



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, March 6, 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 5:02 PM.

- B.1.** **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: City Attorney; Authority: Government Code Section 54957
- B.2.** **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: City Manager; Authority: Government Code Section 54957
- B.3.** **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.4.** **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9: One (1) Potential Case

Clerk's Note: Council adjourned from Closed Session at 5:58 PM.

C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:03 PM.

C.1. Invocation - Val Fogelberg, The Church of Christ of Latter-Day Saints

The Invocation was delivered by Val FOGELBERG of the Church of Christ

of Latter-Day Saints.

C.2. Pledge of Allegiance to the Flag

Val FOGELBERG 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 - International Women's Day

REPORT IN BRIEF

Received by Sue Chappell, President, American Association of University Women Merced, Shelly Rye, Regent, National Society Daughters of the American Revolution, Merced River Chapter, Janet Kasper, President of Soroptimist International of Merced, Amanda Fong, President, United Women of Faith, United Methodist Church Merced, Sheilah Brooks, President, Women in the N.A.A.C.P., and Susan Walsh, President, League of Women Voters Merced County.

Mayor SERRATTO, Mayor Pro Tempore PEREZ, and Council Member BOYLE presented the International Women's Day Proclamation to Sue CHAPPELL of the American Association of University Merced, Shelly RYE of the National Society Daughters of the American Revolution the Merced River Chapter, Janet KASPER of the Soroptimist International of Merced, Amanda FONG, of the United Women of Faith from United Methodist Church Merced, Sheilah BROOKS of the Women in the National Association for the Advancement of Colored People, and Susan WALSH of the League of Women Voters Merced County.

F.2. **SUBJECT: Proclamation - Gateway Quilters' Guild**

REPORT IN BRIEF

Received by a representative from the Gateway Quilters' Guild.

Mayor SERRATTO and Council Member BOYLE presented the Gateway Quilters' Guild Proclamation to Anne TESLER, Phyllis BOYLE, and other representatives of the Gateway Quilter's Guild.

G. SPECIAL PRESENTATIONS

G.1. **SUBJECT: Tahitian Dance Performance**

REPORT IN BRIEF

A Tahitian dance performed by the South Pacific Dance Company.

The South Pacific Dance Company performed for the City Council.

H. 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, Von and Jill GOODIN, Debra NICHOLS, and Liani NERI.

L.1.: Eric HAMM.

I. ORAL COMMUNICATIONS

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

Rossi GARCIA, Merced - spoke in support of the Adventure Playground Proposal and the safety of parents and children.

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

Moises NERI, Merced - asked Council to assist funding his daughter's tuition to attend the Juniors National Young Leaders Conference in Washington D.C. to represent her school.

Mayor SERRATTO explained that Council was not agendized to speak on this item and requested Mr. NERI to leave his contact information.

Rick WENDLING, Merced - spoke on the funds allocated to affordable housing.

Cindy RAMOS, Merced - thanked Scott MCBRIDE and Kim NUTT for their assistance, gave Council suggestions for the City's social media platform, and spoke on information for housing grants.

Jill GOODIN, Merced - spoke on the Pickle Ball sport and encouraged Council to build a Pickle Ball court in Merced.

Margaret ROSSAN, Merced - spoke in support of the Pickle Ball sport group and asked Council to build a Pickle Ball court in Merced.

Levonne PHILLIPS, Merced - spoke on the Merced Mall and the PG&E customer service building.

Rosemary GONZALEZ, Merced - spoke on the harassment by the Merced Police Department.

Mayor SERRATTO stated that City Staff will follow up.

Emanuelle OCHOA, Merced Young Professionals, Merced - spoke on the mission of the Merced Young Professionals, Merced County Association of Realtors down payment assistance, and invited Council to the Golf Fundraiser.

Irma ADAME, Merced - spoke on recent living conditions due to flooding.

Blanca OJEDA, Merced - spoke on residents affected by the floods.

Mayor SERRATTO asked Ms. OJEDA to reserve her comments for Agenda Item L.1.

Elyse REDDEN, Merced - spoke on the community and leaders of Merced.

Pangcha VANG, Merced - spoke on not being allowed to speak during Oral Communication if its on the Agenda.

Interim Police Chief Craig GUNDLACH introduced himself to the community.

J. CONSENT CALENDAR

Agenda Items J.5. Adoption of a Resolution to Display the Council Approved Italian Flag at Bob Hart Square for the Month of October per City Council Policy C-7, J.8. Authorization to Apply for the Department of Housing and Community Development's Prohousing Designation Program, the Prohousing Incentive Pilot Program Grant, Direction on Use of Grant Funds, and Approve First Amendment to the Agreement for Professional Services with RSG, Inc. for a Prohousing Feasibility Study, J.9. Adoption of a Resolution of Intent Regarding Annexation No. 23 into Community Facilities District (CFD) No. 2003-2 (Services), Approving a Deposit and Reimbursement Agreement for Annexation No. 23, and Setting a Public Hearing for April 17, 2023; and Annexation No. 23 Consists of Approximately 8.16 Acres of Land Generally Located at the Southwest Corner of Campus Parkway and Coffee Street, J.12. Approval to Waive the Competitive Bidding Requirements to Purchase One (1) BME Type 3 Fire Engine Stock Model 34 (Job 3456) from Golden State Fire Apparatus for \$496,718.62 Plus a 10% Contingency (\$49,672), J.13. Authorization for the Fire Department to Submit a Grant Application to the Federal Emergency Management Agency (FEMA) Fiscal Year 2022 Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program with a 0% Local Match; were pulled for separate consideration.

Approval of the Consent Agenda

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

Aye: 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Abstain: 1 - Mayor Pro Tempore Perez

J.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.

- J.2. **SUBJECT:** Information Only Contracts for the Month of February 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.

- J.3. **SUBJECT:** Information Only - Site Plan Review Minutes of January 12, 2023

RECOMMENDATION

For information only.

This Consent Item was approved.

- J.4. **SUBJECT:** Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of October 17, 2022 and November 7, 2022

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic Development/Parking Authority - Adopt a motion approving the meeting minutes of October 17, 2022 and November 7, 2022.

This Consent Item was approved.

- J.6. **SUBJECT:** Approval to Waive the Competitive Bidding Requirements and Approval of a Contract for Purchases of Personal Protective Equipment, Parts, Equipment, Supplies, and Services Necessary for Fire Suppression and Prevention from L.N. Curtis & Sons in an Amount not to Exceed \$300,000/Annually Through June 30, 2028

REPORT IN BRIEF

Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 and approving the contract for purchases of various personal protective equipment, parts, equipment, supplies, and services from L.N. Curtis & Sons through June 30, 2028.

RECOMMENDATION

City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.04.210 for continued purchases of personal protective equipment, parts, equipment, materials, supplies and services used in ongoing Fire Department maintenance and operations; and,

B. Approving the purchases of personal protective equipment, parts, equipment, and supplies from L.N. Curtis & Sons in an amount not to exceed \$300,000/annually through June 30, 2028; and,

C. Authorizing the City Manager or the Deputy City Manager, to execute the Agreement for Supplies and Services attached hereto, the Finance Officer to make the necessary budget adjustments, and the City Purchasing Supervisor to issue the Purchase Order/Change Order(s).

This Consent Item was approved.

J.7.

SUBJECT: Housing Successor Agency Annual Report for Fiscal Year 2021-22

REPORT IN BRIEF

Annual Report summarizing Housing Successor activity for the City of Merced ("City") in Fiscal Year ("FY") 2021-22 per Senate Bill ("SB") 341 (DeSaulnier 2013-14), which requires the City to prepare an annual report on the City's compliance with housing successor requirements imposed by Health and Safety Code ("HSC") Section 34176.1(f).

RECOMMENDATION

City Council - Receive and file the Housing Successor Agency Annual Report for Fiscal Year 2021-22.

This Consent Item was approved.

J.10.

SUBJECT: First Amendment to the Agreement for Professional Services with Precision Civil Engineering, Inc. for the Infill Study and Preparation of a Master Plan Set for Duplexes and Triplexes

REPORT IN BRIEF

First Amendment to the Agreement for Professional Services with Precision Civil Engineering, Inc. for the Infill Study and Preparation of a Master Plan Set for Duplexes and Triplexes

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the First Amendment to the Agreement with Precision Civil Engineering, Inc. for the Infill Study and Preparation of a Master Plan Set for Duplexes and Triplexes, by extending the end date; and,
- B. Authorizing the City Manager or Deputy City Manager to execute the agreements.

This Consent Item was approved.

J.11.

SUBJECT: First Amendment to the Agreement for Professional Services with Precision Civil Engineering, Inc. for the Master Plan Set for Off the Shelf Cottage and Accessory Dwelling Unit Program

REPORT IN BRIEF

First Amendment to the Agreement for Professional Services with Precision Civil Engineering, Inc. for Master Plan Set for a new Off the Shelf Cottage and Accessory Dwelling Unit (ADU) Program.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the First Amendment to the Agreement with Precision Civil Engineering, Inc. for the Master Plan Set for a new Off the Shelf Cottage and Accessory Dwelling Unit (ADU) Program by extending the end date; and,
- B. Authorizing the City Manager or Deputy City Manager to execute the

agreements.

This Consent Item was approved.

J.5.

SUBJECT: Adoption of a Resolution to Display the Council
Approved Italian Flag at Bob Hart Square for the Month of October
per City Council Policy C-7

REPORT IN BRIEF

Considers adopting a Resolution to display the Council approved Italian Flag in Bob Hart for the month of October per the City Council Policy C-7.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution 2023-18**, a Resolution of the City Council of the City of Merced, California, authorizing the display of the Italian Flag on the City flagpole in Bob Hart Square for the month of October 2023.

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

Council Member BOYLE requested a separate vote on this Agenda item.

A motion was made by Council Member Ornelas, seconded by Council Member Smith, 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 DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Abstain: 1 - Council Member Boyle

J.8.

SUBJECT: Authorization to Apply for the Department of Housing
and Community Development's Prohousing Designation Program,
the Prohousing Incentive Pilot Program Grant, Direction on Use of
Grant Funds, and Approve First Amendment to the Agreement for
Professional Services with RSG, Inc. for a Prohousing Feasibility
Study

REPORT IN BRIEF

Authorization to apply for the State of California Department of Housing and Community Development's (HCD) Prohousing Designation Program, the Prohousing Incentive Pilot Program (PIP) grant, provide direction on proposed use of PIP funds, and approve the First Amendment to the Agreement for Professional Services with RSG, Inc. for the Prohousing Feasibility Study.

RECOMMENDATION

City Council - Adopt a motion:

- A. Adopting **Resolution 2023-15**, a Resolution of the City Council of the City of Merced, California Authorizing Application to and Participation in the Prohousing Designation Program; and,
- B. Adopting **Resolution 2023-16**, a Resolution of the City Council of the City of Merced, California, Authorizing Application for, and Receipt of, Prohousing Incentive Pilot Program Funds; and,
- C. Providing staff direction on the proposed use of the PIP grant funds; and,
- D. Approving the First Amendment to the Agreement with RSG, Inc. for the Prohousing Feasibility Study by extending the end date; and,
- E. Authorizing the City Manager or Deputy City Manager to execute the necessary documents.

Mayor SERRATTO pulled this item at the request of City Staff and the public.

Management Analyst Leah BROWN gave a slideshow presentation on the Prohousing Designation, the Prohousing Incentive Pilot Program (PIPP), and explained Council actions.

Council, Mrs. BROWN, City Manager Stephanie DIETZ, and Development Services Director Scott MCBRIDE discussed how the funds can be used, deadlines, the impact on the Local Housing Trust Funds, amending the grant, and the eligible uses of the grant.

Gloria SANDOVAL, Merced - spoke on acquiring foreclosed homes and adding to the Local Housing Trust Fund.

Madeline HARRIS, Leadership Counsel, Merced - spoke on the General

Plan, SB 244, and advancing in fair and affordable housing.

Council discussed the eligible uses for the grant funds.

Council agreed to use the Grant to acquire rehabilitation foreclosed or vacant homes, homeownership opportunities, including down payment assistance, and potentially Local Housing Trust Fund.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Smith, 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.9.

SUBJECT: Adoption of a Resolution of Intent Regarding Annexation No. 23 into Community Facilities District (CFD) No. 2003-2 (Services), Approving a Deposit and Reimbursement Agreement for Annexation No. 23, and Setting a Public Hearing for April 17, 2023; and Annexation No. 23 Consists of Approximately 8.16 Acres of Land Generally Located at the Southwest Corner of Campus Parkway and Coffee Street

REPORT IN BRIEF

Requests the City Council to adopt a Resolution of Intent to annex 8.16 acres of land generally located at the southwest corner of Campus Parkway and Coffee Street (CFD Annexation No. 23) into the City's CFD for Services (CFD 2003-2), including the approval of a Deposit and Reimbursement Agreement for the annexation; accept the petition, consent, and waiver for Annexation No. 23; and set a public hearing and election for April 17, 2023.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2023-17**, a Resolution of Intention of the City Council of the City of Merced, acting as the Legislative Body of the City of Merced Community Facilities District No. 2003-2 (Services), declaring its intention to annex area to said district and authorize the levy of a special tax within said annexation and approving a certain

agreement related thereto; and,

B. Setting the Public Hearing for April 17, 2023; and,

C. Accepting the Petition, Consent and Waiver from Campus Parkway Plaza 1, LLC for Annexation No. 23; and,

D. Accepting the deposit amount of \$30,000 in Fund 150, increasing the revenue and appropriating the same to cover the cost of Community Facilities District formation and related expenditures for Annexation No. 23; and,

E. Authorizing the City Manager or Deputy City Manager to execute the Deposit and Reimbursement Agreement.

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

Clerk's Note: Council Member SMITH recused himself due to the vendor being a client at his workplace.

A motion was made by Council Member Ornelas, 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

J.12.

SUBJECT: Approval to Waive the Competitive Bidding Requirements to Purchase One (1) BME Type 3 Fire Engine Stock Model 34 (Job 3456) from Golden State Fire Apparatus for \$496,718.62 Plus a 10% Contingency (\$49,672)

REPORT IN BRIEF

Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 for the purchase of one (1) BME Type 3 Fire Engine Fire Engine Stock Model 34 (Job 3456) from Golden State Fire Apparatus for \$496,718.62 plus a 10% contingency (\$49,672).

RECOMMENDATION

City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.04.210 for standardization of equipment in purchasing a BME Type 3 fire engine; and,

B. Authorizing the purchase of one (1) BME Type 3 Fire Engine stock unit #3456 with the total purchase price of \$496,718.62; and,

C. Authorizing the City Manager or the Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments, and the City Purchasing Supervisor to issue the Purchase Order/Change Order(s), and approval of change orders not to exceed 10% (\$49,671.86) of the purchase price.

Mayor SERRATTO pulled this item at the request of resident Rick WENDLING.

Rick WENDLING, Merced - requested more information on the cost of the fire engine.

Fire Chief Derek PARKER explained the details of the fire engine being purchased.

Clerk's Note: There was no Council discussion.

A motion was made by Council Member Ornelas, 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.13.

SUBJECT: Authorization for the Fire Department to Submit a Grant Application to the Federal Emergency Management Agency (FEMA) Fiscal Year 2022 Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program with a 0% Local Match

REPORT IN BRIEF

Authorizing the Fire Department to submit a grant application to the Federal Emergency Management Agency (FEMA) Fiscal Year 2022 Staffing for Adequate Fire and Emergency Response (SAFER) Grant Program with a 0% local match.

RECOMMENDATION

City Council - Adopt a motion authorizing the submittal of a grant application to the Federal Emergency Management Agency (FEMA) Fiscal Year 2022 SAFER Program with an estimated total project cost of \$3,600,000 with FEMA providing 100% of the project cost and the city providing the 0% local match.

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

Council Member XIONG, City Manager Stephanie DIETZ, and Fire Chief Derek PARKER discussed the grant fund per year, the sustainability plan for the additional employees, and the First Responder Fee.

Josue HERRERA, Merced - spoke in support of the initiative to expand the first responder units and spoke on the concerns of sustainability regarding the First Responder Fee.

Pangcha VANG, Merced - spoke on concerns of the sustainability plan for this grant, the First Responder Fee, and transparency of the Fire Chief.

Council, Mr. PARKER discussed the Preparedness Grant from FEMA, the break down of opening Station 56, the sustainability plan, and the First Responder Fee.

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: 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

K. PUBLIC HEARINGS

K.1. SUBJECT: Public Hearing to Consider General Plan Amendment #22-03, Initiated by Eric Pluim on Behalf of Gateway Park Development Partners, LLC.; this Application Involves a Request to Change the General Plan Roadway Classification from Divided Arterial to Collector for a Portion of Mission Avenue from Coffee Street to the East Side of Pluim Drive (Extended)

REPORT IN BRIEF

This report requests the City Council open the public hearing for General Plan Amendment #22-03 and table the matter until further notice. The General Plan Amendment is a request to amend the roadway classification from Divided Arterial to Collector in the General Plan Circulation Element for a portion of Mission Avenue.

RECOMMENDATION

City Council - Adopt a motion tabling General Plan Amendment #22-03 until further notice.

Development Services Director Scott MCBRIDE requested to open and close the Public Hearing and table this item to gather additional information for consideration at a later date.

Mayor SERRATTO opened the Public Hearing at 7:44 PM.

Nicolas CARDELLA, Merced Gateway, LLC., Merced - urged Council to table this item for consideration at a later time.

Mayor SERRATTO closed the Public Hearing at 7:45 PM.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Ornelas, that this agenda item be tabled. 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

K.2. SUBJECT: Public Hearing to Consider Adoption of a Resolution Granting a Certificate of Public Convenience and Necessity for Universal Protection Service, LP to Engage in Private Patrol Services

REPORT IN BRIEF

Considers approving a Resolution granting and issuing a certificate of public convenience and necessity to Universal Protections Service, LP.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution 2023-14**, a Resolution of the City Council of the City of Merced, California, granting a certificate of public convenience and necessity to Universal Protection Service, LP.

Captain Joseph WEISS gave a presentation on the application received from Universal Protections Services, LP. for private patrol services.

Mayor SERRATTO opened the Public Hearing at 7:47 PM.

Levonne PHILLIPS, Merced - spoke on over policing, asked why does the City need additional patrol services, and asked why does the security company have to be from out of town.

Mayor SERRATTO closed the Public Hearing at 7:49 PM.

Council, Mr. WEISS, and City Manager Stephanie DIETZ discussed the difference between the functions of the Police Department and of a private security guard, citations and violations that Universal Protections Services has received, types of licenses, and the revocation of certificates of public convenience.

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

Aye: 5 - Mayor Serratto, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 2 - Mayor Pro Tempore Perez, and Council Member Ornelas

Absent: 0

L. REPORTS

L.1. **SUBJECT: Provide Staff Direction on the Implementation of a Potential Urgency Ordinance Related to the Displacement of Residents Living within Rental Housing Due to Recent Storms and Flooding**

REPORT IN BRIEF

The City Attorney will provide the legal options available to the City Council for consideration for the implementation of a potential Urgency Ordinance related to the displacement of residents living within rental housing due to the recent storms and flooding.

RECOMMENDATION

City Council - Provide staff direction on the implementation of a potential Urgency Ordinance related to the displacement of residents living within rental housing due to recent storms and flooding.

Clerk's Note: Council took a recess at 7:53 PM and returned at 8:01 PM

Acting City Attorney Travis LINDSEY gave a slideshow presentation on the potential Urgency Ordinance related to the displacement of residents from rental housing due to storms and flooding.

Council, Mr. LINDSEY, and City Manager Stephanie DIETZ discussed the percentage of residents affected by floods without Flood Insurance, cost of repair for rental units, permit process for owners, amount of residents affected by the floods, and details of the potential Urgency Ordinance .

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

Concerned Citizen, Merced - spoke on details of rent control.

Concerned Citizen, Merced - spoke on details of rent control.

Mayor SERRATTO stated to stop playing robo-calls.

Mr. LINDSEY stated these calls could be a disabled citizen using TTY, Mayor SERRATTO agreed to let all voicemails play.

Concerned Citizen, Merced - spoke on history and statistics of rent control.

Concerned Citizen, Merced - spoke on rent control decreasing rental housing.

Concerned Citizen, Merced - spoke against placing a rent control policy due to the economical impact.

Concerned Citizen, Merced - spoke on studies on rent control.

Concerned Citizen, Merced - spoke against rent control due to the economical housing impact and suggest more housing, retails industries, and rental market.

Erin HAMM, Merced - shared information on how Rental Zebra is assisting their tenants affected by the floods and spoke on the negative impact rent control can have on the community.

Jamie TERRIBAL, Merced - encouraged Council to continue discussing the rent control policy while working with rental management companies for a positive impact on the community.

Alicia HANSEL, Merced - asked Council to have conversations with property owners and rental management companies.

Roshni GARCIA, Merced - spoke against rent control due to the negative impact it has on business and the community.

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

Gloria SANDOVAL, Merced - spoke on the residents affected by the floods, asked Council to support the Urgency Ordinance due to the local emergency.

Pangcha VANG, Merced - asked Council to support the rent control ordinance, pause on rental increase, and spoke on the robotic calls received.

Blanca OJEDA, Merced - spoke on the groups of residents that were evicted, eviction protection for tenants, rents stabilization, and Right to Counsel.

Josue HERRERA, Merced - spoke on the Urgency Ordinance partnering with tenants affected by evictions and suggested to take additional measure rather than just rent control.

Greg TERRAKIS, Merced - spoke in opposition of the discussion of the ordinance and shared the actions that Buckingham Property Management took during the floods.

Elyse REDDEN, Merced - suggested a Right to Counsel, the habitability issues, and the idea of disaster preparedness.

Rick WENDLING, Merced - asked Council to fix the permitting process, spoke on rent control, and the Federal Emergency Management Agency (FEMA).

Salvador SANDOVAL, Merced - spoke on the recent flood events, the importance of the Urgency Ordinance, and the health and safety concerns due to lack of housing.

Madeline HARRIS, Leadership Counsel for Justice and Accountability, Merced - explained details of the Urgency Ordinance, details of the staff report, shared Cities that have passed Urgency Ordinance, and urged Council to approve an eviction moratorium and a temporary pause of rental increases due to floods.

Robert DYLINA, Merced - stated that property owners and tenants are both victims of the floods and lack of housing.

Council Member SMITH, Mrs. DIETZ, Development Services Director Scott MCBRIDE, and Mr. LINDSEY discussed previous rental properties issues, communication with the Woodbridge Apartments, the amount of units or tenants that need assistance, details of the ordinance, details of requirements for potential policies, the impact of property damages from floods, time frame of adopting the ordinance, and sunset dates.

Council agreed to include six months of no rent increase (rent pause) moratorium, six months of Just Cause Eviction, six months of Right of First Refusal in the Urgency Ordinance for property owners and tenants impacted by the floods and within the perimeters of the State of Emergency, and bring an urgency and regular Ordinance back to Council.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Ornelas, 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

L.2. SUBJECT: Local Housing Trust Fund (LHTF) Program Policy Direction

REPORT IN BRIEF

City Council is being requested to provide direction on key policy decisions related to the scale and potential use of program funds - program guidelines and operational approach, approach to meet program funding commitment including identification of a local funding commitment source and adjustments to the proposed 2023-24 Fiscal Year Budget as well as setting a grant funding request, and preparation of an application to the State of California Department of Housing and Community development (HCD) Local Housing Trust Fund Program (LHFT).

RECOMMENDATION

City Council - Provide policy direction:

- A. Scale and potential use of program funds - program guidelines and operational approach; and,
- B. Approach to meet program funding commitment including identifying a local funding commitment source and adjustments to the proposed 2023-24 FY budget as well as setting a grant funding request: and,
- C. Provide direction to prepare a City Council Resolution declaring the establishment of a Local Housing Trust Fund; and,
- D. Prepare an application to the State of California Department of Housing and Community Development (HCD) Local Housing Trust Fund Program (LHTF).

Development Services Director Scott MCBRIDE gave a slideshow presentation on the Local Housing Trust Fund Policy.

Council and Mr. MCBRIDE discussed details of the options proposed, details of the policy direction, the program restrictions, income-levels, rental housing support, budget allocation, the difference between loan and grant funds, state funding sources, and the status for the Regional Housing Trust Fund.

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

Allen SIETSEMA, AGS Real Estate, Merced - urged Council to investigate rent-control and affordable housing with transparency.

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

Gloria SANDOVAL, Merced - spoke on her concerns of the Regional versus Local, state not continuing funds, and asked for details of the funds in Consent item J.7.

Pangcha VANG, Merced - urged Council to invest in affordable housing, spoke on details of public safety, Rights-to-Counsel, and applying for the funds to be matched by the State.

Josue HERRERA, Merced - urged Council to continue looking for solutions to fund proposed project, such as a vacancy tax, consider a type of development being funded, and the High Speed Rail.

Madeline HARRIS, Merced - spoke in support of Council applying for the Local Housing Trust Fund and shared housing priorities from the community.

Council, Mr. MCBRIDE, and City Manager Stephanie DIETZ discussed lump commitments, sustainable source of funding, details of the original \$500,000 invested, details of the grant proposed, issues with the restrictions listed, and details of the policy directions.

A motion was made by Council Member Xiong, seconded by Mayor Pro Tempore Perez, to pursue Option Number 2, utilizing \$500,000 with an additional \$100,000 a year for the next five years and applying for \$1,000,000 in Local Housing Trust Fund. The motion carried by the following vote:

Aye: 4 - Mayor Pro Tempore Perez, Council Member Ornelas, Council Member DeAnda, and Council Member Xiong

No: 3 - Mayor Serratto, Council Member Boyle, and Council Member Smith

Absent: 0

Council, Mr. MCBRIDE, and Mrs. DIETZ discussed the details and differences of the local sources of funding.

Council Member SMITH and Mrs. DIETZ discussed the option to table this item.

A motion was made by Council Member Xiong, seconded by Council Member Ornelas, to utilize the General Fund as the funding source for the Local Housing Trust Fund. The motion carried by the following vote:

Aye: 4 - Mayor Pro Tempore Perez, Council Member Ornelas, Council Member DeAnda, and Council Member Xiong

No: 3 - Mayor Serratto, Council Member Boyle, and Council Member Smith

Absent: 0

Council and Mr. MCBRIDE discussed details of the different options for eligible use of funding and restrictions.

A motion was made by Council Member Smith, seconded by Council Member Boyle, to use the funding for the First-Time Home Buyer Assistance. 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

M. BUSINESS

M.1.

SUBJECT: Annual Appointments to the Tax Transparency Commission (District 2, 3, 4, 5, and At-Large)

REPORT IN BRIEF

Accept nominations to fill seats on the Tax Transparency Commission.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting nominations and appointing individuals to serve as members of the Tax Transparency Commission (District 2, 3, 4, 5, and At-Large); or,

B. Accepting nominations and appointing as many members as Council sees appropriate and directing staff to continue the recruitment of applicants.

Council discussed the vacancies and applicants of the Tax Transparency Commission.

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Smith, to appoint Anthony Aldana to the District 2 seat for a full-term ending on January 1, 2027; to appoint Michael Harris to the District 3 seat for a partial-term ending on January 1, 2024; to appoint Matthew Michael to the District 4 seat for a partial-term ending on January 1, 2026; to appoint Alison Kosticky to the District 5 seat for a full-term ending on January 1, 2027; and appoint Christina Garcia to

the At-Large seat for a full-term ending on January 1, 2027. 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

M.2. 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 ORNELAS requested the reconsideration the allocation of funds being spent for Grant program on April 17, 2023 Council Meeting.

M.3. 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 DEANDA reported on attending the Recreation and Parks Commission meeting and the opening of the Retreat.

Council Member ORNELAS raised issues on the stop sign on Mission Avenue and South Highway 59 that caused an accident, a dump site, a hazardous rain basin, dwelling and abandoned homes all on Mission Avenue, and the Fentanyl issue in South Merced.

Council Member XIONG reminded the public of the Community Input Session for a new Police Chief.

Council Member SMITH requested better lighting in neighborhoods.

Council Member BOYLE reported on attending the Rotary Crab Feed and the Olive Garden ribbon cutting event.

Mayor SERRATTO reported on attending the Retreat event and the Olive Garden grand opening and announced the following upcoming events; the South Merced Clean-Up day, Volunteer of the Year Recognition event, and the City County dinner event.

N. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 10:41 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