

City Council

Jose Esteves, Mayor

Carmen Montano, Vice Mayor

Garry Barbadillo, Councilmember

Debbie Indihar Giordano, Councilmember

Marsha Grilli, Councilmember



NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that a Special Meeting of the Milpitas City Council will be held at 7:00P.M. on Tuesday, April 28, 2015 at Milpitas City Hall, 455 East Calaveras Boulevard, Milpitas, CA in the City Council Chambers on the second floor. Following is the agenda:

SPECIAL MEETING AGENDA

TUESDAY, APRIL 28, 2015

7:00 P.M.

Milpitas City Hall

City Council Chambers, 2nd Floor

455 East Calaveras Boulevard

Milpitas, CA 95035

I. CALL TO ORDER / ROLL CALL

II. PUBLIC FORUM

Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an item not listed on the agenda, no response is required from City staff or the Council and no action can be taken. However, City Council may instruct the City Manager to place the item on a future meeting agenda.

III. PRESENTATION

- Proclaim May as *Mental Health Month*

IV. APPROVAL OF AGENDA

V. ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

VI. PUBLIC HEARINGS

- 1. Conduct a Public Hearing and Introduce Ordinance No. 38.822 to Amend the Zoning Code to include provisions relating to Supportive and Transitional Housing and Manufactured Homes and approve Addendum to Negative Declaration (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**
- 2. Conduct a Public Hearing and Adopt a Resolution Approving the Environmental Assessment (Negative Declaration) and General Plan Amendment Updating the Housing Element 2015-2023 and Revisions to the Seismic/Safety Element and Open Space and Conservation Element of the General Plan (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**

VII. NEW BUSINESS

3. **Receive 2014 Housing Element Annual Progress Report (Staff Contact: Tim Wong, 408-586-3286)**
4. **Receive a Report and Demonstration on City Web Site Redesign (Staff Contact: Mike Luu, 408-586-2706)**

VIII. RESOLUTION/ORDINANCE

5. **Adopt a Resolution of Intention and Introduce Ordinance No. 101.23 Amending the City's Contract with the Board of Administration of the California Public Employees' Retirement System (Staff Contact: Carmen Valdez, 408-586-3086)**

IX. ADJOURNMENT

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review.

For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035
e-mail: mogaz@ci.milpitas.ca.gov / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.ci.milpitas.ca.gov by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on the City website.

All City Council agendas and related materials can be viewed online here:
www.ci.milpitas.ca.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Current vacancies on:
Community Advisory Commission
Economic Development Commission (retail rep)
Sister Cities Commission
Veterans Commission

Commission application forms are available online at www.ci.milpitas.ca.gov or at Milpitas City Hall. Contact the City Clerk's office at 408-586-3003 for more information.

If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, call the City Clerk at (408) 586-3001 or send an e-mail to mlavelle@ci.milpitas.ca.gov prior to the meeting. You may request a larger font agenda or arrange for mobility assistance. For hearing assistance, headsets are available in the City Council Chambers for all meetings.

AGENDA REPORTS

PUBLIC HEARINGS

1. **Conduct a Public Hearing and Introduce Ordinance No. 38.822 to Amend the Zoning Code to include provisions relating to Supportive and Transitional Housing and Manufactured Homes and approve Addendum to Negative Declaration (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**

Background: Pursuant to California Government Code 65580-65589, each city and county are required to prepare and implement a General Plan Housing Element every eight years to comply with the state and regional housing goals. The Housing Element contains the following major subject areas:

- The evaluation of local housing needs and analysis of constraints that would affect the ability of the marketplace to meet these needs.
- The identification of community housing goals, objectives and policies.
- An evaluation of the community's performance in achieving the goals that were established for the previous five years.
- The description of a new eight-year housing program to meet the identified housing needs and goals.

The Draft Housing Element was approved by the City Council in September 2014 and was found by State of California, Department of Housing and Community Development (HCD) to be in conformance with the state housing element law.

STATE LAWS and PROPOSED ZONING ORDINANCE AMENDMENTS

Housing Element Law - Government Code Section 65583 - Requires the Housing Element to identify adequate sites for a variety of housing types including multi-family rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters and transitional housing.

Zoning Ordinance Amendments - The proposed change to the Zoning Code outlined in the attached Draft Ordinance would be to conform to State Law and implement two programs included in the City's Housing Element. The changes would (i) modify the Mixed Use (MXD) District to allow supportive and transitional housing as a permitted use and revise the R-2 Zoning District to allow manufactured homes subject to the same architectural requirements and standards as other single family dwellings in the same zone.

At its meeting on November 19, 2013, Council adopted Ordinance No. 38.810 which amended the City's Zoning Code to include provision relating to emergency shelters, single room occupancy residences, supportive and transitional housing and reasonable accommodations. At the time, supportive and transitional housing was excluded from MXD Zoning District because the City had identified an appropriate number of housing opportunity sites to meet its Regional Housing Needs Allocation. After further review by HCD on certification of the City's Housing Element, since MXD Zoning District is a mixed use district which permits residential uses (commercial uses only on the ground floor), supportive and transitional housing by state law must be permitted in the MXD Zoning District.

Manufactured homes are currently permitted in the R-1 Zoning District by right. The Zoning Ordinance permits single family homes in the R-2 Zoning District, therefore, manufactured homes by state law must also be permitted in the R-2 Zoning District.

Upon adoption of the proposed Zoning Ordinance Amendments and the Draft Housing Element and other General Plan Amendments, the Housing Element (2015-2023) will be in full compliance with state law and will forwarded to HCD. California Government Code Section

65588(e) (4) requires the Housing Element to be adopted by the City within 120 days of the statutory due date of January 31, 2015.

Planning Commission Action - At the March 25, 2015 meeting, the Planning Commission unanimously recommended that the Council adopt Ordinance 38.822 revising the MXD and R2 zone districts and to approve the Addendum to the *Zoning Ordinance Amendments: Housing Element Implementation Project Initial Study and Negative Declaration*.

ENVIRONMENTAL REVIEW

At the November 19, 2013 meeting, the Council adopted a Negative Declaration for the previous Zoning Ordinance Amendments. Because the additional Zoning Ordinance Amendments would not involve new significant information or environmental effects and no substantial changes are required to the Housing Element Initial Study and Negative Declaration per CEQA Guidelines Section 15162, an “Addendum” to the *Zoning Ordinance Amendments: Housing Element Implementation Project Initial Study and Negative Declaration* would be appropriate CEQA document consistent with Section Guidelines Section 15164(b). Further, each project would be subject to its own environmental review.

Fiscal Impact: None.

Attachments:

- A. Ordinance No. 38.822
- B. Initial Study Negative Declaration
- C. Addendum to the Negative Declaration

Recommendations:

1. Open the public hearing to receive comments.
 2. Move to close the public hearing.
 3. Following a reading of the title by the City Attorney, move to waive the first reading beyond the title of Ordinance No. 38.822.
 4. Introduce Ordinance No. 38.822 to amend the zoning regulations in the Milpitas Municipal Code to include provisions relating to supportive and transitional housing and manufactured homes.
2. **Conduct a Public Hearing and Adopt a Resolution Approving the Environmental Assessment (Negative Declaration) and General Plan Amendment Updating the Housing Element 2015-2023 and Revisions to the Seismic/Safety Element and Open Space and Conservation Element of the General Plan (Staff Contacts: Felix Reliford, 408-586-3071 and Tim Wong, 408-586-3286)**

Background: Summary State Housing Element Law

Under California State law, Section 65580 et seq. of the Government Code requires Housing Elements as a mandatory element of the General Plan and Housing Elements are required to be updated every eight years. All local jurisdictions must have a General Plan that includes a Housing Element. State law also requires that a General Plan and its constituent elements “comprise” an integrated internally consistent and compatible statement of policies.

State Housing Element Law requires the following issues be addressed within the Housing Element:

- Review of prior Housing Element (2009-2014) including analysis of housing production in comparison to mandated housing goals (Regional Housing Needs Allocation-RHNA);
- Analysis of the City’s current and future housing needs;
- Inventory and analysis of housing resources;
- Analysis of governmental and non-governmental constraints to housing production; and
- Housing plan setting forth goals, policies, programs and qualified objectives to address the City’s housing needs.

On September 16, 2014, City Council reviewed the Draft Housing Element, directed staff to incorporate the following revisions and forward the document to State of California, Department of Housing and Community Development (HCD) for review and certification:

- Provide additional information regarding the Urban Growth Boundary
- Maintain the existing policy regarding Executive-Luxury Style Housing
- Delete all references to consideration of nexus study for inclusionary zoning, in-lieu housing fee and commercial linkage fee

The current housing element review includes several new mandated actions required by the state Department of Housing and Community Development (HCD). These new mandates and future zoning ordinance amendments includes permitting transitional and supportive housing in the Mixed Used (MXD) Zoning District and allowing manufactured homes in the Residential-2 (R2) zone district. Staff prepared the zoning amendments and on March 25, 2015, the Planning Commission reviewed and recommended that the City Council approve the zoning amendments. The Zoning Amendments will be considered by the City Council under a separate Council agenda item.

Upon certification from HCD, Government Code Section 65588(e)(4) requires the Housing Element to be adopted by the City Council within 120 days from the statutory due date of January 31, 2015. Upon adoption by the Council the Housing Element will be forwarded to HCD for final approval. Included in the Council's agenda packet is a copy of the certification letter from HCD.

General Plan Amendments and Environmental Review

The General Plan Amendment includes an update to the current (2007-2014) Housing Element for the planning period 2015-2023. The proposed Project supports the goals and policies of the City's current Housing Element and provides policies and implementing programs to further the City's housing goals to meet its Regional Housing Needs Allocation (RHNA-3,290 units). No rezoning or changes to the General Plan or Zoning districts would be required to achieve this yield. The Seismic and Safety Element Amendment includes an update to required information related to Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRMS), dam inundation zones, and City goals and policies to comply with State law (specifically Assembly Bill 162). It also includes the adoption of Santa Clara County's multi-jurisdictional Local Hazard Mitigation Plan and the City of Milpitas' Local Hazard Mitigation Plan Annex to ensure that appropriate emergency measures are implemented when natural disaster occurs. The Open Space and Environmental Conservation Element Amendment includes update to the water Quality and Conservation Section, map of rivers, creeks, streams, and riparian habitat, per AB 162.

Because the Updated Housing Element does not require any potential housing opportunity sites to be rezoned (Transit Area and Midtown Specific Plans have appropriate number of housing sites to meet the City RHNA) and the General Plan amendments for the Seismic and Safety and Open Space and Environmental Conservation Elements are minor amendments to comply with AB 162 (ensure appropriate emergency measures are implemented during natural disaster occurs and update to maps of rivers, creeks, streams, and riparian habitat) no significant environmental impacts are associated with the project and negative declaration has been filed. The 30 day public review period for the Negative Declaration was from December 12, 2014 to January 12, 2015. Copies of the environmental document were made available to the public at Milpitas City Hall, Public Library, City's website, County of Santa Clara Recorder's Office and State of California Office of Planning and Research (OPR), the State Clearinghouse Agency. The City received two comments on the negative declaration on the General Plan.

Planning Commission Action

At its meeting on February 25, 2015, the Planning Commission reviewed the Negative Declaration, Environmental Assessment No. EA No.14-0007 and General Plan Amendment No.

GP 14-0004 adopting the Draft Housing Element 2015-2023 and revisions to the Seismic Safety Element and Open Space/ Environmental Conservation Element of the General Plan and recommended approval to the City Council.

The Planning Commission also unanimously recommended the Council reconsider its prior decision and to direct staff to conduct a Nexus Study (Inclusionary Zoning, In- Lieu Housing Fee and Commercial Linkage Fee) to support affordable housing for Planning Commission and City Council review and consideration. Included in the Council's agenda packet are Planning Commission meeting minutes regarding the discussion of the recommendation.

Attachments:

- A. Draft City Council Resolution
- B. Draft Housing Element Update
- C. Negative Declaration and Letter from OPR
- D. State Office of Planning and Research letter of Approval 1/13/2015
- E. Adopted Planning Commission Resolution 2/25/2015
- F. Letter from state Housing and Community Development 1/05/2015
- G. Response to Comment Letter
- H. Meeting Minutes of the Planning Commission 02/25/15
- I. Response Letters from NPH and Law Foundation

Recommendations:

- 1. Open the public hearing and receive comments.
- 2. Close the public hearing, following any speakers.
- 3. Adopt a Resolution approving the Environmental Assessment No. EA14-0007 (Negative Declaration) and General Plan Amendment No. GP14-0004 relating to the Draft Housing Element 2015-2023 and revisions to the Seismic Safety Element and Open Space/ Environmental Conservation Element of the General Plan.

NEW BUSINESS

- 3. **Receive 2014 Housing Element Annual Progress Report (Staff Contact: Tim Wong, 408-586-3286)**

Background: California Government Code Section 65400(a)(2) requires local agencies to provide an Annual Report to the City Council, the California Office of Planning and Research (OPR), and the California Department of Housing and Community Development (HCD) on the status of the City's General Plan housing activity. More specifically, the State requests a report describing the community's progress in meeting its fair share of the Regional Housing Needs Allocation (RHNA), efforts to maintain, improve and develop housing.

The reporting timeframe covers the RHNA period of 2007-2014. This annual report will be the last for the 2007-2014 timeframe. Beginning next year, the City will begin reporting on its progress for the 2015-2023 RHNA period. In addition, in March 2015, a new State reporting requirement mandates that jurisdictions also submit Successor Housing Agency Annual Reports with the Progress Report. Both reports have been attached for reference.

Here is a quick explanation of the reporting format:

- Table A is the City new residential building permit activity for calendar year 2014.
- Table A2 is the number of units rehabilitated in the City done through the City's Rehabilitation program and through Building Together.
- Table A3 is the City's cumulative new residential building permit activity.
- Table B is the City's progress towards the City's 2007-2014 RHNA requirements.
- Table C is the City's narrative of the City's Program Implementation Status of the Housing Element.

After the City Council receipt of the Housing Report, the report will be sent to the California Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD).

Fiscal Impact: None.

Recommendation: Receive the 2014 Annual Housing Progress Report.

4. Receive a Report and Demonstration on City Web Site Redesign (Staff Contact: Mike Luu, 408-586-2706)

Background: For the past several months, Information Services staff has been working on a project to redesign the City's web site. The current design is over five years old. With the growing demand and viewing from mobile devices, the new redesign will respond and adapt to the new requirements. The goal of the redesign is to create a site that is cleaner, and adjusts to integrate with social media. Staff demonstrated the new design to the Telecommunications Commission on March 16, 2015. The new design was unanimously approved by the Telecommunications Commission. Staff will make a brief presentation to demonstrate the new web site. Some of the new features will be:

- Easily translates pages to 100 different languages
- Responsive (mobile-friendly) – Adapts and adjusts to mobile devices
- Content managed
- Modern design
- Consolidated

Alternative: The alternative is to keep the current website design.

Recommendation: Receive report from staff and direct staff to continue working on the City website update and redesign.

RESOLUTION/ORDINANCE

5. Adopt a Resolution of Intention and Introduce Ordinance No. 101.23 Amending the City's Contract with the Board of Administration of the California Public Employees' Retirement System (Staff Contact: Carmen Valdez, 408-586-3086)

Background: As a result of contract negotiations between the City of Milpitas and the Milpitas International Association of Fire Fighters Local 1699 (IAFF) finalizing the Memorandum of Understanding (MOU) for the period of December 3, 2014 through December 31, 2016, both parties agreed that the City would amend its current contract with the Public Employees Retirement System (PERS) to provide Section 20516 (Employees Sharing Additional Cost) of 3% for local fire members in the International Association of Firefighters Local Union 1699.

Government Code Section 7507 requires that the all future costs or benefits changes be made public at least two weeks prior to the adoption of the final Ordinance. The classic local fire members' contribution rate will now be 12% of reportable earnings and any new local fire members' contribution rate will be 14.25% of reportable earnings. Any changes in the employee or employer contribution rate will be effective as of the effective date of the contract amendment. PERS contract amendment procedures require an adoption of a Resolution of Intention to amend the contract and an adoption of an amending Ordinance. Both documents are included in the Council's agenda packet.

Fiscal Impact: None.

Recommendations:

1. Adopt a Resolution of Intention to approve a contract amendment with the Public Employees Retirement System to provide Section 20516 (Employees Sharing Additional Cost) of 3% for local fire members in IAFF.
2. Following a reading the ordinance title by the City Attorney, move to waive the first reading beyond the title of Ordinance No. 101.23.
3. Introduce Ordinance No. 101.23, authorizing an amendment to the contract between the City Council of the City of Milpitas and the Board of Administration of the California Public Employees' Retirement System.

ADJOURNMENT