	18%
Low	4	36%	5	45%
Moderate	5	45%	4	36%
Above Moderate	2	18%	0	0%

1) Number of all surveyed ADUs in step B that fall within the max rent in each RHNA income category

2) Percent of all surveyed ADUs (11)

D) Make assumption for what percentage of ADUs will be occupied by one-person households and two-person households

The lack of comprehensive studies and surveys of ADUs in the SCAG region presents myriad challenges when making assumptions regarding occupancy and affordability. Without such data, SCAG relied on survey data collected by other jurisdictions with more established ADU programs. Portland, Oregon in particular offers the most robust insights as it has surveyed both owners and renters of permitted ADUs.

Based on 2018 survey results below from Portland, we will assume that ADU residents are split 50% as one-person households and 50% as two-person households. Assuming household sizes greater than two may increase the assumed affordability of ADUs if these households have higher median incomes. Using only one- and two-person households yields a more conservative estimation of ADU affordability.

Number of Adults	Number of Households	Percent of Total
1	72	51%
2	61	43%
More than 2	8	6%
Total	141	100%
*Based on survey done of Portland ADU residents in 2018		

E) Use (D) to combine proportions from (C) into single breakdown of rented ADUs by income category

Los Angeles County I Affordability Assumption for Rented ADUs			
Category	Affordability Assumption 1-Person Households	Affordability Assumption 2-Person Households	Combined Affordability Assumption for Rented ADUs[1]
Extremely Low	0%	0%	0%
Very Low	0%	5%	3%
Low	34%	68%	51%
Moderate	12%	2%	7%
Above Moderate	54%	25%	40%

1) Based on assumption that ADUs will be occupied by 50% one-person households and 50% two person households, as outlined in (D)

Los Angeles County II Affordability Assumption for Rented ADUs			
Category	Affordability Assumption 1-Person Households	Affordability Assumption 2-Person Households	Combined Affordability Assumption for Rented ADUs[1]
Extremely Low	0%	0%	0%
Very Low	5%	15%	10%
Low	50%	55%	53%
Moderate	5%	0%	3%
Above Moderate	40%	30%	35%

1) Based on assumption that ADUs will be occupied by 50% one-person households and 50% two person households, as outlined in (D)

Ventura County Affordability Assumption for Rented ADUs			
Category	Affordability Assumption 1-Person Households	Affordability Assumption 2-Person Households	Combined Affordability Assumption for Rented ADUs[1]
Extremely Low	0%	0%	0%
Very Low	0%	0%	0%
Low	36%	68%	52%
Moderate	50%	23%	36%
Above Moderate	14%	9%	11%

1) Based on assumption that ADUs will be occupied by 50% one-person households and 50% two person households, as outlined in (D)

Orange County Affordability Assumption for Rented ADUs			
Category	Affordability Assumption 1-Person Households	Affordability Assumption 2-Person Households	Combined Affordability Assumption for Rented ADUs[1]
Extremely Low	0%	0%	0%
Very Low	9%	15%	12%
Low	46%	57%	51%
Moderate	41%	28%	35%
Above Moderate	4%	0%	2%

1) Based on assumption that ADUs will be occupied by 50% one-person households and 50% two person households, as outlined in (D)

Riverside and San Bernardino Counties Affordability Assumption for Rented ADUs			
Category	Affordability Assumption 1-Person Households	Affordability Assumption 2-Person Households	Combined Affordability Assumption for Rented ADUs[1]
Extremely Low	0%	0%	0%
Very Low	0%	18%	9%
Low	36%	45%	41%
Moderate	45%	36%	41%
Above Moderate	18%	0%	9%

1) Based on assumption that ADUs will be occupied by 50% one-person households and 50% two person households, as outlined in (D)

1. Affordability Breakdown of Non-Rented ADUs

As noted in the Portland survey as well as scholarship on the subject, one prevalent use for ADUs is as housing for family members or care takers who are not charged rent. There is no reliable data on the number of ADUs that are rented for free in the SCAG region, but three studies from the Bay Area and Portland have attempted to estimate the rate of non-rented ADUs: A 2012 UC Berkeley publication entitled "Scaling up Secondary Unit Production in the East Bay" indicates that approximately half of all secondary dwelling units are unpaid.[4]

- **A 2018 report entitled "Jumpstarting the market for ADUs" surveyed ADUs in Portland, Seattle, and Vancouver and found that approximately 17% of ADUs were occupied by a friend or family member for free.[5]**
- **A 2014 analysis entitled "Accessory dwelling units in Portland, Oregon: evaluation and interpretation of a survey of ADU owners" found that "18% of Portland ADUs are occupied for free or extremely low cost."[6]**

Based on these surveys, this analysis will conservatively assume that 15% of ADUs will be available at rents affordable to Extremely Low-Income households.

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[4] Scaling up Secondary Unit Production in the East Bay: Impacts and Policy Implications. Berkeley Institute of Regional Development.https://communityinnovation.berkeley.edu/sites/default/files/scaling_up_secondary_unit_production_in_the_east_bay.pdf?width=1200&height=800&iframe=true .

[5] Jumpstarting the Market for Accessory Dwelling Units: Lessons Learned from Portland, Seattle, and Vancouver. Urban Land Institute, San Francisco http://ternercenter.berkeley.edu/uploads/ADU_report_4.18.pdf

[6] Accessory dwelling units in Portland, Oregon: evaluation and interpretation of a survey of ADU owners. Environmental Solutions Materials Management. https://accessorydwellings.files.wordpress.com/2014/06/adusurveyinterpret.pdf

Los Angeles County I Affordability Assumption for All ADUs			
Category	Affordability Assumption for Rented ADUs[1] 85% of Total	Affordability Assumption for Non-Rented ADUs[2] 15% of Total	Affordability Assumption for all ADUs[3] 100% of Total
Extremely Low	0%	100%	15%
Very Low	3%	0%	2%
Low	51%	0%	43%
Moderate	7%	0%	6%
Above Moderate	40%	0%	34%

1) See Step 1.E

2) See Step 2

3) Combined by multiplying rented ADUs by 85% and non-rented ADUs by 15%

Los Angeles County II Affordability Assumption for All ADUs			
Category	Affordability Assumption for Rented ADUs[1] 85% of Total	Affordability Assumption for Non-Rented ADUs[2] 15% of Total	Affordability Assumption for all ADUs[3] 100% of Total
Extremely Low	0%	100%	15%
Very Low	10%	0%	9%
Low	53%	0%	45%
Moderate	3%	0%	2%
Above Moderate	35%	0%	30%

1) See Step 1.E

2) See Step 2

3) Combined by multiplying rented ADUs by 85% and non-rented ADUs by 15%

Ventura County Affordability Assumption for All ADUs			
Category	Affordability Assumption for Rented ADUs[1] 85% of Total	Affordability Assumption for Non-Rented ADUs[2] 15% of Total	Affordability Assumption for all ADUs[3] 100% of Total
Extremely Low	0%	100%	15%
Very Low	2%	0%	0%
Low	36%	0%	31%
Moderate	50%	0%	43%
Above Moderate	14%	0%	12%

1) See Step 1.E

2) See Step 2

3) Combined by multiplying rented ADUs by 85% and non-rented ADUs by 15%

Orange County Affordability Assumption for All ADUs			
Category	Affordability Assumption for Rented ADUs[1] 85% of Total	Affordability Assumption for Non-Rented ADUs[2] 15% of Total	Affordability Assumption for all ADUs[3] 100% of Total
Extremely Low	0%	100%	15%
Very Low	12%	0%	10%
Low	51%	0%	43%
Moderate	35%	0%	30%
Above Moderate	2%	0%	2%

1) See Step 1.E

2) See Step 2

3) Combined by multiplying rented ADUs by 85% and non-rented ADUs by 15%

Riverside and San Bernardino Counties Affordability Assumption for All ADUs			
Category	Affordability Assumption for Rented ADUs[1] 85% of Total	Affordability Assumption for Non-Rented ADUs[2] 15% of Total	Affordability Assumption for all ADUs[3] 100% of Total
Extremely Low	0%	100%	15%
Very Low	9%	0%	8%
Low	41%	0%	35%
Moderate	41%	0%	35%
Above Moderate	9%	0%	8%

1) See Step 1.E

2) See Step 2

3) Combined by multiplying rented ADUs by 85% and non-rented ADUs by 15%

APPENDIX A: SURVEY OF ADU RENTS

County	Jurisdiction	General Location (As Listed)	Rent	Sq Ft	Price/S qft
Los Angeles	Palmdale	Palmdale	$700		
Los Angeles	Los Angeles	West Hills	$1,000		
Los Angeles	Los Angeles	Winnetka	$1,000		
Los Angeles	Los Angeles County	Castaic	$1,000	399	$2.51
Los Angeles	Los Angeles	View Heights	$1,050		
Los Angeles	Alhambra	Alhambra	$1,070	375	$2.85
Los Angeles	Los Angeles	West Los Angeles	$1,200	200	$6.00
Los Angeles	San Dimas	San Dimas	$1,200		
Los Angeles	Los Angeles	Lake Balboa	$1,300		
Los Angeles	Los Angeles	North Hollywood	$1,300	400	$3.25
Los Angeles	Sierra Madre	Sierra Madre	$1,300	380	$3.42
Los Angeles	Montebello	Montebello	$1,300	300	$4.33
Los Angeles	Agoura Hills	Agoura Hills	$1,350		
Los Angeles	La Mirada	La Mirada	$1,350	500	$2.70
Los Angeles	Los Angeles	South LA	$1,400		
Los Angeles	Los Angeles	Tarzana	$1,450		
Los Angeles	Los Angeles	West Hills	$1,470	400	$3.68
Los Angeles	Westlake Village	Westlake Village	$1,475	600	$2.46
Los Angeles	Los Angeles	Sawtelle	$1,495	175	$8.54
Los Angeles	West Covina	West Covina	$1,495	400	$3.74
Los Angeles	Long Beach	Long Beach	$1,500		
Los Angeles	Los Angeles	Los Angeles	$1,500		
Los Angeles	Los Angeles	Tarzana	$1,500	600	$2.50
Los Angeles	Los Angeles	West LA	$1,500		
Los Angeles	Los Angeles	Mar Vista	$1,500	600	$2.50
Los Angeles	La Mirada	La Mirada	$1,500		
Los Angeles	La Puente	La Puente	$1,500		
Los Angeles	Los Angeles	Van Nuys	$1,550		
Los Angeles	Los Angeles	South LA `	$1,550	380	$4.08
Los Angeles	Los Angeles	South LA	$1,550	624	$2.48
Los Angeles	Pasadena	Pasadena	$1,550		
Los Angeles	Los Angeles	West Hills	$1,600	700	$2.29
Los Angeles	Los Angeles	Arleta	$1,600		
Los Angeles	Los Angeles	Canoga Park	$1,600	432	$3.70
Los Angeles	Santa Monica	Santa Monica	$1,600	1000	$1.60
Los Angeles	Los Angeles	West Hills	$1,600	450	$3.56
Los Angeles	Los Angeles	Beverlywood	$1,600	350	$4.57
Los Angeles	Los Angeles	Los Angeles	$1,600	360	$4.44

Los Angeles	San Gabriel	San Gabriel	$1,625	1050	$1.55
Los Angeles	Los Angeles	Northridge	$1,645	625	$2.63
Los Angeles	Los Angeles	Tarzana	$1,650	600	$2.75
Los Angeles	Los Angeles	Reseda	$1,650		
Los Angeles	Los Angeles County	Altadena	$1,675	600	$2.79
Los Angeles	Los Angeles	West Los Angeles	$1,695		
Los Angeles	Los Angeles	Westwood	$1,695	400	$4.24
Los Angeles	Los Angeles	Reseda	$1,695		
Los Angeles	Los Angeles	Westwood Village	$1,695	400	$4.24
Los Angeles	Los Angeles	West Hills	$1,700		
Los Angeles	Los Angeles	Reseda	$1,700	400	$4.25
Los Angeles	Los Angeles	West Hills	$1,745	400	$4.36
Los Angeles	Los Angeles	Northridge	$1,750		
Los Angeles	Los Angeles	Tarzana	$1,750	500	$3.50
Los Angeles	El Segundo	El Segundo	$1,750	550	$3.18
Los Angeles	Redondo Beach	Redondo Beach	$1,795	300	$5.98
Los Angeles	Los Angeles	Sherman Oaks	$1,795	400	$4.49
Los Angeles	Los Angeles	Palms, Los Angeles	$1,800	550	$3.27
Los Angeles	South Pasadena	South Pasadena	$1,800		
Los Angeles	Los Angeles	Westchester	$1,850	400	$4.63
Los Angeles	Redondo Beach	Redondo Beach	$1,875	500	$3.75
Los Angeles	Los Angeles	Reseda	$1,900	580	$3.28
Los Angeles	South Pasadena	South Pasadena	$1,900		
Los Angeles	Burbank	Burbank	$1,950	500	$3.90
Los Angeles	San Gabriel	San Gabriel	$1,950		
Los Angeles	Los Angeles	Los Angeles	$1,980	385	$5.14
Los Angeles	Los Angeles	Del Rey/Culver City/Playa Vista	$1,990	450	$4.42
Los Angeles	Burbank	Burbank	$1,995	450	$4.43
Los Angeles	Santa Monica	Santa Monica	$2,000	445	$4.49
Los Angeles	Los Angeles	Highland Park	$2,000	600	$3.33
Los Angeles	Marina del Rey	Marina del Rey	$2,175	455	$4.78
Los Angeles	Los Angeles	Country Club Park	$2,200	1100	$2.00
Los Angeles	Los Angeles	Mid-City, LA	$2,200		
Los Angeles	Los Angeles	Los Angeles	$2,395	500	$4.79
Los Angeles	Los Angeles	Van Nuys	$2,500	750	$3.33
Los Angeles	La Crescenta	La Crescenta	$2,500	900	$2.78
Los Angeles	Los Angeles	Hollywood	$2,600		
Los Angeles	Sierra Madre/Pasadena	Sierra Madre/Pasadena	$2,695		
Los Angeles	Los Angeles	Studio City	$2,750	625	$4.40
Los Angeles	Los Angeles	Hollywood	$3,500	1605	$2.18
Los Angeles	Los Angeles County	Mar Vista	$4,800	965	$4.97

Orange	Anaheim	Anaheim	$850		
Orange	Yorba Linda	Yorba Linda	$900		
Orange	Newport Beach	Newport Beach	$950	739	$1.29
Orange	Laguna Beach	Laguna Beach	$955	602	$1.59
Orange	Anaheim	Anaheim	$1,200		
Orange	Fullerton	Fullerton	$1,250	350	$3.57
Orange	Fullerton	Fullerton	$1,250		
Orange	Anaheim	Anaheim	$1,300	400	$3.25
Orange	Huntington Beach	Huntington Beach	$1,350	525	$2.57
Orange	Huntington Beach	Huntington Beach	$1,395		
Orange	Orange	Orange	$1,400	300	$4.67
Orange	Costa Mesa	Costa Mesa	$1,400		
Orange	Costa Mesa	Costa Mesa	$1,400		
Orange	Fullerton	Fullerton	$1,500	480	$3.13
Orange	Laguna Beach	Laguna Beach	$1,550		
Orange	Irvine	Irvine	$1,590	500	$3.18
Orange	Yorba Linda	Yorba Linda	$1,598	550	$2.91
Orange	North Tustin/Santa Ana	North Tustin/Santa Ana	$1,600	600	$2.67
Orange	Laguna Hills	Laguna Hills	$1,600	550	$2.91
Orange	San Clemente	San Clemente	$1,600		
Orange	San Juan Capistrano	San Juan Capistrano	$1,650	400	$4.13
Orange	Santa Ana	Santa Ana	$1,700	575	$2.96
Orange	Buena Park	Buena Park	$1,700	600	$2.83
Orange	Santa Ana	Santa Ana	$1,700	500	$3.40
Orange	Orange	Orange	$1,750	650	$2.69
Orange	Buena Park	Buena Park	$1,800	700	$2.57
Orange	Laguna Beach	Laguna Beach	$1,800	500	$3.60
Orange	Huntington Beach	Huntington Beach	$1,800	592	$3.04
Orange	Lake Forest	Lake Forest	$1,800		
Orange	Garden Grove	Garden Grove	$1,900	800	$2.38
Orange	Seal Beach	Seal Beach	$1,950	450	$4.33
Orange	San Clemente	San Clemente	$1,950		
Orange	Santa Ana	Santa Ana	$2,000	700	$2.86
Orange	Garden Grove	Garden Grove	$2,095	800	$2.62
Orange	San Clemente	San Clemente	$2,150		
Orange	Westminster	Westminster	$2,200	800	$2.75
Orange	Garden Grove	Garden Grove	$2,250	800	$2.81
Orange	Anaheim	Anaheim	$1,375	415	$3.31
Orange	Buena Park	Buena Park	$1,400		
Orange	Santa Ana	Santa Ana	$1,700	650	$2.62
Orange	Costa Mesa	Costa Mesa	$1,850	300	$6.17

Orange	San Clemente	San Clemente	$2,000	1200	$1.67
Orange	Anaheim	Anaheim	$1,400	650	$2.15
Orange	Orange	Orange	$1,400	300	$4.67
Orange	Orange	Orange	$1,600	600	$2.67
Orange	Fullerton	Fullerton	$1,950	600	$3.25
Riverside	Riverside	Riverside	$750	275	$2.73
Riverside	Riverside County	Winchester	$1,100	500	$2.20
Riverside	Lake Elsinore	Lake Elsinore	$1,175	800	$1.47
Riverside	Palm Springs	Palm Springs	$1,300	650	$2.00
Riverside	Eastvale	Eastvale	$1,790	1100	$1.63
San Bernardino	San Bernardino County	Phelan	$650		
San Bernardino	Chino Hills	Chino Hills	$800		
San Bernardino	Upland	Upland	$925	500	$1.85
San Bernardino	Rialto	Rialto	$1,200		
San Bernardino	Rialto	Rialto	$1,499	750	$2.00
San Bernardino	Rancho Cucamonga	Rancho Cucamonga	$1,675		
Ventura	Simi Valley	Simi Valley	$1,250		
Ventura	Oxnard	Oxnard	$1,300		
Ventura	Ventura	Ventura	$1,350	900	$1.50
Ventura	Ojai	Meiner's Oaks/Ojai	$1,350		
Ventura	Ojai	Ojai	$1,425	400	$3.56
Ventura	Ojai	Ojai	$1,450	520	$2.79
Ventura	Simi Valley	Simi Valley	$1,500	300	$5.00
Ventura	Santa Paula	Santa Paula	$1,500		
Ventura	Newbury Park	Newbury Park	$1,750	500	$3.50
Ventura	Simi Valley	Simi Valley	$1,750	450	$3.89
Ventura	Simi Valley	Simi Valley	$1,750	450	$3.89
Ventura	Newbury Park	Newbury Park	$1,750	325	$5.38
Ventura	Newbury Park	Newbury Park	$1,750	325	$5.38
Ventura	Moorpark	Moorpark	$1,800		
Ventura	Ojai	Ojai	$1,800		
Ventura	Port Hueneme	Port Hueneme	$1,850	1000	$1.85
Ventura	Ojai	Ojai	$1,900		
Ventura	Ventura County	Oakview	$1,900	800	$2.38
Ventura	Simi Valley	Simi Valley	$2,000	660	$3.03
Ventura	Simi Valley	Simi Valley	$2,200	520	$4.23
Ventura	Ojai	Ojai	$2,400		
Ventura	Ojai	Ojai	$2,500	650	$3.85

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Wegman, J., Nemirow, A., and Chapple,K. (2012). Scaling up Secondary Unit Production in the East Bay: Impacts and Policy Implications. Berkeley Institute of Regional Development.

Health and Safety Code section 18007, subdivision (a): **"Manufactured home,"** for the purposes of this part, means a structure that was constructed on or after June 15, 1976, is transportable in one or more sections, is eight body feet or more in width, or 40 body feet or more in length, in the traveling mode, or, when erected on site, is 320 or more square feet, is built on a permanent chassis and designed to be used as a single-family dwelling with or without a foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. "Manufactured home" includes any structure that meets all the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification and complies with the standards established under the National Manufactured Housing Construction and Safety Act of 1974 (42 U.S.C., Sec. 5401, and following).

5. ADUs and the Housing Element

- **Do ADUs and JADUs count toward a local agency's Regional Housing Needs Allocation?**

  Yes. Pursuant to Government Code section 65852.2 subdivision (m), and section 65583.1, ADUs and JADUs may be utilized towards the Regional Housing Need Allocation (RHNA) and Annual Progress Report (APR) pursuant to Government Code section 65400. To credit a unit toward the RHNA, HCD and the Department of Finance (DOF) utilize the census definition of a housing unit. Generally, an ADU, and a JADU with shared sanitation facilities, and any other unit that meets the census definition, and is reported to DOF as part of the DOF annual City and County Housing Unit Change Survey, can be credited toward the RHNA based on the appropriate income level. The housing element or APR must include a reasonable methodology to demonstrate the level of affordability. Local governments can track actual or anticipated affordability to assure ADUs and JADUs are counted towards the appropriate income category. For example, some local governments request and track information such as anticipated affordability as part of the building permit or other applications.

- **Is analysis required to count ADUs toward the RHNA in the housing element?**

  Yes. To calculate ADUs in the housing element, local agencies must generally use a three-part approach: (1) development trends, (2) anticipated affordability and (3) resources and incentives. Development trends must consider ADUs permitted in the prior planning period and may also consider more recent trends. Anticipated affordability can use a variety of methods to estimate the affordability by income group. Common approaches include rent surveys of ADUs, using rent surveys and square footage assumptions and data available through the APR pursuant to Government Code section 65400. Resources and incentives include policies and programs to encourage ADUs, such as prototype plans, fee waivers, expedited procedures and affordability monitoring programs.

- **Are ADUs required to be addressed in the housing element?**

  Yes. The housing element must include a description of zoning available to permit ADUs, including development standards and analysis of potential constraints on the development of ADUs. The element must include programs as appropriate to address identified constraints. In addition, housing elements must include a plan that incentivizes and promotes the creation of ADUs that can offer affordable rents for very low, low-, or moderate-income households and requires HCD to develop a list of state grants and financial incentives in connection with the planning, construction and operation of affordable ADUs. (Gov. Code, § 65583 and Health & Saf. Code, § 50504.5.)

6. Homeowners Association

- **Can my local Homeowners Association (HOA) prohibit the construction of an ADU or JADU?**

  No. Assembly Bill 670 (2019) and AB 3182 (2020) amended Section 4751, 4740, and 4741 of the Civil Code to preclude common interest developments from prohibiting or unreasonably restricting the construction or use, including the renting or leasing of, an ADU on a lot zoned for single-family residential use. Covenants, conditions and restrictions (CC&Rs) that either effectively prohibit or unreasonably restrict the construction or use of an ADU or JADU on such lots are void and unenforceable or may be liable for actual damages and payment of a civil penalty. Applicants who encounter issues with creating ADUs or JADUs within CC&Rs are encouraged to reach out to HCD for additional guidance.

7. Enforcement

- **Does HCD have enforcement authority over ADU ordinances?**

  Yes. After adoption of the ordinance, HCD may review and submit written findings to the local agency as to whether the ordinance complies with state ADU law. If the local agency's ordinance does not comply, HCD must provide a reasonable time, no longer than 30 days, for the local agency to respond, and the local agency shall consider HCD's findings to amend the ordinance to become compliant. If a local agency does not make changes and implements an ordinance that is not compliant with state law, HCD may refer the matter to the Attorney General.

  In addition, HCD may review, adopt, amend, or repeal guidelines to implement uniform standards or criteria that supplement or clarify ADU law.

8. Other

- **Are ADU ordinances existing prior to new 2020 laws null and void?**

  No. Ordinances existing prior to the new 2020 laws are only null and void to the extent that existing ADU ordinances conflict with state law. Subdivision (a)(4) of Government Code Section 65852.2 states an ordinance that fails to meet the requirements of subdivision (a) shall be null and void and shall apply the state standards (see Attachment 3) until a compliant ordinance is adopted. However, ordinances that substantially comply with ADU law may continue to enforce the existing ordinance to the extent it complies with state law. For example, local governments may continue the compliant provisions of an ordinance and apply the state standards where pertinent until the ordinance is amended or replaced to fully comply with ADU law. At the same time, ordinances that are fundamentally incapable of being enforced because key provisions are invalid -- meaning there is not a reasonable way to sever conflicting provisions and apply the remainder of an ordinance in a way that is consistent with state law -- would be fully null and void and must follow all state standards until a compliant ordinance is adopted.

BUILDING INDUSTRY ASSOCIATION

1000 Burnett Avenue
Concord CA 94520

November 29,2021

Mayor Rich Constantine
Morgan Hill City Council
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

TRANSMITTED VIA EMAIL

RE: December 1, 2021 Council Meeting: Inclusionary Housing Ordinance Update

Dear Mayor Constantine and Council Members,

BIA Bay Area (BIA), representing hundreds of home builders and associated industries throughout the Bay Area, respectfully submits the following comments regarding the City of Morgan Hill (City) Inclusionary Housing Ordinance (IHO) Update that is before you for action on the December 1, 2021 agenda.

BIA appreciates the effort that Staff has made to outreach to the building industry. Too often, cities do not take the time and effort to seek input from developers and in this case, Staff and Council have, listened to the builders and applied their concerns to the update, with one significant exception regarding below market rate for sale home prices.

BIA comments to the specific Staff recommendations that the City Council will be considering:

1. *Staff Recommendation: Consider accepting a housing in-lieu fee payment for up to fifty percent (50%) of the Inclusionary Housing Ordinance (IHO) requirement to facilitate the future development of very low and extremely low-income housing goals <u>or</u> require that all Below Market Rate units be constructed within the project? Note, if a payment is accepted for 50% of the obligation, the remaining 50% of the obligation remains intact.*

    - <u>Support with Amendment</u> - BIA supports the City Council reordered priorities of the IHO Update that came out of the May Study Session with direction to Staff to include crucial provisions, namely the allowance for payment of in lieu fees to satisfy 50% of the inclusionary obligation.

      The City has entered a new era with regard to meeting RHNA affordable housing mandates from the State and the City needs to make available local funds to support affordable housing projects, especially those that deliver Low and Very Low Income units. As you are aware, the City's RHNA obligation includes 268 Very Low Income Units and 155 Low

Income Units. In lieu fees will be vital in establishing an affordable housing fund to benefit projects with those units.

However, BIA strongly encourages City Council to include an amendment to this policy that would provide the opportunity for developers to propose an alternative compliance option to include payment of in lieu fees to satisfy 100% of the inclusionary obligation with approval of this alternative compliance proposal subject to City Council discretion.

2. *Staff Recommendation: Maintain the current in-lieu fee schedule, with an annual increase for inflation;*

- Support - BIA supports this recommendation because it is a prudent approach to the City's IHO fee schedule. The spiraling cost of development and construction, including impact fees assessed by government is very concerning. Affordable housing requirements, park fees, traffic fees, facility fees, sewer and water fees, school fees, etc., etc., all add tens of thousands of dollars to the cost to build a new home, pricing thousands of California families out of the market each day.

3. *Staff Recommendation: Set the maximum for-sale sales price for Moderate-Income units at 110% of AMI instead of 120%;*

- Oppose - BIA opposes this recommendation and requests that the City Council reject it and continue the policy of offering Moderate Income for sale homes at 120% of AMI. If adopted this provision will add considerable cost to housing production in the City by arbitrarily reducing the sales price of each unit by about $60 thousand, further burdening the market rate units in the project with added costs.

  Furthermore, this recommendation does nothing to benefit the CIty as there is no "extra credit" toward satisfying the RHNA obligation for Moderate Income housing at 110% of AMI. The RHNA obligation only requires units affordable at 120% of AMI, not 110% of AMI.

4. *Staff Recommendation: Reaffirm that Accessory Dwelling Units (ADUs) are not a replacement for required IHO units;*

- Oppose - BIA does not support this recommendation and we encourage the City Council to keep the door open to affordable ADUs by directing Staff to conduct more research through the Housing Element process. The City could greatly benefit from a program that would allow credit toward satisfying the RHNA obligation by devising an affordable ADU program, and the State of California HCD has issued guidelines for jurisdictions wishing to go down this path. An excerpt from HCD's "ADU Handbook" is included with this letter.

  According to HCD guidelines, analysis is required to count ADUs toward RHNA in the Housing Element. To calculate ADUs in the housing element, local agencies must generally use a three-part approach: (1) Development trends, (2) anticipated affordability and (3) resources and incentives. An analysis from the Southern California Association of Governments (SCAG) is included with this letter.

5. *Staff Recommendation: Not proceed to incorporate low-income units into the ownership program.*

    - Support - BIA supports this recommendation. For sale units affordable to 80% AMI would need to sell well below $500 thousand, a very unrealistic expectation in today's development environment considering escalating construction costs, city fees and high land valuations. Its also highly unlikely that qualified buyers at below 80% AMI could be found to take on the mortgage, HOA dues, insurance and other costs of home ownership.

Despite the COVID 19 pandemic and the resulting economic slowdown, Silicon Valley still faces a housing crisis and the construction of new housing is in the vital interests of the City. BIA is looking forward to helping find solutions that are fair and reasonable for both the City and the home building industry. Please do not hesitate to contact me with any questions or comments.

Thank you for your attention to these concerns.

Yours very truly,

Dennis Martin
BIA Bay Area

Encl: "*ADUs and the Housing Element*", an excerpt from the State of California HCD ADU Handbook updated December 2020
"SCAG Regional Accessory Dwelling Unit Affordability Analysis", Southern California Association of Governments

From: Anthony Eulo, Acting City Manager

To: Michelle Bigelow; Angie Gonzalez

Subject: Supplement for Item 8

Date: Wednesday, December 1, 2021

Staff Report: As stated before, the two main changes to the IHO would permit, by right, up to 50% of the affordable housing requirement to be satisfied with an in-lieu fee.

Question: The 50% cited here, is this an increase in percent, if so, what was the prior percent? I am assuming the purpose of this is to increase the in-lieu fee's to support future low income projects?

Response: The 50% is not an increase to the current IHO percent requirement. The Current IHO requires that 15% of a project be affordable, staff is not proposing an increase or change to this percentage requirement. The recommendation refers to the way in which the existing 15% requirement is satisfied or met. Currently 100% of the BMR units must be built, the proposal before you is to allow 50% of the required units be paid for via a housing in lieu fee as opposed to being built and the other 50% of the units would continue to be constructed as per usual; thus, the requirement would still be fully satisfied. In lieu fees are currently allowed only with City Council approval. Staff is not recommending an increase to the in-lieu fees other than an annual increase for inflation that would begin in 2023.

Staff Report: BMRs are not meant to serve as the way a family achieves investment or asset building.

Question: This doesn't make sense, of course property ownership is a way to achieve investment and asset building. Please explain.

Response: There is a significant and long-standing difference between a BMR home and a traditional Market Rate Property. It is accurate to state that Market Rate ownership homes can be a way to achieve investment and asset building. The same is not true of Below Market Rate (BMR) homes which have historically not served in this capacity. A 30-to-45-year deed restriction has been recorded on our BMR properties for 40 plus years, as long as the City has had a BMR Program. The purpose of preserving the affordability of the unit via the lower sales price is so that a BMR homeowner does not have the capability to sell the home at "market rate" for a million dollars when they bought it for 300K or 500K for example. The purpose has not been to create a program that allows significant profit (equity/wealth) off the BMR home that the City required the developer to receive less profit on in the first place. Requiring a lesser price upon resale during the 45-year agreed upon term allows the city to serve additional families after the initial family moves out. Thus, one BMR home can serve several families, not just the one. This has been the intent of the Program for many years. The Council can choose a different approach or policy and change the intent of the Program if they so choose. Important to note that allowing a unit to be sold at market rate will result in a significant loss of BMR units from the Program. The City would no longer be able to say one in eight units is affordable citywide. The Program does offer many other benefits from living in a BMR home, stability, access to Morgan Hill schools and amenities, a homeowner can increase their income without having to annually recertify.

Staff Report: Allowing the exit of the BMR program early, would impact the City's BMR inventory and limit the City's ability to continue to have a robust income-based housing inventory.

Question: How so?

Response: Allowing a BMR homeowner to not honor the term of their 45-year agreement would permit them to sell their home for market rate value. Doing so would increase the likelihood that a BMR homeowner would sell their home for significant profit, the home would be lost from the Program and not resold to the next income qualified family. Thus, that one family would have been given a wonderful opportunity, and the next family would not.

Staff Report: A change to the contract terms based on an attempt to increase value or equity for one household would likely reduce a good number of BMR homes in the Program.

Question: Explain the analogy relative to reduction because the BMR will be available to another homeowner.

Response: The BMR would not be available to another eligible buyer, that is the challenge. If an owner is allowed to exit the agreement early that means they are permitted to sell it at Market Rate and the deed restriction that protected the property will be removed. Once a home is sold at market rate it can never be in the program again or serve another family. It will have officially exited the Program.

Staff Report: The City is proposing to amend Chapter 14.04 (Inclusionary Housing) of Title 14 (Housing), changing the inclusionary housing requirements; amending Section 14.08.020 (Fee Established) to add a cost-of-living annual increase to the in-lieu housing fees; and repealing duplicative affordable housing provisions in Chapter 18.48.

Question: What precisely is duplicated?

Response: Language was removed to not repeat what is automatically allowed by State Density Bonus Law which changes from time to time. Density Bonus law is already referenced earlier on in the IHO so it is unnecessary and duplicative to add concessions that are automatically granted by State Law. The IHO covers this already by referencing the Density Bonus Law (found in California Government Code Sections 65915 – 65918) which provides developers with tools to encourage the development of affordable and senior housing, including up to a 50% increase in project densities for most projects, depending on the amount of affordable housing provided.

Staff Report: Previous discussions considered increasing the in-lieu fees, but staff has determined it is not appropriate at this time, acknowledging the fact that we are doing this to be sensitive to several variables, high lumber and construction costs, and the uncertainty of the impacts of the COVID-19 pandemic.

Question/Statement: We always had high construction costs which continually grew year over year. Adding an additional increase will, in essence, also make it more difficult for the developer/ builder in their profit center, thus offering a higher price to the consumer.

Response: Staff is not recommending that the Housing in-lieu fees be increased other than for inflation in 2023.

Staff Report: The State Housing and Community Development Department (HCD) has advised that an affordability deed restriction may be considered an impediment to ADU creation.

Question: Why?

Response: Requiring a homeowner to record a deed restriction that limits the amount of rent they can collect can discourage their desire to build an ADU. Currently, we cannot require that an ADU have a deed restriction. If an owner chooses to record one on their property, the City could not require that they actually rent it out to anyone.

Staff Report: (ADU) They are not separately owned by income-eligible households; instead, the property owner determines whether to rent out an ADU and at what price.

Question: Are you saying that an ADU unit on an income eligible household cannot determine whether to rent out their ADU?

Response: No. An owner of a Single-Family Home who has an ADU unit cannot be required to record a deed restriction that limits their ability to collect a certain amount of rent. There are current homeowners who have existing ADUs in the City, they cannot be told how much rent to collect on their rentals, nor can they be required to rent them at all. The City of Santa Cruz and San Jose had grant and loan programs where they offered funds to build the ADU in exchange for an agreement to rent the units out to lower income individuals; however, this is significantly different. Those cities gave those homeowners grant funding and loans that they are willingly applied for in exchange for participation.

Staff Report: For developers who choose an alternative method for complying with the IHO, the City is requiring a deeper level of affordability or a higher number of units built to benefit the City. See Section 14.04.070 in the draft Ordinance.

Question: Can you elaborate a little more on this one please? What do you mean by benefiting the City?

Response: If a developer wants to deviate from the requirements and standards of the IHO (such as units are the same size as the smallest market rate size, geographically and proportionally disbursed, same average bedroom and same average bathroom count, etc.) then the developer would need to provide the City something that excuses them from the requirements that every other developer is subjected to, such as more units, or deeper affordable units like the Extremely Low Income units that help the City meet its RHNA goal as one example of what could be a “benefit” to the City.

Staff Report: Build Housing for groups with special needs.

Question: Can you explain what special needs are?

Response: As an example, disabling conditions, mental or physical, unhoused families, foster youth, adult foster youth, survivors of Domestic Violence, and developmentally delayed.

Staff Report: A 3% transaction fee has been included in the cost of developing/selling inclusionary units.

Question: Who gets the 3% transaction fee?

Response: The Administrator of the BMR Program, HouseKeys, receives the 3% fee on the sale of the home for managing the entire transaction process.

Staff Report: Downtown Projects: Cost of Alternative B Inclusionary Requirements Blended Avg. Affordable Price at 90% of AMI. Detached: $24.44 to $25.39/SF, Attached $15.84 to $18.69/SF.

Question: It appears that alternative B is a higher cost, thus, the costs would follow to the buyer? So why would this be a good choice?

Response: This is not being recommend by Staff, it is merely in the KMA report because it was an option that was studied.

Staff Report: Projects Located Outside of Downtown: Detached Unit Per Square Foot Cost of Providing Inclusionary Units.

Question: Why is the cost so much higher outside of Downtown? The material costs are the same.

Response: Each project is unique, and the data is based on real projects that exist in the City. Units are typically larger outside of the Downtown.

Mr. Garcia: "*Specifically, we oppose changing the moderate income designation from 81% to 120% to 81% to 110%. This change would expand the "missing middle" of those not being able to qualify to purchase a new home in Morgan Hill. Morgan Hill would be the only city within the Bay Area (ABAG) to eliminate these moderate rate qualified buyers.*"

Response: This is an incorrect characterization of the recommended action. The recommendation is not changing the definition of eligible moderate households. The program will continue to serve families who are moderate and fall within the moderate category defined as "Moderate-income household" which means a household with a gross annual household income between 81% and 120% of the AMI for Santa Clara County. Therefore, the recommended change does not change the pool of eligible buyers. The recommendation is to clarify that the Affordable Sales Price of BMR for-sale units should be set at a level that will be affordable to those not exceeding 110% of area median income-based upon assumed household size. Affordable ownership cost is defined as the average of the projected monthly housing costs cost during the first calendar year of a household's occupancy that in the aggregate does not exceed 35% of the applicable income limit for eligible households. These housing costs include mortgage principal and interest payments, mortgage insurance fees, if any, property taxes, reasonable allowances for utilities and property maintenance and repairs, homeowners homeowner's insurance, and homeowners' association dues , if applicable. While the City realizes that this reduces the sales price of the homes and the project's profits, it increases affordability to these middle-income households and in no way reduces access to these homes for middle-income buyers.

Mr. Garcia: "*In our case, New Horizons, many of our active Senior purchasers would be excluded from this BMR purchase program. In essence, by reducing the IHO qualifications the Morgan Hill community is saying do not "age in place" here in Morgan Hill... move elsewhere.*"

Response: This is also a mischaracterization of the recommended action. As stated above, the recommended change in no way reduces the pool of eligible households. Qualified active seniors would still be eligible to purchase a BMR – they would just be paying slightly less for it.

Mr. Garcia: "*The proposed "Deeply affordable", per Housing Staff, does not add BMR units.*"

Response: Correct. The proposed changes do make the BMR units more affordable but do not add to the number of BMR units. Developers interested in exceeding the City's requirements and providing more BMR units remain free to do so at their discretion.

Mr. Garcia: "*Seniors have been excluded from our Below Market Rate program over the past 20 years. Less than 1% of for sale BMR units have been sold to Seniors ... WHY? We asked the question at the Morgan Hill Senior Center and their first answer was emphatically "all BMRs have stairs" and we can not climb stairs as we get older. Why restrict Seniors even more?*"

Response: Seniors have not been excluded from the BMR program in the past and age is not a factor in income eligibility. The developer designs the project and makes a design choice as to whether to include stairs. All ages can apply for the BMR rental and ownership portion of the program and it is income that determines one’s eligibility for the unit. However, seniors are less likely to apply for a *first-time homebuyer program* that has traditionally provided single family homeownership opportunities. The senior population that is in need of affordable housing opportunities has historically been more inclined to apply for a rental opportunity.

Mr. Garcia: “*Staff's objection to including Accessory Dwelling Units as part of the BMR program (IHO). Accessory Dwelling Units (ADUs) are rental units; and, as they do not have a separate legal lot, they cannot be sold separately from the home. We are proposing in New Horizons both JADUs and ADUs. Junior ADUs will be in the Single Family Detached homes ... smaller than 500 square feet and attached. Within the active Senior Cottages (2 and 3 bedroom, single story detached homes) we are proposing ADUs above the garage ... they would have 500+ square feet. .. perfect for a future caregiver, adult child in transition or even an outside rental. These should be compared to other rentals and could be Deed Restricted to Low Income and help in the City's RHNA qualification numbers. Numerous cities in the Bay Area have adapted this ADU concept and the ADUs have qualified for the State's RHNA. See Danville as a typical example. ADUs are comparable in size and amenities to other "rental" inclusionary units and can be counted toward the inclusionary unit requirement.”*

Response: The City via the State requirement updated its ADU ordinance and they are allowed by right in many cases. Yes, staff agrees entirely that ADUs can serve as rental units and can play a positive role in providing housing in the community. However, the question that is being brought up is a very different question which is: whether ADUs are acceptable in place of a required single-family home as a way to satisfy the IHO requirement? The City cannot require one developer to build a like-for-like BMR family home while allowing another builder to satisfy the requirement with a 500 square foot ADU. It’s correct that ADUs cannot be sold separately from the home, nor can the City require that they be rented out the way we require BMR apartments rentals and BMR ownership homes to be income qualified and verifiably rented out and sold to eligible families over and over. Requiring a homeowner to record a deed restriction that limits the amount of rent they can collect can discourage their desire to build an ADU. Currently, we cannot require that an ADU have a deed restriction. If an owner chooses to record one on their property, the City could not require that they actually rent it out to anyone. ADUs have been and will continue to be counted in the RHNA report at the income level that they currently rent for which is typically the moderate category, not the low category. It’s worth noting that the City of Santa Cruz and San Jose had grant and loan ADU programs where they offered funds to build the ADU in exchange for an agreement to rent the units out to lower income individuals. However, this is significantly different than anything being proposed here as it was a program that people signed up for to help them build their ADU. Those individual homeowners were given grant funding and loans that they applied for in exchange for their participation. This was not a program offered to builders as a way to satisfy the requirements of an Inclusionary Housing Ordinance.

From: Christina Turner

To: Michelle Bigelow; Angie Gonzalez

Subject: Supplement for Item 8 – Response to Supplement 3 (BIA Letter)

Date: Wednesday, December 1, 2021

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1. With regard to in-lieu fee payments, BIA was supportive of allowing up to 50% of a development's obligation to be met via the payment of in-lieu fees and added:

> However, BIA strongly encourages City Council to include an amendment to this policy that would provide the opportunity for developers to propose an alternative compliance option to include payment of in lieu fees to satisfy 100% of the inclusionary obligation with approval of this alternative compliance proposal subject to City Council discretion.

The City is pleased to report that Section 14.04.070(D)(1)(d) the amended ordinance provides for this flexibility.

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2. BIA supports staff recommendation on fee schedule. No further comment is necessary.

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3. BIA opposes recommendation on setting maximum sales price of moderate units at 110% of AMI.

Like others, BIA is incorrectly asserting that the staff recommendation is changing the sales price from 120% to 110%. It is essential to understand that the existing ordinance bases the defined "Affordable Sales Price" for these units on Section 50052.5 of the California Health and Safety Code and that this State law indicates that the price should be pinned to the 110% income level. The change proposed currently is a clarification to make this provision clearer, not an actual change in the intent of the City's policy as adopted in 2018.

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4. BIA opposes recommended affirmation that Accessory Dwelling Units (ADUs) are not a replacement for required inclusionary housing units.

City staff agree with the BIA overall sentiments that ADUs can play a role in satisfying the City's obligations to build more housing per State law. They in no way, however, are adequate or equivalent replacements for the housing required by the City's Inclusionary Housing Ordinance. A small 500 or 800 square foot accessory dwelling does not create a family housing opportunity for the up-and-coming first-time homebuyers that the City ordinance is designed to serve.

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5. BIA supports the staff recommendation to not incorporate low-income units into the ownership program. No further comment is necessary.

CITY OF MORGAN HILL

Agenda Item # 10
Municipal Code Text Amendment
Refuse and Recycling Enclosures

December 1, 2021

Overview of SB 1383

- Legislation impacts to many aspects of the City's solid waste management system.

- Businesses and residents to separate out organic wastes (food trimmings, landscape waste, etc.) from their garbage and arrange for their separate collection.

- Ordinance mandated by SB1383 was adopted and introduced at the November 17, 2021 City Council Meeting.

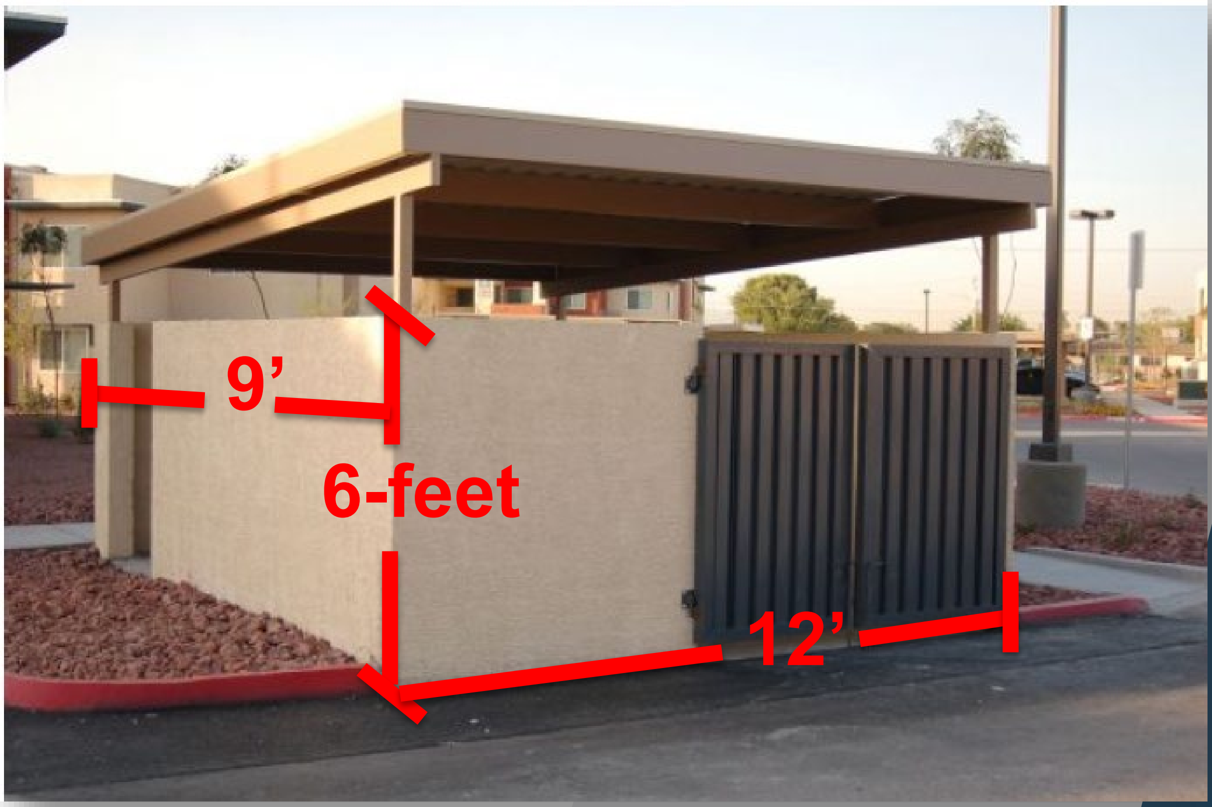
Morgan Hill Refuse Standards

CITY OF MORGAN HILL

- Residential
- Multi-family Residential
- Non-Residential

Refuse and Recycling Enclosures

- Roof
- Pedestrian Entrance
- Solid Gates
- Materials
- Height
- Size



Applicability

CITY OF MORGAN HILL

1. New non-residential structures

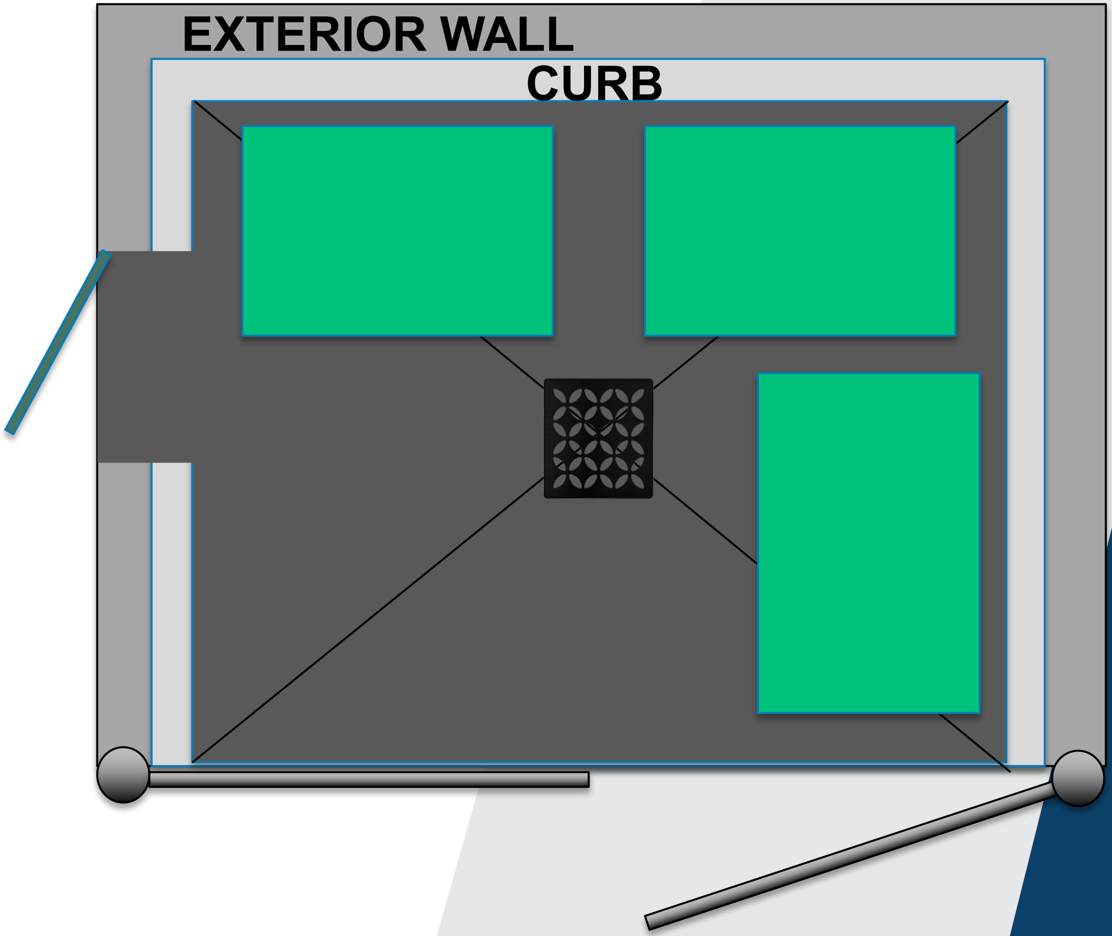
2. An addition to a non-residential building which exceeds 30% of the existing floor area of the building(s) on a site

3. When there is a change of use

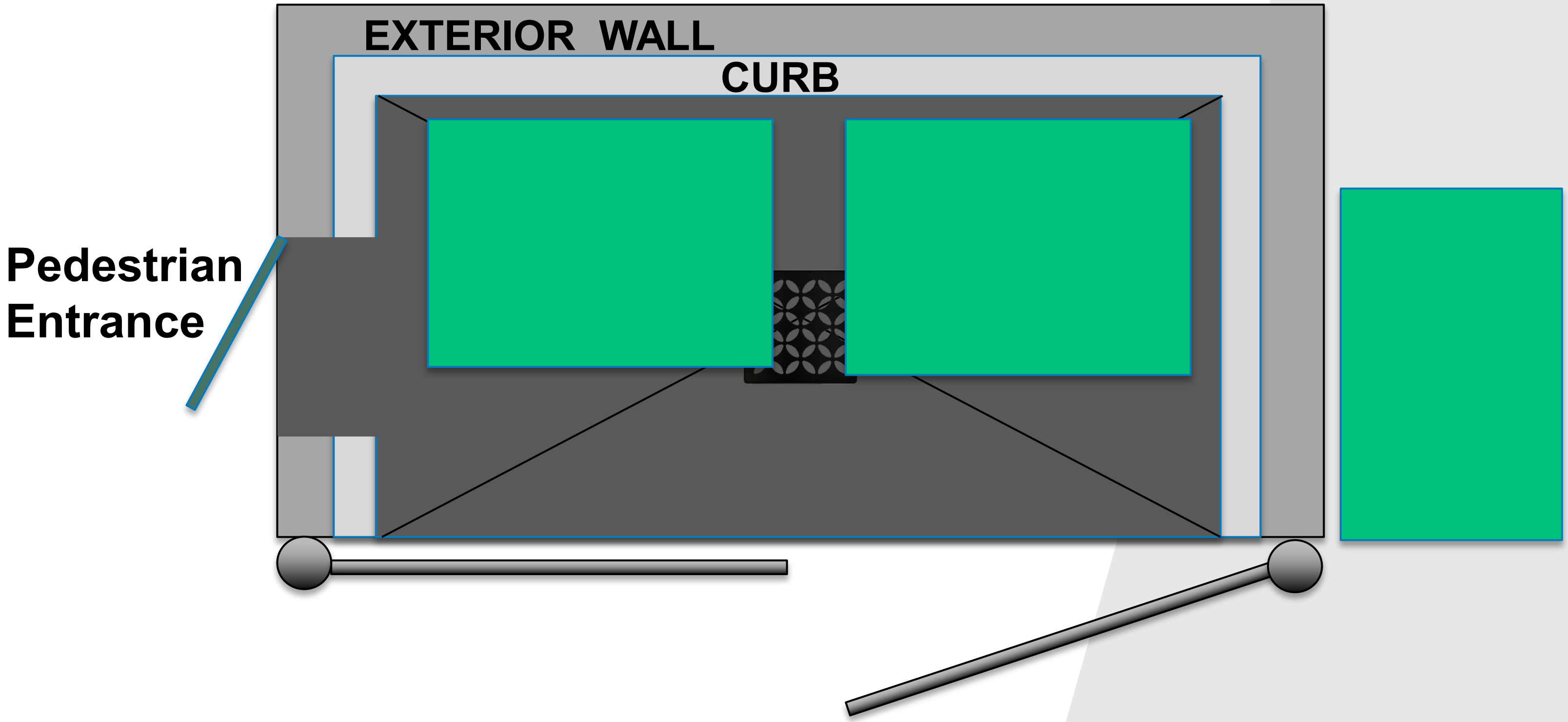
4. New residential projects proposing refuse and recycling enclosures

Enclosure Interior Standards Highlights

- Fit 3 Bins
- Interior curb
- Plumed to sanitary sewer system with grease trap
- Area drain with hose bib



Temporary Compliance



Non-conforming enclosures shall conform by January 1, 2030

Community Outreach and Next Steps

CITY OF MORGAN HILL

- Community Outreach meeting held via zoom on October 27, 2021.
- Notification of new Ordinance was sent in the weekly 411, e-blast, and posted on the city website.
- Public Hearing held on November 9, 2021.
- Next steps if approved – Educate to enforce new Refuse and Recycling Standards. City to work on franchise agreement with solid waste hauler to assist with inspection, recording, and reporting.

Questions?

CITY OF MORGAN HILL

From: Anthony Eulo, Acting City Manager

To: Michelle Bigelow; Angie Gonzalez

Subject: Supplement for Item 10

Date: Wednesday, December 1, 2021

Staff Report: The regulations require residents and businesses to separate organic waste from trash and participate in organic waste recycling programs to achieve the specified targets for reducing organic waste in landfills.

Question: I don't see a description of the container for this program, nor do I see how this waste will be deposited in the container. Will the requirement be to post organic waste directly into the container without bagging? There is an additional element of safety in that organic food waste spoilage can cause disease or like harm to humans and the environment, I don't see any mitigation towards this end?

Response: These questions are more relevant to agenda item #2 which will update Chapter 13.28 of the Municipal Code, *Solid Waste Collection and Disposal,* to include <u>mandatory</u> organic waste recycling per the requirements of SB 1383. Please note that agenda item #10 only addresses updates to enclosures themselves and does not address containers or materials that will be stored inside the containers.

The community of Morgan Hill has been recycling food waste in outdoor organics containers for many years. Disease or like-harm to human health or the environment has not been an issue since recycling of food waste in organic containers commenced over a decade ago. Under the mandatory organic waste recycling program mandated by SB 1383, outdoor organic waste containers will continue to be picked up a minimum of once per week, and more frequently if needed. This schedule has proven adequate in ensuring that food waste is collected and composted within a reasonable timeframe, and without causing harm from food waste spoilage.

To prevent contamination during the recycling and composting processes, plastic bags have never been allowed inside outdoor organics containers. Residents wishing to use a bag for food scrap storage and disposal may choose to collect food in newspaper or brown paper bags. Alternatively, the City provides each residence with two lidded kitchen containers to assist with indoor food scrap and food soiled paper storage, before transport to an outdoor organics bin. Some residents prefer to keep these containers in the refrigerator or freezer. All residents are encouraged to place all food scraps into their outdoor organics bin daily, and to keep the lids closed.

From: Anthony Eulo, Acting City Manager

To: Michelle Bigelow; Angie Gonzalez

Subject: Supplement for Item 11

Date: Wednesday, December 1, 2021

Staff Report: Policy: 1. Applicant Criteria, a. The organization requesting funding must be a nonprofit.

Question: This organization is not a nonprofit. Item 1.a. clearly states a must clause, how did this application get this far into the request cycle, shouldn't it have been explained at the onset of the application?

Response: Overall the request does not meet the recently approved Council Policy. Councilmember Martinez Beltran informed City staff the request would be coming in prior to the policy being approved and requested it come to the City Council for review. Since the request came before the Policy was approved and requested by a Councilmember, City staff thought it would be best for the Council to make the determination on award of a fee waiver and funding. It does not meet the current criteria.

Staff Report: Policy: 1. Applicant Criteria, d. Each organization must submit an inclusivity statement describing how the organization and/or the proposed activity is inclusive of the entire community.

Question: I don't see an inclusivity statement in the attached.

Response: It is not attached or included. The applicant is an individual supporting an informal group.

Staff Report: Policy: 2. Application Availability and Deadline, b. Complete applications will be due annually in March.

Question: This application came in November of this year after the deadline. What provisions are there to waive the late application?

Response: There are no provisions within this policy as it does not meet the criteria. The City Council can decide to not follow the recently-adopted policy. The only basis for the interpretation is that Councilmember Martinez Beltran informed City staff that the request would be coming prior to the policy being approved.

Staff Report: Policy: 3. Review and Approval Process, b. Funding applications and details will be included annually in the Budget Development or Mid-Cycle Budget Review process.

Question/Statement: I am assuming this is not included in the budget?

Response: Correct, it would be an additional expense.

Staff Report: Policy: 5. Late Requests, a. Requests received after the deadline shall not be accepted by City staff.

Question: Why was this request even considered?

Response: Overall the request does not meet the recently approved Council Policy. Councilmember Martinez Beltran informed City staff the request would be coming in prior to the policy being approved and requested it come to the City Council for review. Since the request came before the Policy was approved and requested by a Councilmember, City staff thought it would be best for the Council to make the determination on award of a fee waiver and funding. It does not meet the current criteria.

Staff Report: Policy: 6. Council Member Initiated Event and Fee Waiver Requests, a. A member of the City Council may request a fee waiver or funding be provided for an event by applying with the above application process by the March deadline.

Question: This was not the case, correct?

Response: Correct.

Staff Report: Policy: 6. Council Member Initiated Event and Fee Waiver Requests, b. All Council Member initiated requests occurring after the March deadline must be provided to the City Manager 90 days in advance of the event to allow sufficient time to bring to City Council for approval.

Question: This was submitted in November of this year?

Response: Correct.

CITY OF MORGAN HILL

Special/Regular Meeting Agenda

City Council

Rich Constantine - Mayor
John McKay - Mayor Pro Tem
Gino Borgioli - Council Member
Yvonne Martinez Beltran - Council Member
Rene Spring - Council Member

Wednesday, December 1, 2021 6:00 PM

Virtual Meeting

VIRTUAL MEETING GUIDELINES AND PUBLIC COMMENT

In accordance with Executive Order N-25-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. Physical meetings will not be in the City Council Chamber until further notice.

City Council meetings will be live streamed on Channel 17, on the City's website and on the City's Facebook page. Those members of the community that would like to participate in the meetings remotely may do so by joining the virtual meeting at: https://bit.ly/MHCityCouncilMeeting or by calling in to: (669) 900-9128, then enter the webinar id: 873 3200 8380#.

Public comment may be provided in the following ways:

- Join the virtual City Council meeting via the link above, when public comment is opened, raise your virtual hand and be called upon to speak for up to 3 minutes
  - In order to speak, please be sure that your version of Zoom is up to date.
- Join the virtual meeting by calling in to the number above, dial *9 to raise your hand and be called upon to speak for up to 3 minutes
- Send public comments in writing to the City Clerk at ccpubliccomment@morganhill.ca.gov

* Please note that comments made on Facebook are not considered public comment.

SPECIAL/REGULAR MEETING

A special meeting of the City Council is called at 6:00 p.m. for the purpose of conducting a closed session.

6:00 P.M. Closed Session

7:00 P.M. Regular Meeting

SPECIAL MEETING

6:00 P.M. Closed Session

CLOSED SESSIONS ARE NOT OPEN TO THE PUBLIC. YOU MAY JOIN THE MEETING AT 6:00 P.M. TO SUBMIT PUBLIC COMMENT FOR CLOSED SESSION ITEMS THEN EXIT AND REJOIN THE REGULAR MEETING AT 7:00 P.M.

CALL TO ORDER

Mayor Constantine

ROLL CALL ATTENDANCE

City Clerk Michelle Bigelow

DECLARATION OF POSTING AGENDA

Per Government Code Section 54954.2 - City Clerk Michelle Bigelow

CLOSED SESSION

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Authority: Government Code 54957(b)(1) Title: City Manager

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Authority: Government Code 54957(b)(1) Title: City Attorney

REGULAR MEETING

7:00 P.M.

CITY COUNCIL REPORTS

Council Member Borgioli

CITY MANAGER'S REPORT

City Manager Christina Turner

CITY ATTORNEY'S REPORT

City Attorney Donald Larkin

OTHER REPORTS

PUBLIC COMMENT

Members of the public are entitled to address the City Council concerning any item within the Morgan Hill City Council's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda. (See additional noticing at the end of this agenda)

ADOPTION OF AGENDA

CONSENT CALENDAR

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. Pursuant to City Council Policies and Procedures (CP 97-01), any member of the Council or public may request to have an item removed from the Consent Calendar for comment and action.

Time Estimate for Consent Calendar: 1 - 10 Minutes

1. ACCEPT SANITARY SEWER LIFT STATIONS J AND W REHABILITATION PROJECT

Recommendation:

1. Accept as complete, the Sanitary Sewer Lift Stations "J" and "W" Rehabilitation Project, in the final amount of $1,250,014;
2. Authorize the City Engineer to sign the Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion with the County Recorder's Office.

2. ADOPT ORDINANCE 2325, NEW SERIES, UPDATING CHAPTER 13.28 (SOLID WASTE COLLECTION AND DISPOSAL) OF TITLE 13 (PUBLIC SERVICES) OF THE MUNICIPAL CODE OF THE CITY OF MORGAN HILL TO IMPLEMENT THE REQUIREMENTS OF SB 1383

Recommendation:

Waive the reading, adopt Ordinance No. 2325, New Series, and declare that said title, which appears on the agenda, shall be determined to have been read by title and further reading waived.

3. **ADOPT RESOLUTION DETERMINING THAT CONDUCTION OF IN-PERSON MEETINGS WOULD PRESENT A PUBLIC HEALTH RISK AND CONTINUING TELECONFERENCE MEETINGS**

Recommendation:
Adopt resolution to continue holding City Council and commission meetings by teleconference.

4. **APPROVE FINAL MAP FOR THE LUMBER YARD - TRACT NO. 10541 (DEPOT STREET AND EAST DUNNE AVENUE) AND RELATED SUBDIVISION IMPROVEMENTS AGREEMENT**

Recommendation:

1. Approve the Final Map;
2. Authorize the City Manager to execute the Subdivision Improvements Agreement with The Latala Group, LLC (Developer), Robert V. Hammond and Linda Hammond, Trustees of the Robert V. Hammond and Linda Hammond Revocable Trust dated May 28, 1991, Robert V. Hammond, Jr., and Robert M. Traurig (Owner/Subdivider); and
3. Authorize the recordation of the Final Map and Subdivision Improvements Agreement.

5. **AUTHORIZE THE CITY MANAGER TO EXECUTE AND ADMINISTER AN AGREEMENT WITH JEFF KATZ ARCHITECTURE FOR THE DESIGN OF BUTTERFIELD FIRE STATION**

Recommendation:
Authorize the City Manager to enter into an agreement with Jeff Katz Architecture for the design of the Butterfield Fire Station for $893,200.

6. **CONTINUE PUBLIC HEARING TO AWARD CENTENNIAL RECREATION CENTER ENERGY SERVICES AGREEMENT**

Recommendation:
Continue Public Hearing to December 15th.

OTHER BUSINESS

7. **RECEIVE POLICE DEPARTMENT UPDATE 2021**

Recommendation:
Receive 2021 Police Update; and response to 2021 California legislative law enforcement bills.

Estimated Time: 60 Minutes

8. INTRODUCE ORDINANCE AMENDING THE INCLUSIONARY HOUSING ORDINANCE TO INCREASE THE USE OF HOUSING IN LIEU FEES AND REPEALING DUPLICATIVE AFFORDABLE HOUSING PROVISIONS IN CHAPTER 18.48 OF THE ZONING CODE

Recommendation:

1. Open/close public hearing;
2. Waive the first and second reading of the Ordinance; and
3. Introduce Ordinance, Amendments to Chapter 14.04 (Housing) and Section 14.08.020 (Fee Established) and repealing Chapter 18.48 (Affordable Housing).

Estimated Time: 45 Minutes

9. INTRODUCE ORDINANCE AMENDING THE ZONING CODE TO ENHANCE WATER EFFICIENCY OF NEW LANDSCAPES AND MAKING MINOR CORRECTIONS TO VARIOUS PROVISIONS

Recommendation:

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

Estimated Time: 20 Minutes

10. INTRODUCE ORDINANCE AMENDING THE ZONING CODE TO INCLUDE NEW REFUSE AND RECYCLING ENCLOSURE STANDARDS

Recommendation:

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

Estimated Time: 15 Minutes

11. APPROVE OR DENY FEE WAIVER AND FUNDING REQUEST FOR POSADA EVENT AT COMMUNITY AND CULTURAL CENTER

Recommendation:
City staff are not providing a recommendation on the request. The City Council may approve or deny the request.

Estimated Time: 20 Minutes

FUTURE COUNCIL INITIATED AGENDA ITEMS

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

NOTICE

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

PUBLIC COMMENT

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

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

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

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

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

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

AMERICANS WITH DISABILITIES ACT (ADA)

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

SUSTAINABLE MORGAN HILL

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

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

City Council Ongoing Priorities

- Enhancing Public Safety
- Protecting the Environment and Preserving Open Space and Agricultural Land
- Maintaining Infrastructure
- 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

2020-2021 Strategic Priorities

- Fiscal Sustainability
- Affordable Housing and Homelessness
- Community Engagement and Messaging
- Economic Development
- Transportation

CITY OF MORGAN HILL

From: [redacted]
To: CC Public Comment
Subject: [EXTERNAL] Agenda for 4/20/22 - On retail cannabis
Date: Tuesday, November 30, 2021 8:00:30 AM
Attachments: Response to Prohibitionists in MH.pdf
Importance: High

Some people who received this message don't often get email from [redacted]. Learn why this is important

Mayor and Members of the Morgan Hill Council:

I eagerly look forward to attending the fourth discussion regarding the legalization of the cannabis industry in Morgan Hill. Attached is a very rough draft of what I intend to present at the next meeting on this topic. I spent roughly an hour responding to the most common concerns presented during the 4/21/21 meeting. My final draft will be polished and far more presentable as you would expect from a legal professional.

My goal is to someday use my experience and knowledge to help entrepreneurs apply for cannabis licenses in Morgan Hill as I have done for clients in North Dakota, Minnesota, Michigan, Illinois, Colorado, New York, and Maryland. I dream of someday owning property in Morgan Hill and offering upscale social consumption similar to the ambiance currently offered by the numerous wineries in town. I believe that it is only a matter of time until the youth in this town outnumber the outdated opinions of the vocal, prohibitionist opposition.

Please embrace the beauty and inclusivity of the cannabis community. We are diverse, successful, and responsible; not second-class citizens.

Respectfully,

André Thom, J.D.
Morgan Hill Country School '97-00
Junior Black Belt - United Academy of Martial Arts '99
Leadership Morgan Hill Class of 2022
[redacted] | http://www.linkedin.com/in/andrethom1/

Committed | Achiever | Personable | Enterprising

credit card numbers, bank routing numbers, gift card numbers, wire transfer information and other personally identifiable information should not be transmitted to this user. For question, please contact the Morgan Hill IT Department by opening a new helpdesk request online or call 408-909-0055.

1) "In 1930, Harry Anslinger, became the first director of the Federal Bureau of Narcotics. Ansliger was appointed to the position by Secretary of the Treasury Andrew Mellon, his wife's uncle. Ansliger, an avid supporter of prohibition, had minimized the dangers of cannabis before his appointment. Once appointed, he began a campaign based on race and violence. Anslinger did not hide his prejudice, with comments like, "There are 100,000 total marijuana smokers in the US, and most are Negroes, Hispanics, Filipinos, and entertainers. Their Satanic music, jazz and swing, results from marijuana use. This marijuana causes white women to seek sexual relations with Negroes, entertainers, and others." 14 Anslinger helped popularize the use of "marijuana" instead of the more common "cannabis," to tie the drug to anti-Mexican prejudice. Anslinger's themes were replicated in the movie Reefer Madness: cannabis turns men to violence and women to sexual promiscuity.††

Later, the Nixon administration was more subtle, but no less cynical, in enacting the CSA. Many people think of modern cannabis policy as starting with the CSA, but the Act was in basic principle a continuation of the MTA of 1937, which had the intent of prohibiting cannabis on a federal level. When the MTA was held to be unconstitutional in 1969, the Nixon administration formed a commission under the chairmanship of Raymond Shafer, a former Republican Governor of Pennsylvania. Nixon saw the commission as a means to establish the dangers of cannabis. To Nixon, the Shafer Commission was the opposite of legitimate scientific inquiry. It was a hit job and, as we learned later through the Nixon tapes, the hit was directed at African Americans and the antiwar movement, two groups Nixon despised.

John Erlichman, a senior advisor to Nixon, was later quoted as saying "We knew we couldn't make it illegal to be either against the war or black, but by getting the public to associate the hippies with marijuana and blacks with heroin, and then criminalizing both heavily, we could disrupt those communities. We could arrest their leaders, raid their homes, break up their meetings, and vilify them night after night on the evening news. Did we know we were lying about the drugs? Of course we did." Ray Shafer did not get with the program. The commission concluded that cannabis was not as dangerous as perceived, and recommended decriminalization. The Administration and Congress ignored the recommendation and moved forward with the CSA."

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7173675/

2) "The news outlets were reporting on a paper published this week in the journal Addiction, which reviews the last 20 years of research into the adverse health effects of recreational cannabis use.

But the headlines were misleading, as the author of the paper and NDARC conjoint Professor Wayne Hall explains:

"The reporting in The Daily Mail spun the contents of my paper in a predictable direction. The article contains no statement that would justify the headline in The Daily Mail."

https://ndarc.med.unsw.edu.au/blog/daily-mails-reporting-cannabis-research

3) "Smoking marijuana does not make teenagers stupid, concludes a study in the current Proceedings of the National Academy of Sciences, contrary to other research that linked getting stoned to impaired cognitive function in adolescents.

But more frequent marijuana use wasn't associated with greater IQ decline, as you'd expect if marijuana were toxic to brain function. And measures of so-called inherent intelligence, like problem-solving, didn't fall in users; on some measures, like puzzle-solving, scores actually rose.

At most, such use is associated with impairment. Observational research cannot rule out the possibility that a third factor causes both cognitive decline and marijuana use."

https://www.statnews.com/2016/01/19/marijuana-pot-weed-intelligence/

4) "[T]hose who went on to use marijuana at older ages already had lower scores on these measures at the start of the study, before they started using the drug. Also, no predictable difference was found between twins when one used marijuana and one did not.44

More research will be needed to answer definitively whether marijuana use causes long-term IQ losses and whether factors that weren't measured in the prior research, such as the increasing amounts of THC in cannabis and the emergence of new cannabis products, are relevant.

Also, the ability to draw definitive conclusions about marijuana's long-term impact on the human brain from past studies is often limited by the fact that study participants use multiple substances, and there is often limited data about the participants' health or mental functioning prior to the study. Over the next decade, the National Institutes of Health is funding the Adolescent Brain Cognitive Development (ABCD) study—a major longitudinal study that will track a large sample of young Americans from late childhood (before first use of drugs) to early adulthood. The study will use neuroimaging and other advanced tools to clarify precisely how and to what extent marijuana and other substances, alone and in combination, affect adolescent brain development."

https://www.drugabuse.gov/publications/research-reports/marijuana/what-are-marijuanas-long-term-effects-brain

5) "Marijuana dispensaries, Apothecary businesses, bud tender's, and their pro-pot advocates often advise pregnant mothers to abuse marijuana to alleviate their morning sickness and instructing them not to pay attention to the those who try to warn you that marijuana is bad for the developing baby in the womb. Let's be frank, pro-pot folks could care less about the mother and the health of her baby, all they want is their money."

-Ronald L. Kirkish

What do you know about the only FDA-approved prescription for morning sickness?

"The American Congress of Obstetricians and Gynecologists says pregnant women with morning sickness shouldn't reach hastily for the pill bottle. It recommends first that women take a multivitamin; eat dry toast or crackers; drink fluids; avoid bad smells, and take other basic steps to reduce morning sickness. Only if those measures fail does the group recommend a doctor's visit to ask about the prescription.

And women taking that step should be aware that, while the FDA approved the drug (to be prescribed only after simpler measures have been tried and found wanting) reviewers there weren't impressed by its effectiveness, noting "the treatment effect is small."

Using a 15-point measure of nausea and vomiting called the PUQE score women taking Diclectin reported a 4.7 point improvement, versus a 3.9 point improvement for women taking placebo.

So, the drug was only marginally better than a placebo, but that was good enough for FDA approval."

https://www.npr.org/sections/health-shots/2017/01/06/508562318/morning-sickness-pill-gets-second-look-from-persistent-researchers

"If you take too much Diclegis® (overdose), you may have the following symptoms: restlessness, dry mouth, the pupils of your eyes become larger (dilated), sleepiness, dizziness, confusion, fast heart rate, seizures, muscle pain or weakness and sudden and severe kidney problems. If you have these symptoms and they are severe, **they may lead to death**. Stop taking Diclegis®, call your healthcare provider or go to the nearest hospital emergency room right away."

https://bonjesta.com/other-treatment

6) Regarding the FIVE links about the SAME study: "Using weed while pregnant linked to psychotic-like behaviors in children: study"

From the study:

"Some limitations of this study are noteworthy. First, parents or caregivers retrospectively reported on cannabis use during pregnancy that occurred approximately 10 years earlier, which may have resulted in biased reporting and misclassification. For example, retrospective report of substance use during pregnancy 14 years earlier has been found to be more common than antenatal report and more strongly correlated with child outcomes (eg, measured birth weight and behavioral problems). Although these findings may indicate greater accuracy during retrospective recall, they could also reflect recall bias related to children contemporaneously experiencing problems. However, ABCD Study prevalence estimates of self-reported prenatal cannabis use align with toxicology-based prevalence estimates from national data sets collected during the years these children were born.

Second, although the ABCD Study is, to our knowledge, the largest integrative study of child health and substance use and among the largest studies of prenatal exposure and child outcomes (the number of exposed children exceeded entire samples from other studies), there was a proportionally small number of participants who were exposed to cannabis prenatally, thereby reducing power. Third, THC concentration differs between fetuses whose mothers use cannabis once per month compared with once per day. There is limited or no data on potency, frequency (see Results), timing, or quantity of cannabis exposure in this data set. It will be important for future efforts to better understand the impact of dosage, strain, and method of ingestion. Fourth, while we were able to account for many known familial, pregnancy-related, and child-related confounding variables, the role of unmeasured confounders cannot be discounted. Relatedly, while we account for underlying genetic vulnerability using both familial history and PGS, it is possible that the current genome-wide association studies from which PGS weighting was estimated do not adequately represent a genetic risk for the specific child outcomes under study.

In the context of increasing cannabis use among pregnant women, it is clear that more studies on the association between prenatal cannabis exposure and offspring developmental outcomes are needed to examine potential causal effects, moderating or protective factors, and biological mechanisms."

https://jamanetwork.com/journals/jamapsychiatry/fullarticle/2770964?guestAccessKey=6f5b980c-8226-4202-8b98-49aaa4412145&utm_source=For_The_Media&utm_medium=referral&utm_campaign=ftm_links&utm_content=tfl&utm_term=092320

7) "Ultimately, 81.5% of dispensaries recommended discussion with a health care provider."

https://pubmed.ncbi.nlm.nih.gov/29742676/

8) All cannabis products sold from legal dispensaries in California must include the following warning:

Government warning statement. All cannabis labels must include the following government warning in bold, capital letters:

GOVERNMENT WARNING: THIS PACKAGE CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.

Prop 65

9) "The link between pot and mass shootings may be closer than we think" By Miranda Devine

"Parents Opposed to Pot lobby group tried to sound the alarm on the link between marijuana and mass shootings, compiling a list of mass killers *it claims* were heavy users of marijuana from a young age...[u]ntil we understand those links."

So, "until we understand the links" we're just supposed to trust a biased group with no scientific evidence to support their claims?

The bottom line is that, without being able to legally administer marijuana in a controlled laboratory setting, researchers can't tell whether its use causes psychosis.

"In terms of whether using cannabis causes the development of psychotic disorders, there is no consensus," said Matthew Johnson, associate professor of psychiatry and behavioral sciences at Johns Hopkins University. "The definitive studies have yet to be run."

For the same reasons, experts are skeptical about the supposed connection between marijuana and violence.

"Marijuana use is higher in young men, people with serious adverse childhood experiences, antisocial personality, low income, low education, use of other illicit substances," Knoll said. "All of these are well-known risk factors for violence in their own right."

So yes, many mass shooters have proven to be marijuana users, experts said. But that doesn't mean pot made them pull the trigger.

"Cannabis use is common overall, but it is most concentrated in groups with high rates of violence," said Jonathan Caulkins, professor of operations research and public policy at Carnegie Mellon University. "So absolutely many people who commit violent acts have been heavy cannabis users. The only argument is whether the association is causal."

If anything, marijuana's popularity should make a supposed connection to violence easier to spot, Knoll said. "If there was a clear or strong link, one would expect it to be more pronounced than we are finding."

https://www.politifact.com/article/2019/sep/04/does-marijuana-lead-violence-experts-say-theres-no/

10) Overall, violent crime has neither soared nor plummeted in the wake of marijuana legalization.

https://www.cato.org/policy-analysis/effect-state-marijuana-legalizations-2021-update#crime

11) "The map, visually dominated by blue tones, clearly shows that adolescent treatment admissions for marijuana declined in most of states."

https://www.cdc.gov/pcd/issues/2020/20_0156.htm

12) "The enactment of statewide laws legalizing and regulating the use and sale of marijuana by adults is not associated with an uptick in cannabis use by young people, according to data published in the Journal of Adolescent Health."

https://pubmed.ncbi.nlm.nih.gov/33243722/

13) "Most of the surveyed law enforcement agencies in California do not consider enforcement of the recreational marijuana market a priority and depend mainly on the retail store security to enforce the marijuana use age of 21. At 100% of the recreational marijuana outlets visited, the pseudo-underage patrons were required to show age identification to enter conclusions: It appears that California recreational marijuana outlets avoid selling marijuana to underage customers."

https://www.iihs.org/topics/bibliography/ref/2224?link_id=2&can_id=d70ffba649474645c7a08e040051aff4&source=email-study-finds-100-compliance-among-retailers-with-californias-minimum-age-laws&email_referrer=email_1134914&email_subject=study-finds-100-compliance-among-retailers-with-californias-minimum-age-laws

14) "A federal report filed last week by the U.S. Department of Education's National Center for Education Statistics (NCES) showed zero signs of increased teenage cannabis use due to cannabis legalization policies."

https://nces.ed.gov/programs/coe/indicator/a15

15) "A 2018 study from the California Healthy Kids Survey shows that — despite increased legalization, mainstream attention, and a cultural and political shift towards a cannabis-friendly society — teenagers in California are actually using cannabis less frequently."

https://data.calschls.org/resources/Biennial_State_1517.pdf

LEGALIZE CANNABIS IN MORGAN HILL

Thank you for your time and consideration.

Respectfully,

André Thom, J.D.

Supplement & Presentation List
November 17, 2021
City Council Meeting

Supplements

Item 7- Supplement 1 – PD Update – Q&A W/ Email from Doug Muirhead

Item 8- Supplement 1 – IHO – Letter From Rocke Garcia

Item 8- Supplement 2 – IHO – Letter from Kristina Lawson

Item 8- Supplement 3 – IHO – email/letter from BIA

Item 8- Supplement 4 – IHO – Q&A

Item 8- Supplement 5 – IHO – Response Q&A to Rocke Garcia

Item 8- Supplement 6 –IHO – Response to BIA Letter

Item 10- Supplement 1 – Refuse – Q&A

Item 11- Supplement 1 – Posada – Q&A

Public Comment Supplement 1

Presentations

Item 7- PD Update- Staff Presentation

Item 8- IHO- Staff Presentation

Item 10- Refuse – Staff Presentation

From: Dennis Martin <[redacted]>
Sent: Monday, November 29, 2021 8:41 AM
To: CityCouncil <CityCouncil@morganhill.ca.gov>
Cc: Michelle Bigelow <Michelle.Bigelow@morganhill.ca.gov>; Rebecca Garcia <Rebecca.Garcia@morganhill.ca.gov>
Subject: [EXTERNAL] Morgan Hill City Council December 1, 2021 Agenda Item 8, Inclusionary Housing Ordinance Update

> Some people who received this message don't often get email from [redacted]. Learn why this is important

Dear Mayor Constantine and Members of the City Council,

Please accept and consider the attached letter of comment along with attachments during your deliberations on Agenda Item #8, the Inclusionary Housing Ordinance Update. Feel free to contact me with any questions or concerns.

Regards,

Dennis Martin
BIA Government Affairs
[redacted]