



CITY OF MERCED

City Council Chamber
Merced Civic Center
2nd Floor
678 W. 18th Street
Merced, CA 95340

Minutes

City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency

Monday, April 3, 2023

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Bertha Perez, Council Member Jesse Ornelas, Council Member Sarah Boyle, Council Member Ronnie DeAnda, Council Member Shane Smith, and Council Member Fue Xiong

Absent: 0

B. CLOSED SESSION

Mayor SERRATTO called the Closed Session to order at 5:03 PM.

Clerk's Note: Council Member XIONG arrived to Closed Session at 5:05 PM.

B.1. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Paragraph (1) of Subdivision (d) of Government Code section 54956.9, Name of Case: City of Merced, City of Los Banos, and City of Atwater, Petitioners, vs. Merced County Association of Governments, Respondents

B.2. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Paragraph (1) of Subdivision (d) of Government Code section 54956.9, Name of Cases: Appeal #1 of the Planning Commission's Approval of Commercial Cannabis Business Permit (CCBP) #22-02R for Retail Cannabis at 1111 Motel Drive by Edwin Kainth

B.3. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION; Christopher Goodwin v. City of Merced; Workers Compensation Case Number ADJ14919795 and ADJ14919796; AUTHORITY: Government Code Section 54956.9(d)(1)

Clerk's Note: Council adjourned from Closed Session at 5:36 PM.

C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:01 PM.

C.1. Invocation - Pastor Greg Boyd, Calvary Chapel of Merced

The Invocation was delivered by Pastor Greg BOYD of the Calvary Chapel of Merced.

C.2. Pledge of Allegiance to the Flag

Pastor Greg BOYD led the Pledge of Allegiance to the Flag.

D. ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Bertha Perez, Council Member Jesse Ornelas, Council Member Sarah Boyle, Council Member Ronnie DeAnda, Council Member Shane Smith, and Council Member Fue Xiong

Absent: 0

D.1. In accordance with Government Code 54952.3, it is hereby announced that the City Council sits either simultaneously or serially as the Parking Authority and the Public Financing and Economic Development Authority. City Council members receive a monthly stipend of \$400.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$100.00 each month as a part of the adopted budget and Resolution 2020-86. The members of the Parking Authority and the Public Financing and Economic Development Authority receive no compensation.

E. REPORT OUT OF CLOSED SESSION

There was no report.

F. CEREMONIAL MATTERS

F.1. **SUBJECT:** Proclamation - Fair Housing Month

REPORT IN BRIEF

Received by Ana Andrade of the Project Sentinel Fair Housing

Mayor SERRATTO presented the Fair Housing Month Proclamation to Ana ANDRADE from the Project Sentinel Fair Housing.

F.2. **SUBJECT:** Proclamation - Sexual Assault Awareness Month

REPORT IN BRIEF

Received by a representative of Valley Crisis Center

Mayor SERRATTO presented the Sexual Assault Awareness Month

Proclamation to Jessica GARCILAZO from the Valley Crisis Center.

F.3. **SUBJECT:** Proclamation - Lao New Year

REPORT IN BRIEF

Received by a representative of the Lao Community.

Mayor SERRATTO presented the Lao New Year Proclamation to representatives from the Lao Community.

G. WRITTEN PETITIONS AND COMMUNICATIONS

Clerk's Note: Emails were received for the following agenda item and forwarded to Council prior to the meeting.

Oral Communications: Steven DONAHUE.

H. ORAL COMMUNICATIONS

Clerk's Note: The following comment was received via voicemail.

Lynn BARRERA, Merced - spoke on a mobile spay/neuter services for stray animals and shared concerns of the street conditions in South Merced.

Clerk's Note: The following speakers appeared in person.

Rick WENDLING, Merced - spoke on recent political news in the United States.

Annissa FRAGOSO, Merced - spoke on the upcoming Mercado event.

Refugio LLAMAS, Merced - spoke on the Merced County Veteran Stand Down event.

John LARSON, Merced - spoke on rental registration.

Cindy RAMOS, Merced - asked Council to consider funding local churches and spoke on the housing projects on the City's website.

Mike GETLIN, Merced - shared statistics of Cannabis revenue and spoke on the amount of cannabis retail licenses in Merced.

Mayya TOKMAN, Executive Director of Kids Discovery, Merced - spoke on

the Kids Discovery Station, asked for more information on the Request for Proposal for the community funding, and invited Council to their Round Table event.

Madline HARRIS, Leadership Counsel, Merced - spoke on Fair Housing month, the community engagement plan for the Multi Jurisdictional housing element, and fair housing assessment.

Robert DYLINA, Merced - invited Council to the Housing Authority Board meetings and spoke on a protest for the displaced Planada tenants.

Erin HAMM, Merced - spoke in support of banning phone calls, determining the phone calls made by Merced residents, and the Council meeting end times.

I. CONSENT CALENDAR

Agenda Items I.7. Approval of Smiley Riley Utility Box and Youth Leadership Institute Skate Park Mural Art Projects, I.8. Approval of Land Use Determination #23-01 - Finding of Public Convenience or Necessity for Circle K Stores, Inc., a New Gas Station and Convenience Market to be Located at the Southwest Corner of R Street and Loughborough Drive, I.9. Award an Agreement for Professional Services for a Downtown Housing Feasibility Study to Mogavero Architects, and I.11. Approval of a Statement of Services Contract with Musco Sports Lighting, LLC for the Purchase and Installation of Upgraded LED Sports Lighting for Soccer Fields and Skate Park at McNamara Park, Project No. CP230018, in the Amount of \$309,140.25; were pulled for separate consideration.

Approval of the Consent Agenda

A motion was made by Council Member Boyle, seconded by Mayor Pro Tempore Perez, to approve the Consent Agenda. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

I.1. SUBJECT: Reading by Title of All Ordinances and Resolutions

REPORT IN BRIEF

Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and a summary title may be read with further reading waived.

RECOMMENDATION

City Council - Adopt a motion waiving the reading of Ordinances and Resolutions, pursuant to Section 412 of the Merced City Charter.

This Consent Item was approved.

I.2. SUBJECT: Information Only Contracts for the Month of March 2023

REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$36,000 and of Public Works contracts under \$82,718.

This Consent Item was approved.

I.3. SUBJECT: Information Only - Planning Commission Minutes of March 8, 2023

RECOMMENDATION

For information only.

This Consent Item was approved.

I.4. SUBJECT: Approval to Accept, Increase Revenue, and Appropriate Partial Payment for the Stephen Leonard Park Community Center in the Amount of \$115,525.93

REPORT IN BRIEF

Considers approving a partial payment from McLarens Property Insurance Company for the claim submitted to Alliant Property Insurance for damages caused by the May 17, 2022, fire to the Stephen Leonard Park Community Center.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting a partial payment; increasing the revenue to Cost Recovery account in Fund 5000 - Parks & Community Services CIP in the amount of \$115,526; and,

B. Appropriating the same in Fund 5000 - Parks & Community Services CIP to Project CP230052-Stephen Leonard Park Community Center; and,

C. Authorizing the Finance Officer to make the necessary budget adjustments for any future partial payments associated with Project CP230052-Stephen Leonard Park Community Center Repairs.

This Consent Item was approved.

I.5.

SUBJECT: Approval of a First Amendment to an Agreement for Professional Services with GVP Ventures, Inc. for Conducting a City Manager Recruitment for an Amount not to Exceed \$43,000 and Approval of a Supplemental Appropriation in the General Fund in the Amount not to Exceed \$43,000

REPORT IN BRIEF

Considers approving a First Amendment to an agreement for Professional Services with the recruitment firm GVP Ventures, Inc (formerly Bob Murray and Associates) for the not to exceed amount of \$43,000. Recruitment services would be provided for the position of City Manager.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving a First Amendment to an agreement for Professional Services with GVP Ventures, Inc (formerly Bob Murray and Associates) in the amount not to exceed \$43,000; and,

B. Approving a supplemental appropriation in the amount of up to \$43,000 from the General Fund unreserved, unencumbered fund balance, transferring to Fund 6008-Support Services and appropriating the same in the Personnel Professional Services account line to cover the City Manager recruitment cost; and,

C. Authorizing the City Manager or designee to execute the necessary documents.

This Consent Item was approved.

- I.6. **SUBJECT:** Approval of Service Agreements with Eight Artists for CALTRANS Transportation Art Project, Clean California Beautification Fund Contribution not to Exceed the Amount of \$350,000 for Undercrossing Art Murals

REPORT IN BRIEF

Considers approving the Service Agreements with eight artists for the CALTRANS Clean California State Beautification Program not to exceed the amount of \$350,000.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the service agreements with eight artists for CALTRANS Clean California State Beautification Program not to exceed the amount of \$350,000 in funding for the installation of transportation mural art; and,

B. Authorizing the City Manager or the Deputy City Manager to execute the necessary documents.

This Consent Item was approved.

- I.10. **SUBJECT:** First Amendment to Settlement Agreement with Pacific Gas and Electric Company to Reimburse the City of Merced for Design and Construction of a 16-inch Water Main and Reconstruction of a Portion of Roadway, Curb, Gutter, Sidewalk and ADA Access Ramps on Canal Street Between 14th Street and 15th Street

REPORT IN BRIEF

Considers approving the First Amendment to Settlement Agreement between the City of Merced and Pacific Gas and Electric Company (PG&E) for a minor change to the Scope of Work in the Settlement Agreement.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the First Amendment to the Settlement Agreement between the City of Merced and Pacific Gas and Electric Company;

and,

B. Authorizing the City Manager or Deputy City Manager to execute the necessary documents.

This Consent Item was approved.

I.12.

SUBJECT: Adoption of a Resolution Approving the 2022/2023 Local Transportation Fund (LTF) Claim Form in the Amount of \$77,002 to be Filed with the Merced County Association of Governments (MCAG)

REPORT IN BRIEF

Considers approving and accepting \$77,002 in Local Transportation Funds (LTF) from Merced County Association of Governments (MCAG) for the curb and gutter replacement along portions Austin Avenue, Childs Avenue, and Parsons Avenue, and the 1900 Block of Shadowbrook Drive and sidewalk replacement along portions of E. 11th, E. 13th, and D Streets.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2023-23**, a Resolution of the City Council of the City of Merced, California, approving the Local Transportation Fund (LTF) Claim to be filed with the Merced County Association of Governments (MCAG) for Fiscal Year 2022/2023; and,

B. Authorizing the Finance Officer to make any necessary budget adjustments.

This Consent Item was approved.

I.7.

SUBJECT: Approval of Smiley Riley Utility Box and Youth Leadership Institute Skate Park Mural Art Projects

REPORT IN BRIEF

Considers approving the Smiley Riley Utility Box and Youth Leadership Institute Art Projects.

RECOMMENDATION

City Council - Adopt a motion approving Smiley Riley Utility Box and

Youth Leadership Institute Art Installations for the Skate Park Mural Art Projects.

Mayor SERRATTO pulled this item at the request of Council Member ORNELAS.

Clerk's Note: Mayor SERRATTO split Agenda Item I.7. to vote separately on the Smiley Riley Utility Box and the Youth Leadership Institute Art Projects.

There was no Council discussion.

A motion was made by Council Member Ornelas, seconded by Mayor Pro Tempore Perez, to approve the Smiley Riley Utility Box Skate Park mural art project. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Clerk's Note: Council Member ORNELAS recused himself due to his position at the Youth Leadership Institute.

There was no Council discussion.

A motion was made by Council Member Boyle, seconded by Mayor Pro Tempore Perez, to approve the Youth Leadership Institute Skate Park mural art project. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Abstain: 1 - Council Member Ornelas

I.8.

SUBJECT: Approval of Land Use Determination #23-01 - Finding of Public Convenience or Necessity for Circle K Stores, Inc., a New Gas Station and Convenience Market to be Located at the Southwest Corner of R Street and Loughborough Drive

REPORT IN BRIEF

This report provides options for the City Council to consider making a Finding of Public Convenience or Necessity (PCN), as required by the Department of Alcoholic Beverage Control (ABC) to issue a Type 20 alcohol license (allowing the sale of beer and wine for off-site consumption) for Circle K Stores, Inc., a new gas station and convenience market to be located at the southwest corner of R Street and Loughborough Drive.

RECOMMENDATION

City Council - Adopt a motion approving the Finding of Public Convenience or Necessity to allow Circle K, Inc., a new gas station and convenience market to be located at the southwest corner of R Street and Loughborough Drive, to obtain a Type 20 license for off-site consumption allowing the sale of beer and wine (Option #1 as shown in the "Council Action" section of this Administrative Report).

Mayor SERRATTO pulled this item at the request of Council Member XIONG and public speakers.

Council Member XIONG pulled for a separate vote and discussed the land use request for the alcohol license.

Isaac SARQUIZ, Applicant - gave information on the alcohol license and spoke on the affordable housing project located in the area.

William SCARBROUGH - spoke in support of the Circle K, Inc. and shared details of the alcohol license requested.

Council Member XIONG and Mr. SARQUIZ discussed the affordable housing project behind the proposed Circle K, Inc. store and the land use for the 10-acre lot.

A motion was made by Council Member Boyle, seconded by Council Member Ornelas, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, and Council Member Smith

No: 1 - Council Member Xiong

Absent: 0

I.9.

SUBJECT: Award an Agreement for Professional Services for a Downtown Housing Feasibility Study to Mogavero Architects

REPORT IN BRIEF

Considers approving an Agreement for Professional Services with Mogavero Architects, for \$61,800 to prepare a Downtown Housing Feasibility Study.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving an Agreement for Professional Services with Mogavero Architects, in the amount of \$61,800 to prepare a Downtown Housing Feasibility Study; and,

B. Authorizing the City Manager or Deputy City Manager to execute the agreements and any necessary documents.

Mayor SERRATTO pulled this item at the request of the public.

Director of Development Services Scott MCBRIDE gave a brief description of the Professional Services Agreement with Mogavero Architects for the Downtown Housing Feasibility Study.

Gloria SANDOVAL, Merced - asked for clarification on the 18th Street and 16th Street structures in replacement of parking.

Josue HERRERA, Merced - spoke in opposition of the study and asked Council to take action on Downtown housing.

Council and Mr. SCOTT discussed the proposal for the Downtown Housing Feasibility Study, zoning, future development in Merced, and the funding source.

A motion was made by Council Member Boyle, seconded by Mayor Pro Tempore Perez, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

I.11.

SUBJECT: Approval of a Statement of Services Contract with Musco Sports Lighting, LLC for the Purchase and Installation of Upgraded

LED Sports Lighting for Soccer Fields and Skate Park at McNamara
Park, Project No. CP230018, in the Amount of \$309,140.25

REPORT IN BRIEF

Considers approving a Statement of Services Contract, in the amount of \$309,140.25, with Musco Sports Lighting, LLC for the purchase and installation of LED lighting upgrades at McNamara Park soccer fields and skate park, as previously approved by Council and provided for in the current budget.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Statement of Services Contract with Musco Sports Lighting, LLC for the purchase of LED lighting upgrades for soccer fields and skate park at McNamara Park Project No. CP230018, in the amount of \$309,140.25; and,

B. Authorizing the City Manager or Deputy City Manager to execute the necessary documents and approve change orders up to 10% of the contract price.

Mayor SERRATTO pulled this item at the request of Council Member XIONG.

Council Member XIONG and City Engineer Michael BELTRAN discussed the bid process, the different bidders, the layout of all items being purchased, the amount of lights at the Skate Park, the contract costs, and project funding.

A motion was made by Council Member Boyle, seconded by Mayor Pro Tempore Perez, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

J. PUBLIC HEARINGS

J.1. SUBJECT: Adopt a Statutory Exemption Pursuant to Section 15308 of

the California Environmental Quality Act (CEQA) and Adopt a Resolution Amending Transportation Policy T-1.8 of the Merced Vision 2030 General Plan Regarding the Use of Vehicle Miles Traveled (VMT) as the Metric to Evaluate the Transportation Impacts of Development Projects Under CEQA and Adopting the Merced County Association of Governments (MCAG) VMT Thresholds and Guidelines (General Plan Amendment #23-01)

REPORT IN BRIEF

Considers the adoption of a Statutory Exemption pursuant to Section 15308 of the California Environmental Quality Act (CEQA) and adoption of a Resolution amending Transportation Policy T-1.8 of the *Merced Vision 2030 General Plan* regarding the use of Vehicle Miles Traveled (VMT) as the metric to evaluate the transportation impacts of development projects under CEQA and adopting the Merced County Association of Governments (MCAG) VMT Thresholds and Guidelines.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2023-24**, a Resolution of the City Council of the City of Merced, California, adopting General Plan Amendment No 23-01 to revise Transportation Policy t-1.8, adopting the Vehicle Miles Traveled Thresholds and Guidelines as recommended by the Merced County Association of Governments by reference, and adopting a CEQA Statutory Exemption pursuant to Section 15308 of the CEQA Guidelines.

Development Services Director Scott MCBRIDE gave a slideshow presentation on the General Plan Amendment #23-01 regarding the use of Vehicle Miles Traveled (VMT).

Council Member SMITH and Mr. MCBRIDE discussed the details of VMT and Level of Service (LOS) reviews on the shift of State Law.

Mayor SERRATTO opened the Public Hearing at 7:19 PM.

Madeline HARRIS, Leadership Counsel, Merced - spoke in support of moving forward solely with the use of VMT.

Mayor SERRATTO closed the Public Hearing at 7:21 PM.

There was no Council discussion.

A motion was made by Council Member Smith, seconded by Council Member

Boyle, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

J.2.

SUBJECT: Appeal of the Planning Commission's Approval of Commercial Cannabis Business Permit (CCBP) #22-02R for Retail Cannabis at 1111 Motel Drive by Edwin Kainth

REPORT IN BRIEF

Edwin Kainth has appealed the Planning Commission's approval of Commercial Cannabis Business Permit #22-02R (Culture Merced Dispensary) for a retail cannabis facility at 1111 Motel Drive.

RECOMMENDATION

City Council - Adopt a motion:

- A. Granting or denying the appeal of Edwin Kainth; and,
- B. Providing direction to staff regarding findings to grant or deny appeal, with or without prejudice.

Development Services Technician Stephani DAVIS gave a slideshow presentation on the appeal of the Planning Commission's approval of the Commercial Cannabis Business Permit (CCBP) #22-02R for retail cannabis.

Clerk's Note: Council Member DEANDA recused himself at the request of Acting City Attorney Travis LINDSEY, Council Member DEANDA was a member of the Planning Commission when the matter was heard.

Clerk's Note: All Council Members disclosed conversations with organizations involved and any additional information.

Mayor SERRATTO opened the Public Hearing at 7:36 PM.

Clerk's Note: The following comments were received via voicemail.

Gloria LENCIONI, Merced - spoke in opposition of opening a cannabis dispensary in her neighborhood.

Samil, Merced - spoke in support of the appeal and the opposition of the cannabis dispensary on Motel Drive.

Teresa BOND, Merced - spoke in opposition of opening the cannabis business in her neighborhood.

Grant QUINN, Merced - spoke in opposition of the cannabis dispensary due to kids being on the street.

Clerk's Note: The following speakers appeared in person.

Jim SANDERS, Merced - asked Council for the amount of time he is allowed to speak.

Development Services Director Scott MCBRIDE explained that Jim SANDERS currently stands as the Leader of Opposition and explained the structure of the Planning Commission for the amount of minutes the Leader of Opposition and Appellant receive.

Mayor SERRATTO stated the Leader of Opposition and Appellant will have 15 minutes in total, per Acting City Attorney Travis LINDSEY.

Jim SANDERS, Leader of Opposition, Merced - gave a slide show presentation on the Appeal of the Planning Commission's approval of the Commercial Cannabis Business Permit #22-02R on Motel Drive.

Edwin KAINTH, Appellant, Merced - spoke in opposition of the Planning Commission's approval of the Commercial Cannabis Business Permit #22-02R on Motel Drive, questioned the lack of a traffic study in the area, and explained the lack of revenue the Motel would bring if the dispensary is approved.

Elias PATINO, Merced - spoke in opposition of the dispensary being built in this location due to the amount of kids in the area that go for walks, play, and lack of lighting.

Daniel PEREZ, Merced - spoke against the dispensary opening due to the amount of kids that walk to school.

Avtar SINGH, Merced - spoke in opposition due to the influence of cannabis on kids.

Jared Paladin RUSCOE, Speaker for Property Owners, Merced - spoke on the funds spent on maintaining the building since closing.

Arvin KAINTH, Merced - spoke on the conditions of Motel Drive and the parking lot for the proposed customers not being adequate for this business.

Pablo ORTIZ, Merced - asked if the revenue received could fix infrastructure and shared statistics on low crime rates around dispensaries.

Dwight LARKS, Merced - spoke on residential homes that grow cannabis with children around, the safety of the surrounding area of cannabis locations, and spoke in favor of the dispensary.

Devon JULIAN, Culture Cannabis Club, Applicant - spoke on the infrastructure issues surrounding the Motel areas, crime rates around dispensaries, security measures they are taking on the property, the zoning requirements being met, and the negative connotations of opening a bar in the place of the dispensary. He also spoke on the appellants arguments, the proposed measures to assist the appellant, the community's concerns, and urged Council to deny the appeal to move forward with the project.

Mr. KAINTH - spoke on fixing the infrastructure and becoming Americans with Disabilities Act (ADA) compliant.

Motel Owner, Appellant, Merced - spoke on the infrastructure of the surrounding area, poor lighting, and revenue the Motels bring to the City.

Mr. SANDERS - spoke on the wall on Pine Street being a requirement from the Planning Commission.

Mr. JULIAN - explained the wall to block off Pine Street and spoke on the additional wall that was offered.

Council, Mr. JULIAN, Mr. KAINTH, and Chief Communication Officer for Culture Cannabis Reggie MCCOY discussed the interior of the dispensary, the targeted customers, the goal of the dispensary, fixing the infrastructure and lack of lighting, the families being around the Motel business, and the needs of the property.

City Engineer Michael BELTRAN spoke on the current status of the Motel Drive project.

Mayor SERRATTO closed the Public Hearing at 8:29 PM.

Council Member ORNELAS gave an update to the community on the issues the South Merced Subcommittee discussed.

Clerk's Note: Council adjourned to Closed Session at 8:33 PM.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Ornelas, to adjourn to Closed Session. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Abstain: 1 - Council Member DeAnda

Clerk's Note: Council resumed Open Session at 8:55 PM.

Council discussed the application for Culture Cannabis, the infrastructure plans, the State regulations for dispensaries, a proposed bar if the appeal is granted, and the decision to either grant or deny the appeal.

Clerk's Note: Mayor SERRATTO suggested an amendment to the motion "to allow the 2% that Culture Cannabis has pledged for non-profit and infrastructure" and Council Member ORNELAS approved the amendment.

A motion was made by Council Member Ornelas, seconded by Mayor Pro Tempore Perez, to deny the appeal and to allow the 2% that Culture Cannabis has pledged for non-profit and infrastructure. The motion carried by the following vote:

Aye: 5 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, and Council Member Xiong

No: 1 - Council Member Smith

Absent: 0

Abstain: 1 - Council Member DeAnda

K. REPORTS

K.1. **SUBJECT:** Report for Discussion of Preliminary Annexation
Application #22-03 for the Baxter Ranches Annexation

REPORT IN BRIEF

The City Council will be asked to consider support for Preliminary Annexation Application #22-03 for the Baxter Ranches Annexation project consisting of 161 acres of low density residential, commercial office and open space generally located on the north side of Bellevue Road, west of Fahrens Creek.

RECOMMENDATION

City Council - Adopt a motion indicating general support for an official annexation application being processed for the Baxter Ranches Annexation project.

Clerk's Note: Council Member SMITH recused himself due to Baxter Ranches being a client of his firm.

Senior Planner Julie NELSON gave a slideshow presentation on the preliminary annexation application #23-03 for the Baxter Ranches annexation.

Council and Mrs. NELSON discussed details of the City's Regional Housing Needs Allocation (RHNA), the potential of commercial spaces, and the General Plan.

Josue HERRERA, Merced - spoke in opposition of the annexation, the mixed use of different density, spoke on the City's RHNA, and affordable housing.

Madeline HARRIS, Merced - spoke on including affordable housing to the proposed project, the City's RHNA, and prioritizing sewer and water connections in existing areas in the sphere of influence.

Tiffanie MARSHALL, Stonefield Homes, Merced - spoke on the tiers of affordable housing.

Council, Ms. MARSHALL, City Manager Stephanie DIETZ, and Development Services Director Scott MCBRIDE discussed the tiers of

affordable housing, the compliance percentage, the process of a new annexation project.

Robert DYLINE, Merced - spoke on the housing supply issue and limited housing development.

Leo COOK, Merced - spoke on housing distribution in Merced, obtaining different types of student housing closer to the University, and the chemical pollutants.

Pablo ORTIZ, Merced - spoke on obtaining more affordable housing and the pollution from transportation.

Pangcha VANG, Merced - spoke on designing neighborhoods to better the transportation for bicycling and walking in Merced.

Rick MUMMERT, Merced - spoke on the water demand of multi-use homes, bicycle and pedestrian transportation in Merced, and encouraging the community to become homeowners.

Erin HAMM, Merced - spoke on rental vacancy rate and asked Council to support new development for growth in the community.

Wolf De Los REYES - spoke in disapproval of the proposed annexation amendment, the rental vacancy rate, and prioritizing the homeless community.

Council discussed the development being built close to the University, developers building affordable housing, this item being brought back to Council, details of the General Plan, allocating units based on the City's RHNA, and the location of the proposed annexation.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Boyle, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, and Council Member Xiong

No: 0

Absent: 0

Abstain: 1 - Council Member Smith

Clerk's Note: Council took a recess at 9:52 PM and returned at 10:01 PM

K.2.

SUBJECT: Adoption of an Urgency Ordinance Adding Chapter 9.75, "Displaced Tenant Protections," to the City of Merced Municipal Code and Introduction of an Ordinance Adding Chapter 9.75, "Displaced Tenant Protections," to the City of Merced Municipal Code

REPORT IN BRIEF

Considers adopting an urgency ordinance adding Chapter 9.75 to the City of Merced Municipal Code and introducing a regular ordinance adding Chapter 9.75 to the City of Merced Municipal Code.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Ordinance No. 2547**, an Urgency Ordinance of the City Council of the City of Merced, California, Adding Chapter 9.75, "Displaced Tenant Protections," to the Merced Municipal Code, and;

B. Introducing **Ordinance No. 2548**, an Ordinance of the City Council of the City of Merced, California, adding Chapter 9.75, "Displaced Tenant Protections," to the Merced Municipal Code.

Acting City Attorney Travis LINDSEY gave a slideshow presentation on the proposed urgency Ordinance and proposed Ordinance adding Chapter 9.75.

Clerk's Note: Mr. LINDSEY asked Council to approve both Ordinances with the following typos "9.75.020 foot section, 146.2 Subdivision B should be 1946.2 Subdivision B. and in 9.75.030, the word 'case' should be 'cause'.

Council, Mr. LINDSEY, and City Manager Stephanie DIETZ discussed the direction given at the previous Council meeting, details of the proposed Ordinances, the January floods, and the expiration date.

Clerk's Note: The following comments were received via voicemail.

Crisantema GALLARDO, Merced - spoke in support of the proposed Ordinance to support rental protection and avoid housing displacement.

Astrid, Merced - spoke on assisting those who were impacted by the

floods and avoid rental increasing.

Patty RUSSELCURRY, Merced - spoke on encouraging tenant rights and avoiding homelessness.

Lou - spoke in support of the Urgency Ordinance.

Cha XIONG, Merced - spoke in support of the Urgency Ordinance.

Steven, Merced - spoke in support of the Urgency Ordinance and asked Council to support the flood victims.

Chu, Merced - spoke in support of the Urgency Ordinance.

Linda, Merced - spoke in support of the Urgency Ordinance and the flood victims.

Jennifer, Merced - spoke on the flood victims and asked Council to support K.2.

Sejin, Merced - urged Council to vote yes on Agenda Item K.2.

Por XIONG, Merced - spoke in support of the Urgency Ordinance.

Pangcha VANG, Merced - asked Council to support Agenda Item K.2. and residents of Merced.

Briana LAVAR, Merced - spoke on renter rights.

Jazz DIAZ, Merced - spoke in support of the Urgency Ordinance.

Beverly JENKINS, Merced - requested Council to vote no and spoke on renter laws.

Annita PARRA, Merced - spoke in support of Agenda Item K.2.

Vicci SHOOEY, Merced - spoke in opposition of the Urgency Ordinance and landlords in Merced.

Anley ARCHIBECK, Merced - spoke in support of tenant rights.

Rick WENDLING, Merced - urged Council to vote no on Agenda Item K.2.

Noelle ANDERSON, Merced - asked Council to pass the proposed Ordinance.

James THOMAS, Merced - asked Council to vote no on Agenda Item K.2. and spoke on creating more housing.

Lauren ARNEST, Merced - spoke in favor of the Urgency Ordinance and spoke on victims of the floods.

Lisa ASBERRY, Merced - spoke in opposition of the Urgency Ordinance and the landlords that are assisting residents.

Clerk's Note: The following speakers appeared in person.

John SCHWALBACH, Merced - asked Council for clarification on the proposed Ordinance and for possible rent-coverage assistance.

Mayor SERRATTO clarified details of the proposed Ordinance.

Erin HAMM, Merced - spoke on flood insurance, rent control, the language used in the proposed Ordinance, and upholding the rental agreement.

Mayor SERRATTO clarified the eviction section of the proposed Ordinance.

Rebecca MARTINEZ, Merced - spoke in approval of the proposed Ordinance, shared personal stories of flood victims in Merced, and urged Council to vote yes on the Urgency Ordinance.

Gloria SANDOVAL, Merced - asked for clarification on mobile homes or trailers and spoke on rental insurance, spanish speakers, and community outreach.

Greg TERRAKIS, Merced - spoke in opposition, asked for clarification for multiple sections of the proposed Ordinance, and suggested an end-date of the Ordinance.

Josue HERRERA, Merced - spoke in support of the proposed Ordinance.

Cerena LEE, Merced - urged approval of the Urgency Ordinance and spoke on statistics of living conditions and evictions of Merced residents.

Leo NIEHORSTER-COOK, Merced - spoke in support of the Ordinance and possibly expanding in the future.

Madeline HARRIS, Merced - spoke on details of the proposed Ordinance, the Woodbridge Apartments tenants, and urged Council to adopt the Ordinance.

Pablo ORTIZ, Merced - asked Council to protect renters.

Natalie, Merced - spoke on the Council's support.

Council and Mr. LINDSEY discussed sections of the proposed Ordinances, rent control, renter protection, the January floods and the victims, sunset date, and details of eviction.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Ornelas, to approve introducing Ordinance 2548. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, and Council Member Xiong

No: 1 - Council Member Smith

Absent: 0

Mayor SERRATTO and Mr. LINDSEY discussed the effective date of the Regular Ordinance and the Urgency Ordinance.

A motion was made by Council Member Ornelas, seconded by Council Member Boyle, to approve the Urgency Ordinance. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, and Council Member Xiong

No: 1 - Council Member Smith

Absent: 0

L. BUSINESS

L.1. **SUBJECT:** Request to Add Item to Future Agenda

REPORT IN BRIEF

Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.

Council Member BOYLE requested to discuss the financial contribution for the American Leadership Forum at the May 15th Council Meeting.

Mayor SERRATTO requested to discuss road repair and a formal plan.

City Manager Stephanie DIETZ stated the discussion is part of the Council's Goals and Priorities and will be discussed on May 15th.

L.2.

SUBJECT: City Council Comments

REPORT IN BRIEF

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.

Council Member BOYLE reported on attending the Sprouts Grand Opening.

Council Member XIONG reported on attending the Transgender Day of Visibility March, the Spring Equinox event, and the Week of the Young Child event.

Council Member ORNELAS reported on attending the South Merced Subcommittee meeting, Youth Leadership Institute, the Spring Equinox, and congratulated the Youth Wrestling Team of Merced High School.

Council Member DEANDA reported on attending the Merced Lao New Year event.

M. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 11:14 PM.

A motion was made by Council Member Boyle, seconded by Mayor Pro Tempore Perez, that this Regular Meeting be adjourned. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0