



CITY COUNCIL REGULAR MEETING AGENDA PACKET

CITY COUNCIL CHAMBERS, CITY HALL
7351 ROSANNA STREET, GILROY, CA
95020

MAYOR

Marie Blankley

COUNCIL MEMBERS

Rebeca Armendariz

Dion Bracco

Tom Cline

Zach Hilton

Carol Marques

Fred Tovar

MONDAY, NOVEMBER 20, 2023 | 6:00 PM

CITY COUNCIL PACKET MATERIALS ARE AVAILABLE ONLINE AT www.cityofgilroy.org
AGENDA CLOSING TIME IS 5:00 P.M. THE TUESDAY PRIOR TO THE MEETING

PUBLIC COMMENTS ON AGENDA ITEMS ARE TAKEN BEFORE THE CITY COUNCIL TAKES ACTION. [Please keep your comments to 3 minutes](#). Time restrictions may vary based on the Mayor's discretion.

Send written comments on any agenda item to publiccomments@cityofgilroy.org or City Hall, 7351 Rosanna Street, Gilroy, CA 95020. Comments received by 1 p.m. on the meeting day will be distributed to the City Council before the meeting. Comments are also available at bit.ly/3NuS1IN.



In compliance with the Americans with Disabilities Act, the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk's Office at least 72 hours prior to the meeting at (408) 846-0204 or cityclerk@cityofgilroy.org to help ensure that reasonable arrangements can be made.



If you dispute any planning or land use decision from this meeting in court, you may only raise issues you or someone else presented at this meeting's public hearing or in written letters to the City Council before the hearing. Be aware that the time to seek a judicial review of any final decision made at this meeting is defined by Section 1094.6 of the California Code of Civil Procedure.

During this meeting, a Closed Session may be called under Government Code Section 54956.9 (d)(2). This will happen if, in the City's legislative body's opinion (based on current facts, circumstances, and legal advice), there's a significant risk of a lawsuit against the City.

Additional materials submitted after agenda distribution are available on www.cityofgilroy.org as soon as possible.

KNOW YOUR RIGHTS UNDER THE GILROY OPEN GOVERNMENT ORDINANCE

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

FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE, TO RECEIVE A FREE COPY OF THE ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION STAFF AT (408) 846-0204.

If you need translation assistance, contact the City Clerk 72 hours before the meeting at 408-846-0204 or cityclerk@cityofgilroy.org.

Si necesita un intérprete durante la junta y gustaría dar un comentario público, comuníquese con el Secretario de la Ciudad un mínimo de 72 horas antes de la junta al 408-846-0204 o envíe un correo electrónico a la Oficina del Secretario de la Ciudad a cityclerk@cityofgilroy.org.



To access written translation during the meeting, please scan the QR Code or click this link:

Para acceder a la traducción durante la reunión, por favor escanee el código QR o haga clic en el enlace:

bit.ly/3FBiGA0

Choose Language and Click Attend | *Seleccione su lenguaje y haga clic en asistir*

Use a headset on your phone for audio or read the transcript on your device.

Use sus auriculares para escuchar el audio o leer la transcripción en el dispositivo.

The agenda for this meeting is outlined as follows:

- 1. OPENING**
 - 1.1. Call to Order**
 - 1.2. Pledge of Allegiance**
 - 1.3. Invocation**
 - 1.4. City Clerk's Report on Posting the Agenda**
 - 1.5. Roll Call**
 - 1.6. Orders of the Day**
 - 1.7. Employee Introductions**
- 2. CEREMONIAL ITEMS - Proclamations and Awards**
 - 2.1. Proclamation Proclaiming November 25, 2023 as Small Business Saturday**
 - 2.2. Receive Proclamation from Gilroy Sister City Takko Machi, Japan**
- 3. PRESENTATIONS TO THE COUNCIL**
 - 3.1. Annual Presentation by the Planning Commission**
 - 3.2. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL**

This part of the meeting allows public address on non-agenda topics within the Council's jurisdiction. To speak, complete a Speaker's Card from the entrances and give it to the City Clerk. Speaking time ranges from 1-3 minutes based on the Mayor's discretion. Extended discussions or actions on non-agenda items are restricted by law. For Council action, the topic may be listed on a future agenda.

Email written comments on non-agenda topics to publiccomments@cityofgilroy.org or mail to City Hall, 7351 Rosanna Street, Gilroy, CA 95020, by 1:00 pm on the meeting day. These comments, available at City Hall, will be shared with the Council and included in the meeting record. Late submissions will be shared as soon as possible. A 10-page limit applies to hard-copy materials, but electronic submissions are unlimited.

4. REPORTS OF COUNCIL MEMBERS

Council Member Bracco – Downtown Committee, Santa Clara County Library Joint Powers Authority, Santa Clara Valley Water Joint Water Resources Committee, SCRWA

Council Member Armendariz – Downtown Committee, Santa Clara County Library Joint Powers Authority (*alternate*), Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, Silicon Valley Clean Energy Authority JPA Board (*alternate*), South County United for Health

Council Member Marques – ABAG, Downtown Committee, Gilroy Gardens Board of Directors, Santa Clara Valley Habitat Agency Governing Board, Santa Clara Valley Habitat Agency Implementation Board, SCRWA (*alternate*)

Council Member Hilton – CalTrain Policy Group (*alternate*), Silicon Valley Clean Energy Authority JPA Board, South County United for Health (*alternate*), VTA Policy Advisory Committee

Council Member Cline – Gilroy Economic Development Partnership (*alternate*), Gilroy Sister Cities Association, Gilroy Youth Task Force, Silicon Valley Regional Interoperability Authority Board, VTA Policy Advisory Committee (*alternate*), Visit Gilroy California Welcome Center Board, VTA Mobility Partnership Committee

Council Member Tovar – Downtown Committee, Gilroy Youth Task Force (*alternate*), Santa Clara County Expressway Plan 2040 Advisory Board, Santa Clara Valley Water Commission, SCRWA, South County Youth Task Force Policy Team

Mayor Blankley – ABAG (*alternate*), CalTrain Policy Group, Downtown Committee, Gilroy Economic Development Partnership, Gilroy Sister Cities Association (*alternate*), Gilroy Youth Task Force, Santa Clara Valley Water Joint Water Resources Committee, SCRWA, South County Youth Task Force Policy Team, VTA Board of Directors, VTA Mobility Partnership Committee

5. COUNCIL CORRESPONDENCE

6. FUTURE COUNCIL INITIATED AGENDA ITEMS

7. CONSENT CALENDAR

Items under the Consent Calendar are deemed routine and approved with one motion. If a Council member or a member of the public wishes for a separate discussion on an item, it must be requested for removal before the Council's approval vote. If removed, the item will be discussed in its original order.

7.1. Approval of the Action Minutes of the November 6, 2023 City Council Regular Meeting

- 7.2. **Accept and File Quarterly Cash and Investment Report as of September 30, 2023**
- 7.3. **Commemorative Flag Application Review and Approval for Calendar Year 2024**
- 7.4. **Adoption of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)**

8. BIDS AND PROPOSALS

- 8.1. **Purchase of Four Dodge Durango Police Pursuit Vehicles Via Alameda County Tag-On Bid Process (Master Contract No. 902035) in the Amount of \$229,002.04**
 1. Staff Report: LeeAnn McPhillips, Administrative Services and Human Resources Director / Risk Manager
 2. Public Comment
 3. Possible Action:
 1. Approve the Purchase of Four (4) Dodge Durango Police Pursuit Vehicles in the Amount of \$229,002.04 from MY Jeep-Chrysler-Dodge-Ram Utilizing Alameda County Tag-On Bid Process and Authorize the City Administrator to Execute All Necessary Purchase Documents.
 2. Adopt a budget amendment resolution to re-appropriate the budget for the planned police pursuit vehicle purchases from fiscal year 2024-2025 (FY25) to fiscal year 2023-2024 (FY24).

9. PUBLIC HEARINGS

- 9.1. **Introduction and First Reading of an Ordinance of the City Council of the City of Gilroy Amending Chapter 30, Article LIV of the Gilroy City Code Relating to Accessory Dwelling Units (Z 23-05)**
 1. Staff Report: Sharon Goei, Community Development Director
 2. Open Public Hearing
 3. Close Public Hearing
 4. Possible Action:
 1. Motion to read the ordinance by title only and waive further reading of the ordinance; and
 2. Introduce an ordinance of the City Council of the City of Gilroy amending Chapter 30, Article LIV of the Gilroy City Code relating to accessory dwelling units and find that it is statutorily exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15282(h) for the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code.

10. UNFINISHED BUSINESS (NONE)

11. INTRODUCTION OF NEW BUSINESS

11.1. Renaming the Downtown Pop-Up Park and Installing a Plaque in Honor of Donald “Elvis” Prieto

1. Staff Report: Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:

Council approve naming the Downtown Pop-Up Park the Donald “Elvis” Prieto Park and the installation of a privately funded memorial plaque.

11.2. Santa Teresa Fire District Station Update

1. Staff Report: Bryce Atkins, Assistant to the City Administrator
2. Public Comment
3. Possible Action:

Council discussion and direction regarding the strategic approach towards Fire staffing.

12. CITY ADMINISTRATOR'S REPORTS

13. CITY ATTORNEY'S REPORTS

14. CLOSED SESSION

14.1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to GC Sec. 54956.8 and GCC Sec.17A.8 (a) (2) Property: City-Owned 536 Acres at Hecker Pass (Including Gilroy Gardens Theme Park), 3050 Hecker Pass Highway, Gilroy, CA (APN's: 810-17-024, 810-17-026, 810-17-029, 810-17-030, 810-17-031, 810-18-002, 810-18-013, 810-19-005, 810-19-007, 810-19-010, 810-19-011, 810-19-014)

Negotiators: Jimmy Forbis, City Administrator; Victoria Valencia, Economic Development Manager

Other Party to Negotiations: Paul Nakamoto, Bay.Org (DBA Aquarium of the Bay/Bay Ecotarium)

Under Negotiations: Price and terms of payment for sale or lease.

15. ADJOURN TO OPEN SESSION

Report of any action taken in Closed Session and vote or abstention of each Council Member if required by Government Code Section 54957.1 and GCC Section 17A.13 (a); Public Report of the vote to continue in closed session if required under GCC Section 17A.11 (e).

16. ADJOURNMENT

FUTURE MEETING DATES

December 2023

4 Regular Meeting - 6:00 p.m
11 Special Meeting - 6:00 p.m
18 ~~Regular Meeting - 6:00 p.m~~ **-CANCELED-**

January 2024

8 Regular Meeting - 6:00 p.m
22 Regular Meeting - 6:00 p.m

February 2024

5 Regular Meeting - 6:00 p.m
26 Regular Meeting - 6:00 p.m

Meetings are webstreamed on the City of Gilroy's website at gilroy.city/meetings.

Access the 2024 City Council Meeting Calendar at <https://bit.ly/3LLzY1n>.

2.1. Proclamation Proclaiming November 25, 2023 as Small Business Saturday

City of Gilroy Proclamation



WHEREAS,

the City of Gilroy celebrates our local small businesses and the contributions they make to our local economy and community; and

WHEREAS,

according to the U.S. Small Business Administration, there are 33.2 million small businesses in the United States: small businesses represent 99.7% of firms with paid employees, small businesses are responsible for 62.7% of net new jobs created since 1995, and small businesses employ 46.4% of the employees in the private sector in the United States; and

WHEREAS,

68 cents of every dollar spent at a small business in the United States stays in the local community, and every dollar spent at small businesses creates an additional 48 cents in local business activity as a result of employees and local businesses purchasing local goods and services; and

WHEREAS,

72% of consumers reported that Small Business Saturday 2022 made them want to shop and dine at small, independently-owned retailers and restaurants all year long; and

WHEREAS,

the City supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

WHEREAS,

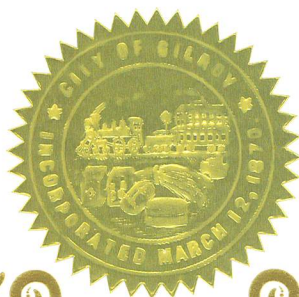
advocacy groups, as well as public and private organizations across the country, have endorsed the Saturday after Thanksgiving as Small Business Saturday.

NOW, THEREFORE, I, Marie Blankley, Mayor of the City of Gilroy, together with the Gilroy City Council, on this 20th day of November 2023, do hereby proclaim November 25, 2023, as

SMALL BUSINESS SATURDAY

and urge the residents of our community to support small businesses and merchants on Small Business Saturday and to Shop Small throughout the year.


Marie Blankley
MAYOR



Attested to by:


Thai Nam Pham
City Clerk

**7.1. Approval of the Action Minutes of the November 6, 2023 City Council
Regular Meeting**

City of Gilroy
City Council Regular Meeting Minutes
Monday, November 6, 2023 | 6:00 PM

1. OPENING

1.1. Call to Order

The Meeting was called to order by Mayor Blankley at 6:00 PM.

1.2. Pledge of Allegiance

Council Member Cline led the Pledge of Allegiance.

1.3. Invocation

Pastor Malcolm MacPhail from New Hope Community Church provided the Invocation.

1.4. City Clerk's Report on Posting the Agenda

City Clerk Pham reported on the Posting of the Agenda.

1.5. Roll Call

Attendance	Attendee Name
Present	Rebeca Armendariz, Council Member Dion Bracco, Mayor Pro Tempore Tom Cline, Council Member Zach Hilton, Council Member Carol Marques, Council Member Fred Tovar, Council Member Marie Blankley, Mayor
Absent	None

1.6. Orders of the Day

Mayor Blankley asked the Council to move item 3.2 after 4. Reports of Council Members. The request was acknowledged and received unanimous approval.

1.7. Employee Introductions

There were none.

2. CEREMONIAL ITEMS - Proclamations and Awards

2.1. Proclamation Proclaiming November 12 – 18, 2023 as United Against Hate Week

Mayor Blankley read aloud the proclamation and presented it to Susan Meyers and Marian Yoder from the Interfaith COMMUNITY.

2.2. Proclamation Proclaiming November 6, 2023 as Digital NEST Day

The proclamation was acknowledged.

3. PRESENTATIONS TO THE COUNCIL

3.1. Annual Presentation by the Open Government Commission

Open Government Commission Chair Bentz presented the Open Government

Commission annual presentation and responded to Council Member questions.

3.2. Open Government Commission Presentation on Hybrid Meetings

Open Government Commissioner Somavia provided the commission's presentation on hybrid meetings and responded to Council Member questions.

3.3. PUBLIC COMMENT BY MEMBERS OF THE PUBLIC ON ITEMS NOT ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE CITY COUNCIL

Mayor Blankley opened Public Comment.

Robert Zepeda emphasized the importance of the First Amendment, advocating for the right to free speech and expression, including the right to criticize and oppose, while acknowledging the negative connotations associated with hate, during the discussion on United Against Hate Week.

There being no further speakers, Mayor Blankley closed Public Comment.

4. REPORTS OF COUNCIL MEMBERS

Council Member Bracco reported on Santa Clara County Library Joint Powers Authority.

Council Member Armendariz had no report.

Council Member Marques had no report.

Council Member Hilton reported on Silicon Valley Clean Energy Authority JPA Board and VTA Policy Advisory Committee.

Council Member Cline had no report.

Council Member Tovar had no report.

Mayor Blankley reported on CalTrain Policy Group, Gilroy Sister Cities Association, VTA Board of Directors, and VTA Mobility Partnership Committee

5. COUNCIL CORRESPONDENCE

There were none.

6. FUTURE COUNCIL INITIATED AGENDA ITEMS

Council Member Armendariz proposed for future consideration the adoption of rules of decorum for public speakers, which was unanimously supported, and the discussion on permitting virtual public participation in meetings, which received majority support.

7. CONSENT CALENDAR

Mayor Blankley opened Public Comment. There being no speakers, Mayor Blankley closed Public Comment.

Motion: Approve the Consent Calendar.

RESULT: Pass

MOVER: Fred Tovar, Council Member

SECONDER: Rebeca Armendariz, Council Member

AYES: Council Member Armendariz, Mayor Pro Tempore Bracco, Council Member Cline, Council Member Hilton, Council Member Marques, Council Member Tovar, Mayor Blankley

NOES: None

7.1. Approval of the Action Minutes of the October 16, 2023 City Council Regular Meeting

A motion was made to approve the minutes.

7.2. Adoption of Revised City of Gilroy Records Management Policy and Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)

A motion was made to adopt the revised City of Gilroy Records Management Policy.

7.3. Removal of Commissioner Kortney Hodge from Parks and Recreation Commission Pursuant to Gilroy City Charter Section 900

A motion was made to remove Commissioner Hodge from the Parks and Recreation Commission.

7.4. Acceptance of an Assistance to Firefighters Grant in the Amount of \$66,583 for the Fire Department

A motion was made to accept the grant.

7.5. Approve the Second Amendment to the Agreement with InfoSend, Inc. for Utility Bill Printing, Mailing, and Online Payment Services

A motion was made to approve the second amendment to the Agreement with InfoSend, Inc.

8. BIDS AND PROPOSALS

There were none.

9. PUBLIC HEARINGS

There were none.

10. UNFINISHED BUSINESS

There were none.

11. INTRODUCTION OF NEW BUSINESS

11.1. Introduction of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)

City Clerk Pham provided staff presentation and responded to Council Member questions.

Mayor Blankley opened Public Comment. There being no speakers, Mayor Blankley closed Public Comment.

Motion: Read the ordinance by title only and waive further ready of the ordinance.

RESULT: Pass

MOVER: Tom Cline, Council Member

SECONDER: Carol Marques, Council Member

AYES: Council Member Armendariz, Mayor Pro Tempore Bracco, Council Member Cline, Council Member Hilton, Council Member Marques, Council Member Tovar, Mayor Blankley

NOES: None

City Clerk Pham read aloud the title of the proposed ordinance.

Motion: Introduce an Ordinance amending Chapters 17A and 24 of the Gilroy City Code.

RESULT: Pass

MOVER: Tom Cline, Council Member

SECONDER: Rebeca Armendariz, Council Member

AYES: Council Member Armendariz, Mayor Pro Tempore Bracco, Council Member Cline, Council Member Hilton, Council Member Marques, Council Member Tovar, Mayor Blankley

NOES: None

11.2. Approval of Two (2) Mills Act Agreement Applications for Historic Properties Located at 286 Fifth Street and 7471 Hanna Street

Customer Service Manager McCormick provided staff presentation and responded to Council Member questions.

Mayor Blankley opened Public Comment.

Carlos Ceballos addressed the council about his ownership of the historic "Gilroy White House," detailing the property's restoration, solar roof addition, and its significance in American history, having housed two mayors and hosted two U.S. presidents.

There being no further speakers, Mayor Blankley closed Public Comment.

Motion: Based on its independent analysis, find that approval of the Mills Act contracts are exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15331, pertaining to projects involving the maintenance, rehabilitation, restoration, preservation, or reconstruction of historical resources, and where it can be seen with certainty that the Mills Act contracts would not

result in a significant environmental effect.

RESULT: Pass

MOVER: Dion Bracco, Mayor Pro Tempore

SECONDER: Tom Cline, Council Member

AYES: Council Member Armendariz, Mayor Pro Tempore Bracco, Council Member Cline, Council Member Hilton, Council Member Marques, Council Member Tovar, Mayor Blankley

NOES: None

Motion: Approve the Mills Act program request and authorize the City Administrator to execute a Mills Act Agreement for the property located at 286 Fifth Street.

RESULT: Pass

MOVER: Dion Bracco, Mayor Pro Tempore

SECONDER: Tom Cline, Council Member

AYES: Council Member Armendariz, Mayor Pro Tempore Bracco, Council Member Cline, Council Member Hilton, Council Member Marques, Council Member Tovar, Mayor Blankley

NOES: None

Motion: Approve the Mills Act program request and authorize the City Administrator to execute a Mills Act Agreement for the property located at 7471 Hanna Street.

RESULT: Pass

MOVER: Rebeca Armendariz, Council Member

SECONDER: Carol Marques, Council Member

AYES: Council Member Armendariz, Mayor Pro Tempore Bracco, Council Member Cline, Council Member Hilton, Council Member Marques, Council Member Tovar, Mayor Blankley

NOES: None

11.3. Inclusionary Housing Introduction

Community Development Director Goei introduced ECONorthwest's Project Director Chris Blakney and Project Manager James Kim, who presented to the Council and addressed questions from the Council.

Mayor Blankley opened Public Comment. There being no speakers, Mayor Blankley closed Public Comment.

The Council received the report.

12. CITY ADMINISTRATOR'S REPORTS

City Administrator Forbis provided the City Administrator's report.

13. CITY ATTORNEY'S REPORTS

There were none.

14. CLOSED SESSION

Mayor Blankley opened Public Comment. There being no speakers, Mayor Blankley closed Public Comment.

The vote to go into Closed Session was unanimous.

Mayor Blankley recessed the Regular Meeting at 8:00 PM.

The City Council reconvened into Closed Session at 8:05 PM.

The vote to stay in Closed Session was unanimous.

**14.1. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION:
Government Code Section 54956.9(d)(1) and Gilroy City Code Section 17A.11(3)(b)**

Name of cases: Law Foundation of Silicon Valley v. Superior Court, 6th District Court of Appeal Case No. H049554; and City of Gilroy v. Superior Court, 6th District Court of Appeal Case No. H049552

No reportable action.

14.2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to GC Sec. 54956.8 and GCC Sec.17A.8 (a) (2)

Properties:10th Street Bridge: APNs 808-19-007, 799-30-006, 799-30-007, 808-19-020, 808-50-999, Thomas Luchessa Bridge: APNs 808-21-025, 808-21-023, 808-21-021, 808-21-018, New Fire Station: APNs 808-18-003, 808-19-029

Negotiators: Jimmy Forbis, City Administrator;

Other Party to Negotiations: Glen Loma Corporation, John M. Filice, Jr.;

Negotiating Price and terms of payment regarding purchase, sale

No reportable action.

15. ADJOURN TO OPEN SESSION

Mayor Blankley reported out of Closed Session as shown above.

16. ADJOURNMENT

Mayor Blankley adjourned the meeting at 8:25 PM.

I HEREBY CERTIFY that the foregoing minutes were duly and regularly adopted at a regular meeting of the City Council of the City of Gilroy.

/s/Thai Nam Pham, MMC, CPMC
City Clerk

7.2. Accept and File Quarterly Cash and Investment Report as of September 30, 2023



City of Gilroy

STAFF REPORT

Agenda Item Title: **Accept and File Quarterly Cash and Investment Report as of September 30, 2023**

Meeting Date: November 20, 2023

From: Jimmy Forbis, City Administrator

Department: Finance

Submitted By: Harjot Sangha, Finance Director

Prepared By: Harjot Sangha, Finance Director

STRATEGIC PLAN GOALS

Develop a Financially Resilient Organization

RECOMMENDATION

Accept and file the quarterly cash and investment report as of September 30, 2023.

BACKGROUND

The quarterly investment reports are prepared pursuant to the City's investment policy to keep the City Council apprised of the City's investment activities.

ANALYSIS

As of September 30, 2023, the City's cash and investments totaled \$172.4 million, of which \$110.2 million is invested with the Local Agency Investment Fund (LAIF), and \$62.2 million is invested in US Treasuries Securities. The fiscal year-to-date interest earnings are \$1.7 million.

In addition, approximately \$26.1 million is held by Fiscal Agents in the Trustee capacity for various bond issues such as bond proceeds, debt service reserves, bond payments, and post-employment benefits related to pension. The majority of this balance (\$23.0 million) consists of the City of Gilroy's share of the Acquisition and Construction Funds for the SCRWA Plant Expansion Project.

FISCAL IMPACT/FUNDING SOURCE

There are no direct fiscal impacts to receiving and filing the quarterly cash and investment report. This is an activity included in the Finance Department's annual workplan.

Attachments:

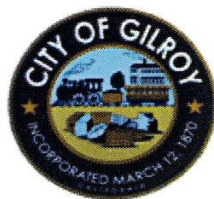
1. Cash and Investment Report as of September 30, 2023

CITY OF GILROY
INVESTMENT REPORT
SEPTEMBER 2023



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**City of Gilroy
Portfolio Management
Portfolio Summary
September 30, 2023**

City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020
(408)846-0225

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LAIF	110,219,660.32	110,219,660.32	110,219,660.32	63.94	1	1	3.432	3.480
Treasury Notes Securities	63,293,000.00	61,729,604.09	62,171,562.70	36.06	545	282	4.482	4.545
Investments	173,512,660.32	171,949,264.41	172,391,223.02	100.00%	197	102	3.811	3.864
Cash								
Passbook/Checking (not included in yield calculations)	2,801,661.61	2,801,661.61	2,801,661.61		1	1	0.000	0.000
Total Cash and Investments	176,314,321.93	174,750,926.02	175,192,884.63		197	102	3.811	3.864

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	554,118.37	1,726,577.75
Average Daily Balance	176,425,135.07	174,116,227.86
Effective Rate of Return	3.82%	3.93%
3 Month T-Bill Benchmark:	5.55%	

NOTES:

1. See "Monies Held by Fiscal Agents" for additional amounts held in the capacity of a trustee.
2. The Maturity Aging Factor of the City's Portfolio = 3.40 months.
3. The unrealized gain resulting from an increase in Market Values obtained from U.S. Bank of all Securities (excluding LAIF) = \$926,540.07
4. The LAIF balance shown includes \$5,382,048.17 in bond proceeds from the Gilroy Library 2010 Bonds that can be used exclusively for the construction of the library.

This is to certify that this schedule of investments is in compliance with the City of Gilroy's investment policy and that there are adequate funds available to meet the City's budgeted and actual expenses for the next six months.


Harjot Sangha, Finance Director

11/9/23

Reporting period 09/01/2023-09/30/2023

Run Date: 11/07/2023 - 16:02

Portfolio GIL
AP
IE (PRF_PM1) 7.3.11
Report Ver. 7.3.11

**City of Gilroy
Portfolio Management
Portfolio Details - Investments
September 30, 2023**

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
LAIF												
SYSLAIF01	LAIF01	LAIF - City of Gilroy			30,016,288.15	30,016,288.15	30,016,288.15	3.480	3.432	3.480	1	
SYSLAIF03	LAIF03	LAIF - Industrial Dev. Auth.			74,821,324.00	74,821,324.00	74,821,324.00	3.480	3.432	3.480	1	
LAIF05	LAIF05	LAIF LIBRARY			5,382,048.17	5,382,048.17	5,382,048.17	3.480	3.432	3.480	1	
Subtotal and Average			110,336,326.99		110,219,660.32	110,219,660.32	110,219,660.32		3.432	3.480	1	
Treasury Notes Securities												
912828Z52	USB-10	U. S. TREASURY NOTES		05/01/2023	8,419,000.00	7,994,093.07	8,127,304.90	1.375	4.037	4.093	488	01/31/2025
91282CGX3	USB-11	U. S. TREASURY NOTES		07/31/2023	8,186,000.00	8,019,414.90	8,054,057.44	3.875	4.881	4.949	577	04/30/2025
91282CDD0	USB-4	U. S. TREASURY NOTES		11/01/2022	7,771,000.00	7,755,458.00	7,745,554.80	0.375	4.432	4.493	30	10/31/2023
91282CDV0	USB-5	U. S. TREASURY NOTES		11/01/2022	7,720,000.00	7,581,040.00	7,628,316.13	0.875	4.513	4.576	122	01/31/2024
91282YM6	USB-6	U. S. TREASURY NOTES		11/01/2022	7,527,000.00	7,218,844.62	7,306,290.46	1.500	4.296	4.355	396	10/31/2024
912828X70	USB-7	U. S. TREASURY NOTES		11/01/2022	7,612,000.00	7,462,119.72	7,502,681.76	2.000	4.521	4.584	212	04/30/2024
9128282N9	USB-8	U. S. TREASURY NOTES		11/01/2022	7,586,000.00	7,379,129.78	7,441,519.03	2.125	4.466	4.528	304	07/31/2024
91282CDV0	USB-9	U. S. TREASURY NOTES		01/31/2023	8,472,000.00	8,319,504.00	8,365,838.18	0.875	4.693	4.758	122	01/31/2024
Subtotal and Average			62,101,316.99		63,293,000.00	61,729,604.09	62,171,562.70		4.482	4.545	282	
Total and Average			176,425,135.07		173,512,660.32	171,949,264.41	172,391,223.02		3.811	3.864	102	

Run Date: 11/07/2023 - 16:02

Portfolio GIL
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PM (PRF_PM2) 7.3.11

Report Ver. 7.3.11

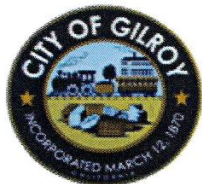
**City of Gilroy
Portfolio Management
Portfolio Details - Cash
September 30, 2023**

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Wells Fargo Checking											
SYSWFB	WELLS FARGO	WELLS FARGO			2,711,095.56	2,711,095.56	2,711,095.56	0.000	0.000		1
Other Banks-Misc.Account-Petty Cash											
SYSUNDERCOV	UNDERCOV	CHASE BANK		07/01/2023	698.30	698.30	698.30	0.000	0.000		1
SYS/MUFG	MUFG	MUFG / UNION BANK		07/01/2023	0.00	0.00	0.00	0.000	0.000		1
SYSPEPTY	PETTY	PETTY CASH		07/01/2023	2,661.56	2,661.56	2,661.56	0.000	0.000		1
SYS/USBANK	USB-CASH	U. S. BANK		07/01/2023	611.19	611.19	611.19	0.000	0.000		1
SYSBAIL	BAIL	WELLS FARGO		07/01/2023	0.00	0.00	0.00	0.000	0.000		1
SYSDISCOVERY	DISCOVERY	WELLS FARGO		07/01/2023	15,000.00	15,000.00	15,000.00	0.000	0.000		1
SYSICS	ICS	WELLS FARGO		07/01/2023	70,000.00	70,000.00	70,000.00	0.000	0.000		1
SYSWORKING	WORKING	WORKING CASH		07/01/2023	1,595.00	1,595.00	1,595.00	0.000	0.000		1
Average Balance			0.00								1
Total Cash and Investments			176,425,135.07		176,314,321.93	174,750,926.02	175,192,884.63	3.811	3.864		102

Run Date: 11/07/2023 - 16:02

Portfolio GIL
AP
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City of Gilroy
Investments by Issuer
Active Investments
Grouped by Type - Sorted by Type
September 30, 2023

City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020
(408)846-0225

CUSIP	Investment #	Security Type	Investment Class	Remaining Cost	Current Rate	Market Value	Market Date	YTM 365	Redemption Date	Call Date	Collateral
Type: CHECKING ACCOUNTS											
CHASE BANK											
SYSUNDERCOV	UNDERCOV	Other Banks-Misc.Account-Petty Cash	Fair	698.30		698.30	09/30/2023			1	
Subtotal and Average				698.30		698.30				1	
LAIF - City of Gilroy											
SYSLAIF01	LAIF01	LAIF	Fair	30,016,288.15	3.480	30,016,288.15	09/30/2023	3.480		1	
Subtotal and Average				30,016,288.15		30,016,288.15		3.480		1	
LAIF - Industrial Dev. Auth.											
SYSLAIF03	LAIF03	LAIF	Fair	74,821,324.00	3.480	74,821,324.00	09/30/2023	3.480		1	
Subtotal and Average				74,821,324.00		74,821,324.00		3.480		1	
LAIF LIBRARY											
LAIF05	LAIF05	LAIF	Fair	5,382,048.17	3.480	5,382,048.17	09/30/2023	3.480		1	
Subtotal and Average				5,382,048.17		5,382,048.17		3.480		1	
MUFG / UNION BANK											
SYS/MUFG	MUFG	Other Banks-Misc.Account-Petty Cash	Fair	0.00		0.00				1	
Subtotal and Average				0.00		0.00					
PETTY CASH											
SYSPETTY	PETTY	Other Banks-Misc.Account-Petty Cash	Fair	2,661.56		2,661.56	09/30/2023			1	
Subtotal and Average				2,661.56		2,661.56				1	
WELLS FARGO											
SYSWFB	WELLS FARGO	Wells Fargo Checking	Fair	2,711,095.56		2,711,095.56	09/30/2023			1	
SYSBAIL	BAIL	Other Banks-Misc.Account-Petty Cash	Fair	0.00		0.00				1	
SYSDISCOVERY	DISCOVERY	Other Banks-Misc.Account-Petty Cash	Fair	15,000.00		15,000.00	09/30/2023			1	
SYSICS	ICS	Other Banks-Misc.Account-Petty Cash	Fair	70,000.00		70,000.00	09/30/2023			1	

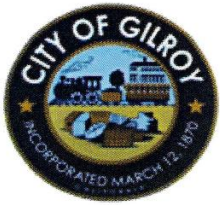
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City of Gilroy
Investments by Issuer
Grouped by Type - Sorted by Type

Page 2

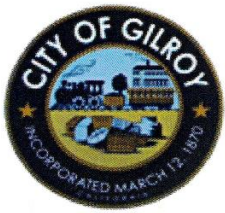
CUSIP	Investment #	Security Type	Investment Class	Remaining Cost	Current Rate	Market Value	Market Date	YTM 365	Redemption Date	Call Date	Collateral
Subtotal and Average				2,796,095.56		2,796,095.56				1	
WORKING CASH											
SYSWORKING	WORKING	Other Banks-Misc.Account-Petty Cash	Fair	1,595.00		1,595.00	09/30/2023			1	
Subtotal and Average				1,595.00		1,595.00				1	
Type: NOT CALLABLE											
U. S. BANK											
SYS/USBANK	USB-CASH	Other Banks-Misc.Account-Petty Cash	Fair	611.19		611.19	09/30/2023			1	
Subtotal and Average				611.19		611.19				1	
U. S. TREASURY NOTES											
912828Z52	USB-10	Treasury Notes Securities	Fair	8,035,851.31	1.375	7,994,093.07	09/30/2023	4.093	01/31/2025	488	
91282CGX3	USB-11	Treasury Notes Securities	Fair	8,039,879.90	3.875	8,019,414.90	09/30/2023	4.949	04/30/2025	577	
91282CDD0	USB-4	Treasury Notes Securities	Fair	7,462,264.85	0.375	7,755,458.00	09/30/2023	4.493	10/31/2023	30	
91282CDV0	USB-5	Treasury Notes Securities	Fair	7,377,312.75	0.875	7,581,040.00	09/30/2023	4.576	01/31/2024	122	
91282YM6	USB-6	Treasury Notes Securities	Fair	7,120,136.45	1.500	7,218,844.62	09/30/2023	4.355	10/31/2024	396	
912828X70	USB-7	Treasury Notes Securities	Fair	7,330,453.97	2.000	7,462,119.72	09/30/2023	4.584	04/30/2024	212	
9128282N9	USB-8	Treasury Notes Securities	Fair	7,282,780.07	2.125	7,379,129.78	09/30/2023	4.528	07/31/2024	304	
91282CDV0	USB-9	Treasury Notes Securities	Fair	8,154,384.72	0.875	8,319,504.00	09/30/2023	4.758	01/31/2024	122	
Subtotal and Average				60,803,064.02		61,729,604.09		4.647		288	
Total and Average				173,824,385.95		174,750,926.02		3.832		101	



**City of Gilroy
Purchases Report
Sorted by Type - Type
July 1, 2023 - September 30, 2023**

City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020
(408)846-0225

CUSIP	Investment #	Type	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment	Principal Purchase	Accrued at Purchase	Rate at Purchas	Maturity Date	YTM	Ending Book Value
CHECKING ACCOUNTS													
SYSUNDERCOV	UNDERCOV	CHECKING	PA2	CHASE	698.30	07/01/2023	08/01 - Monthly	698.30					698.30
SYS/MUFG	MUFG	CHECKING	PA2	MUFG	0.00	07/01/2023	01/31 - Monthly	0.00					0.00
SYSPETTY	PETTY	CHECKING	PA2	PETTY	2,661.56	07/01/2023	08/01 - Monthly	2,661.56					2,661.56
SYSBAIL	BAIL	CHECKING	PA2	WFB	0.00	07/01/2023	08/01 - Monthly	0.00					0.00
SYSDISCOVERY	DISCOVERY	CHECKING	PA2	WFB	15,000.00	07/01/2023	02/01 - Monthly	15,000.00					15,000.00
SYSICS	ICS	CHECKING	PA2	WFB	70,000.00	07/01/2023	10/31 - Monthly	70,000.00					70,000.00
SYSWORKING	WORKING	CHECKING	PA2	WORKIN	1,595.00	07/01/2023	08/01 - Monthly	1,595.00					1,595.00
				Subtotal	89,954.86			89,954.86	0.00				89,954.86
NOT CALLABLE													
SYS/USBANK	USB-CASH	NOT	PA2	USBANK	25,470.84	07/01/2023	11/01 - Monthly	25,470.84					611.19
91282CGX3	USB-11	NOT	TRC	USTN	8,186,000.00	07/31/2023	10/31 - 04/30	8,039,879.90	79,301.88	3.875	04/30/2025	4.949	8,054,057.44
				Subtotal	8,211,470.84			8,065,350.74	79,301.88				8,054,668.63
Total Purchases					8,301,425.70			8,155,305.60	79,301.88				8,144,623.49



City of Gilroy
Maturity Report
Sorted by Maturity Date

City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020
(408)846-0225

Amounts due during July 1, 2023 - September 30, 2023

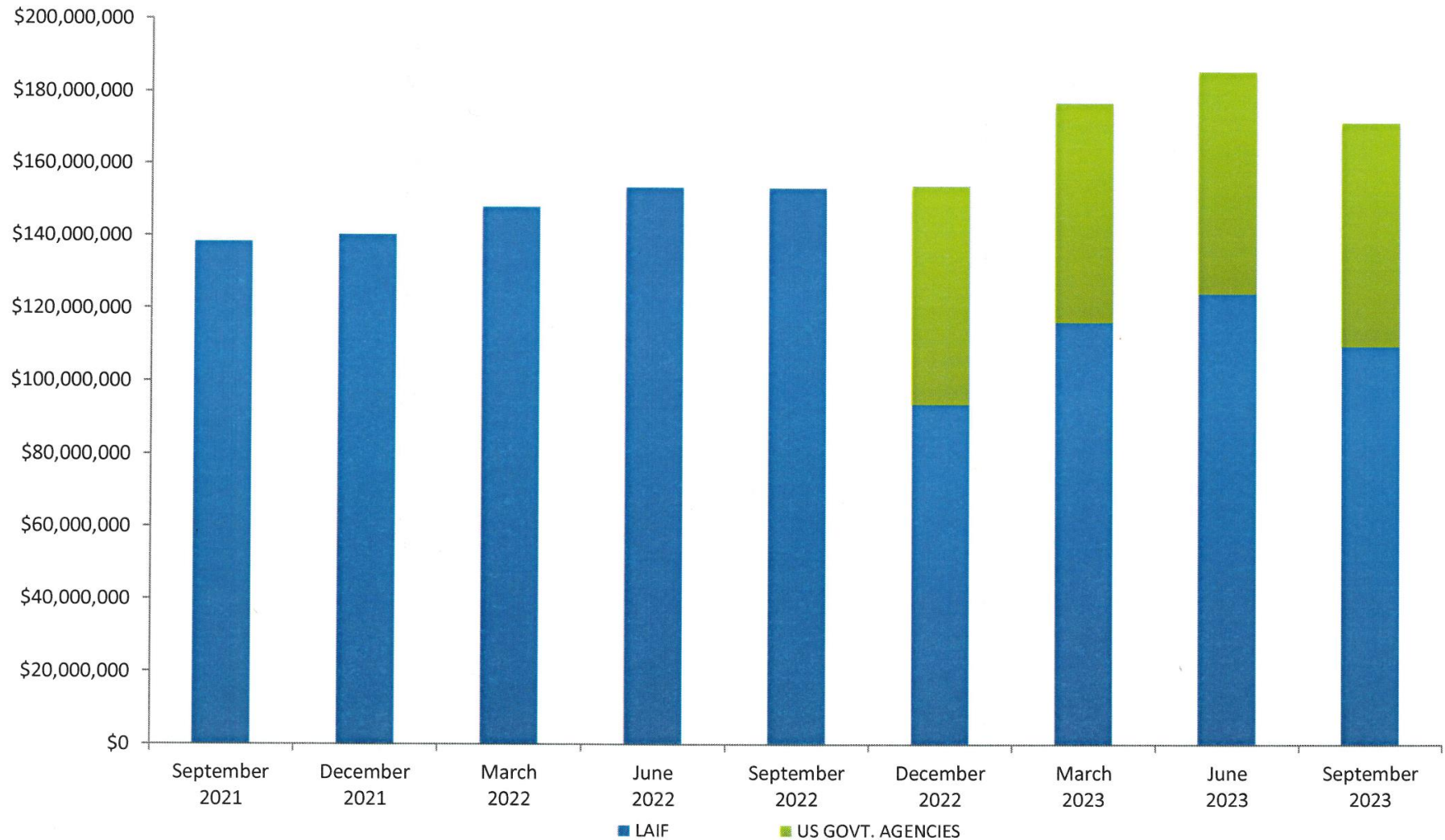
CUSIP	Investment #	Type	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
91282CCN9	USB-3	NOT	TRC	USTN	7,882,000.00	07/31/2023	11/01/2022	0.125	7,882,000.00	4,926.25	7,886,926.25	4,926.25
Total Maturities					7,882,000.00				7,882,000.00	4,926.25	7,886,926.25	4,926.25

Quarterly Movement over the Last Twelve Months

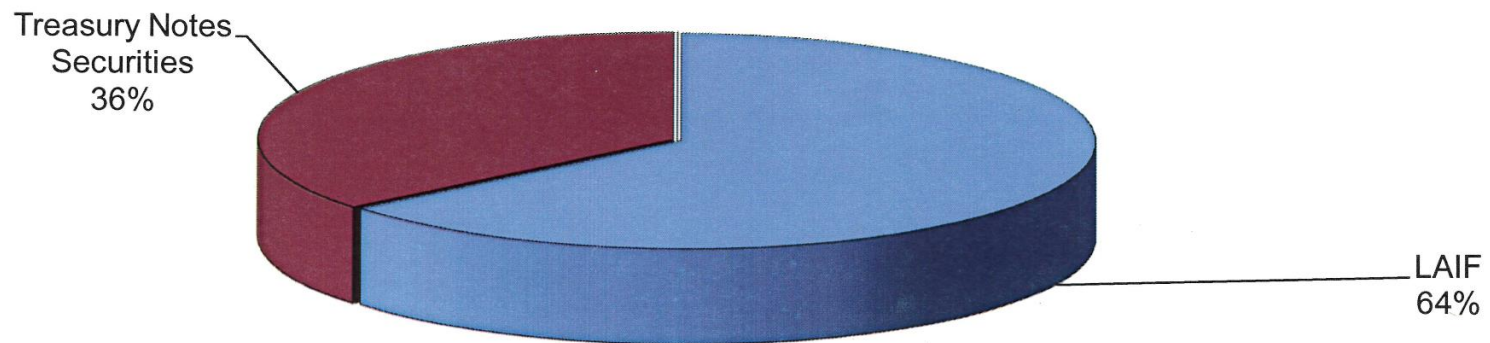
DESCRIPTION	DEC	MAR	JUN	SEP	% of Total
	2022	2023	2023	2023	SEP
LAIF:					
CITY OF GILROY	14,877,211	36,912,724	45,121,206	30,016,288	17.41%
GILROY INDUSTRIAL DEV AGENCY	74,045,186	74,431,995	74,233,655	74,821,324	43.40%
LIBRARY	5,276,804	5,304,370	5,340,121	5,382,048	3.12%
SUB TOTAL	94,199,201	116,649,089	124,694,981	110,219,660	63.94%
CERTIFICATE OF DEPOSITS					
US GOVERNMENTAL AGENCIES:					
TREASURY NOTES SECURITIES	52,257,386	60,916,089	61,547,102	62,171,563	36.06%
TRASURE BILL-AMORTIZING	8,015,322	0	0	0	0.00%
FEDERAL NATIONAL MORTGAGE AGCY					
FEDERAL AGRICULTURAL MORTGAGE AGCY					
FEDERAL HOME LOAN BANK					
FEDERAL HOME LOAN MORTGAGE CORP					
FEDERAL FARM CREDIT BANK					
SUB TOTAL	60,272,708	60,916,089	61,547,102	62,171,563	36.06%
GRAND TOTAL (Book Value)	154,471,909	177,565,178	186,242,083	172,391,223	100.00%

Note: The LAIF balance shown for Sep 2023, includes \$5,382,048.17 in bond proceeds from the Gilroy Library 2010 Bonds that can be used exclusively for the construction of the library.

City of Gilroy Investments From 9/30/2021 to 9/30/2023

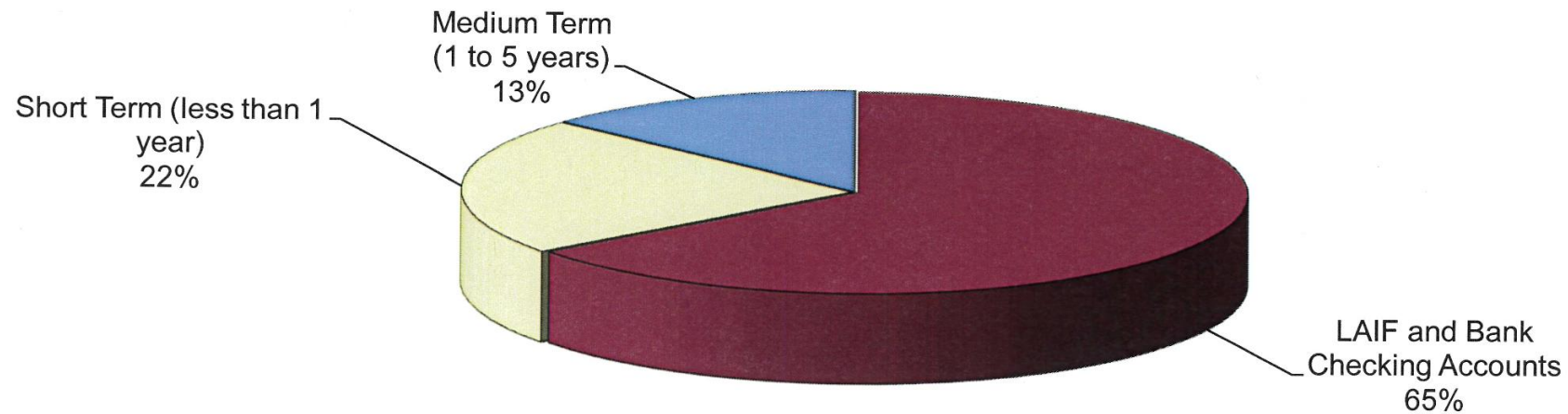


Book Value by Investment Type As of 9/30/23



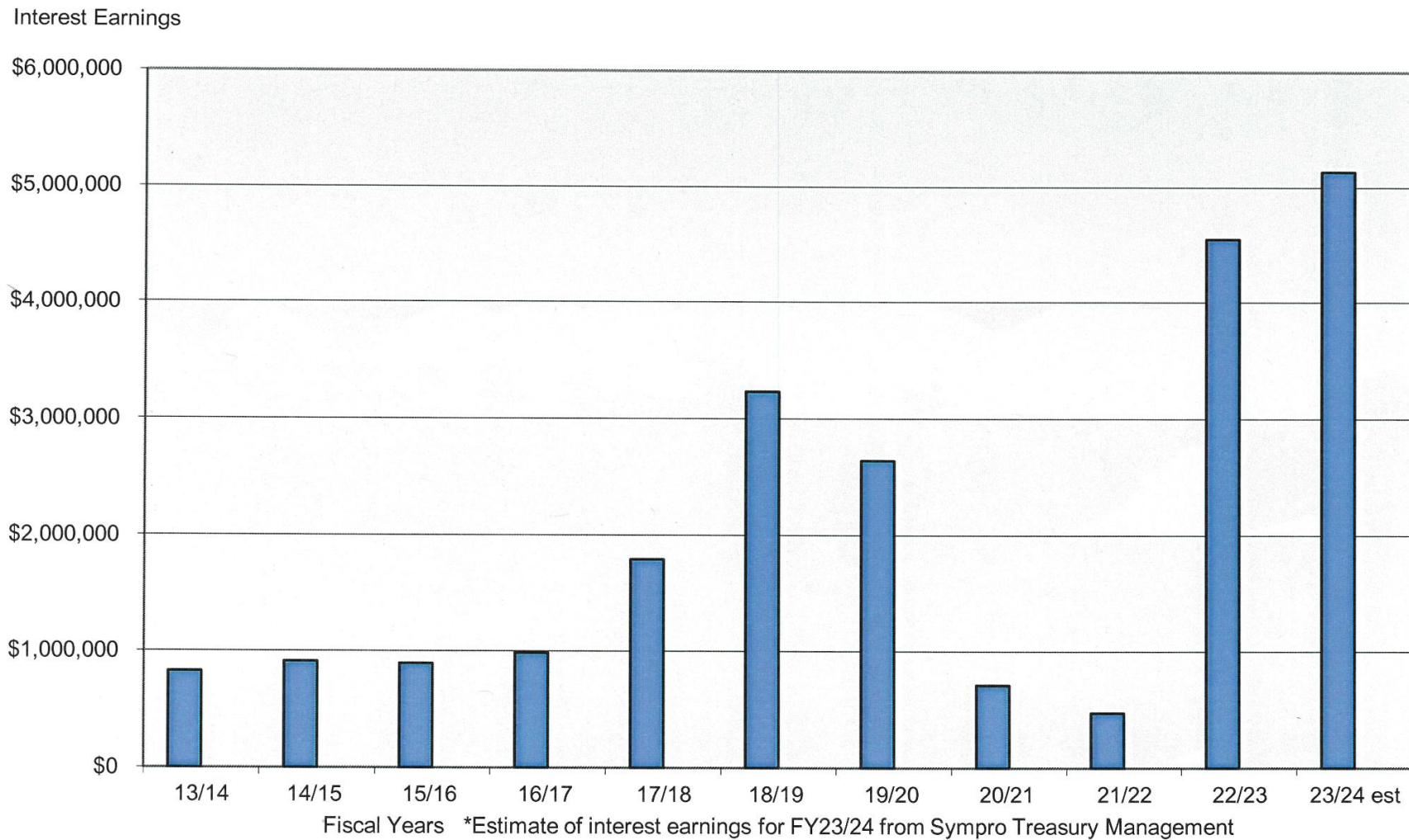
Value of Portfolio: \$172,391,223

Portfolio by Asset Class As of 9/30/23



Value of Portfolio: \$175,192,885

City of Gilroy **Interest Earnings 2014 - 2024**



**CITY OF GILROY
MONIES HELD BY FISCAL AGENTS**

DESCRIPTION	VALUE ** AS OF 9/30/23
<u>HIGHWAY 152 SPECIAL TAX BONDS SERIES 2018</u>	
<u>SPECIAL TAX FUND - Bond REVENUE - HELD BY U.S. BANK - GL Acct 810-10435</u>	
GOLDMAN SACHS MONEY MARKET FUND #466, CUSIP #3814W265	6,884.35
<u>RESERVE FUND - HELD BY U.S. BANK - GL Acct 810-10430</u>	
GOLDMAN SACHS MONEY MARKET FUND #466, CUSIP #3814W265	291,828.99
<u>SPECIAL TAX FUND - INTEREST ACCOUNT - HELD BY U.S. BANK - GL Acct 810-10550</u>	
GOLDMAN SACHS MONEY MARKET FUND #466, CUSIP #3814W265	0.12
<u>SPECIAL TAX FUND - PRINCIPAL ACCOUNT - HELD BY U.S. BANK - GL Acct 810-10445</u>	
GOLDMAN SACHS MONEY MARKET FUND #466, CUSIP #3814W265	0.63
<u>GILROY PUBLIC FACILITIES FINANCING AUTHORITY REFUNDING LEASE REV BONDS 2020A</u>	
<u>REVENUE FUND - HELD BY U.S. BANK - GL Acct 520-10435</u>	
GOLDMAN SACHS FINANCIAL SQUARE MMKT #466, CUSIP #38141W265	1,328.76
<u>INTEREST ACCOUNT - HELD BY U.S. BANK - GL Acct 520-10440</u>	
GOLDMAN SACHS FINANCIAL SQUARE MMKT #466, CUSIP #38141W265	0.00
<u>GILROY PUBLIC FACILITIES FINANCING AUTHORITY REFUNDING LEASE REV BONDS 2022A</u>	
<u>REVENUE FUND - HELD BY U.S. BANK - GL Acct 510-10440</u>	
FIRST AM.GOV'T OB FD CL D, CUSIP #31846V401, U.S. TREASURY BILL #912796C31	0.90
<u>GILROY PUBLIC FACILITIES FINANCING AUTHORITY WASTEWATER REV BONDS 2021A</u>	
<u>BOND PAYMENT FUND - HELD BY U.S. BANK - GL ACCT 700-10428</u>	
FIRST AM.GOV'T OB FD CL D, CUSIP #31846V401, U.S. TREASURY BILL #912796C31,	1,366.39
U.S. TREASURY NOTES 91282CAC5, AND 91282CBG5	0.00
<u>ACQUISITION AND CONSTRUCTION FUND - HELD BY U.S. BANK - GL Acct 700-10426</u>	
FIRST AM.GOV'T OB FD CL D, CUSIP #31846V401	1,364.17
LAIF MONEY MARKET FUND #5399989H9	22,970,107.89
GILROY POST - EMPLOYMENT BENEFITS TRUST HELD BY PARS	2,819,407.75
TOTAL	26,092,289.95

** Market Values reported by U.S. Bank

**7.3. Commemorative Flag Application Review and Approval for Calendar
Year 2024**



City of Gilroy

STAFF REPORT

Agenda Item Title: **Commemorative Flag Application Review and Approval for Calendar Year 2024**

Meeting Date: November 20, 2023

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Jimmy Forbis, City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Council approve the Commemorative Flag Flying Application for the Progressive Pride Flag.

BACKGROUND

At the February 7, 2022 City Council regular meeting, Council adopted the amended and restated Flying Flags at City Facilities Policy (Policy). The Policy identifies the requirements and application process established to receive approval to fly a commemorative flag at City Hall.

ANALYSIS

The City received one application during the application window for requesting a commemorative flag attached to this staff report. The flag application is to fly the Progressive Pride Flag in June. No signatures were required as this is the second year of application. The applicant submitted the application fee along with the application itself.

The flag application does not feature any deviations from the prior year's application, which was approved. Staff is submitting the application to the Council for consideration of approval through the attached resolution, per the adopted policy.

ALTERNATIVES

The Council may reject the resolution authorizing the commemorative flag application submitted.

FISCAL IMPACT/FUNDING SOURCE

None. The applicant paid the required user fees at the time of application, which offsets the processing cost, and no signature verification was required. As required by the Policy, fees will be required for any necessary permits for any event that the applicant desires to hold for the flag raising. There will be a minor amount of staff time from Public Works to raise and lower the flag, but this is a nominal amount of staff time.

PUBLIC OUTREACH

The application process was announced on the City's website and social media. This agenda item was included on the publicly posted agenda for the Council Meeting.

NEXT STEPS

Staff will advise the applicant of the Council's decision regarding their application.

Attachments:

1. Draft Resolution – Flag Flying Application Approval for 2024
2. Flag Flying Application – Progressive Pride Flag Application

RESOLUTION NO. 2023-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GILROY APPROVING COMMEMORATIVE FLAG FLYING
APPLICATIONS FOR 2024**

WHEREAS, on February 7, 2022, the City Council adopted the amended and restated Flying Flags at City Facilities Policy (“Policy”); and

WHEREAS, the Policy calls for any interested party that wishes to request a commemorative flag to be flown at City Hall to submit an application to the City on forms and with requirements as outlined and pursuant to the Policy; and

WHEREAS, under the Policy, the applications that meet sufficiency for signatures are then submitted to the City Council for consideration, with any applications being approved to be done through a resolution of the City Council; and

WHEREAS, the City received only one application for flying a Commemorative Flag for flying the Progressive Pride Flag for the month of June 2024; and

WHEREAS, the Progressive Pride Flag was previously approved for 2023, receiving verified signatures sufficient to meet the requirement for the second-year application pursuant to the Policy.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GILROY DOES HEREBY RESOLVE that the application for the Progressive Pride Flag for the month of June 2024 is hereby approved.

PASSED AND ADOPTED this 20th day of November 2023, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED:

Marie Blankley, Mayor

ATTEST:

Thai Nam Pham, City Clerk

City of Gilroy
 FINANCE - DEPT 20
 7351 Rosanna St
 Attn: Finance Dept
 Gilroy, CA 95020
 (408) 846-0420
 Welcome

10/31/2023 04:36PM Maria P.
 001303-0059

MISCELLANEOUS

MISC REVENUES FINANCE
 (MISREV)

2024 Item: MISREV

1 @ \$25.0000

MISC REVENUES FINANCE
 (MISREV)

\$25.00

 \$25.00

Subtotal

\$25.00

Total

\$25.00

CHECK

\$25.00

Check Number 1098

Change due

 \$0.00

Paid by: ANDREA L NICOLETTE



Comments: FLAG FOR LGBTQ APPLICATION

Thank you for your payment

City of Gilroy COPY
 DUPLICATE RECEIPT

City of Gilroy

Commemorative Flag Flying Application

Application Period: September 1, 2023 through October 31, 2023

Full Name: Andrea Nicolette

Physical Address: _____

Phone Number: _____ E-mail Address: _____

Organization (if applicable): _____

Name of Flag Being Requested: LGBTQ

Month the commemorative flag is requested to be flown: June 2024

☐ Do you intend to hold a ceremony or event for the flag raising? (if not, leave checkbox blank)

Each applicant shall provide a statement of explanation or purpose of the proposed commemorative flag, including what the flag stands for; any local, national, or international affiliation; brief history; website address; and any other relevant information to be considered by the City Council. Please provide that description below.

2ND YEAR
Same Flag approved for last year

The following supplemental pages or information are required to be included with the application at the time of application, and the applicant must check the appropriate boxes indicating if they are included.

Included Not Included

☐ ☐ Signature Sheets with a total of at least 150 signatures from registered voters in Gilroy. Signatures must be successfully verified by the City per the City Flag Flying Policy to count towards the total. Signatures are not required if an application was submitted in the prior year with 150 verified signatures.

If not included due to application last year with qualifying signatures, please check this box: ☐

☐ ☐ A document identifying the name and full color image accurately depicting the Commemorative Flag

☐ ☐ Application Fee of \$552 if signatures are required, \$25 if not.

☐ ☐ A document with a detailed description of the proposed flag raising ceremony or event (if application includes a ceremony or event)

City of Gilroy

Commemorative Flag Flying Application

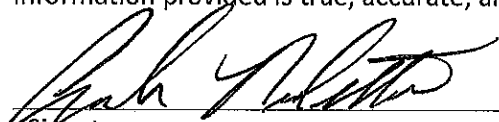
Application Period: September 1, 2023 through October 31, 2023

Applicant Certifications

I, the applicant, certify that I have read and understood each of the following conditions, as indicated by marked checkboxes next to each statement:

	Conditions
☒	If your Commemorative Flag is approved, you must provide the flag to be displayed substantially similar to the image submitted with this application, you must provide it to City staff for inspection five business days prior to its time to be flown, and it must meet the following specifications: • The flag shall be four feet tall by six feet wide • Reinforced grommets must be placed at top and bottom of flag side • 200 denier (or higher) rating nylon or polyester fabric
☒	If you decide to hold a ceremony or event, you may be required to obtain permits, including potentially a Special Event Permit and/or Encroachment Permit, and pay permit fees based on the nature of the event. These permit applications are separate from the Commemorative Flag Flying Application.
☒	Approval of the commemorative flag being flown by the City does not guarantee approval of a required permit for a proposed ceremony or event. Ceremonies or events are separately evaluated from the flag flying, based on the applicant's ceremony or event plan(s).
☒	If an event permit is deemed required and is not obtained, the ceremony or event cannot be held. In such cases, an approved Commemorative Flag will still be flown, but without a ceremony or event.
☒	If conditions of an issued, required permit are not met, the ceremony or event may be cancelled by the City at any time, without refund or financial liability to the event organizer(s). In such cases, an approved Commemorative Flag will still be flown, just without a ceremony or event.

I understand and agree that the information provided in this application and all supplemental information provided is true, accurate, and complete, to the best of my knowledge and belief.


Signature

10-31-23
Date

Andrea Nicolette
Printed Name

The rainbow flag is a symbol of lesbian, gay, bisexual, transgender, and queer (LGBTQ) pride and social movements. Also known as the gay pride flag or LGBTQ pride flag, the colors reflect the diversity of the LGBTQ community.



7.4. Adoption of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)



City of Gilroy

STAFF REPORT

Agenda Item Title: Adoption of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)

Meeting Date: November 20, 2023
 From: Jimmy Forbis, City Administrator
 Department: City Clerk
 Submitted By: Thai Nam Pham, City Clerk
 Prepared By: Thai Nam Pham, City Clerk

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Staff recommends the Council adopt an ordinance amending Chapters 17A and 24 of the Gilroy City Code in compliance with the California Public Records Act (CPRA) Recodification Act (AB 473).

BACKGROUND

The proposed ordinance, which amends Chapters 17A and 24 of the Gilroy City Code, was introduced at the November 6, 2023 City Council regular meeting. This amendment is in response to recent legislative changes enacted by the California State Legislature through AB 473, known as the California Public Records Act (CPRA) Recodification Act. AB 473 led to the reorganization and renumbering of the CPRA under a new Government Code division, beginning at section 7920.0005. As a result, our local Gilroy City Code needs adjustments to align with these new CPRA codes.

ANALYSIS

The proposed ordinance seeks to bring our City Code into compliance with the AB 473. Specifically, it amends Chapters 17A and 24 of the Gilroy City Code by updating references to CPRA codes, which were reorganized and renumbered by AB 473. These

Adoption of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)

changes are essential to ensure our city complies with state law and follows the new CPRA provisions accurately.

ALTERNATIVES

The City Council may amend or reject this proposed ordinance. Any changes to the language will result in the need to restart the adoption process.

FISCAL IMPACT/FUNDING SOURCE

The proposed ordinance does not entail direct financial or operational implications for the City of Gilroy. It primarily addresses ministerial matters.

PUBLIC OUTREACH

Public outreach efforts were conducted before the ordinance introduction to inform our residents about this proposed amendment. These efforts included:

- Publication in the Gilroy Dispatch on October 27, 2023.
- Posting the proposed amendment on the City's official website to ensure accessibility to the public.

NEXT STEPS

Upon adoption, the approved ordinance will be incorporated into the Gilroy City Code.

Attachments:

1. Proposed Ordinance
2. Exhibit 'A' – Chapter 17A
3. Exhibit 'B' – Chapter 24
4. November 6, 2023 Staff Report

ORDINANCE 2023-XX**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GILROY AMENDING CHAPTER 17A, PUBLIC MEETINGS AND PUBLIC RECORDS, AND CHAPTER 24, TELEVISION ANTENNAS, TO THE GILROY CITY CODE TO UPDATE THE REFERENCED CALIFORNIA PUBLIC RECORDS ACT**

WHEREAS, the California state legislature enacted the CPRA (California Public Records Act) Recodification Act (AB 473) in 2021, resulting in the renumbering and reorganization of the Public Records Act in a new Division 614 of the Government Code, starting at section 7920.0005; and

WHEREAS, the current Gilroy City Code references outdated Government Codes related to Public Information and Public Records due to the legislative changes; and

WHEREAS, it is necessary to amend Chapters 17A and 24 of the Gilroy City Code to update the referenced California Public Records Act Code and ensure ongoing compliance with state laws.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GILROY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I: Incorporation of Recitals

The foregoing recitals are true and correct and are incorporated herein by this reference.

SECTION II: Amendment to Chapter 17A

Chapter 17A, Public Meetings and Public Records, of the Gilroy City Code, shall be amended as provided in **Exhibit 'A'**.

SECTION III: Amendment to Chapter 24

Chapter 24, Television Antennas, of the Gilroy City Code, shall be amended as provided as **Exhibit 'B'**.

SECTION IV: Incorporation of Future Changes

For each referenced California Public Records Act Code in Chapters 17A and 24, the language "or its successor" shall be added after the reference.

SECTION V: Severability

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Gilroy hereby declares that it would have passed and adopted this ordinance and each section, subsection, sentence, clause, or phrase hereof, irrespective of the fact that any one or

more sections, subsections, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION VI: Effective Date

This Ordinance shall take effect thirty (30) days after its adoption. The City Clerk is hereby directed to publish this Ordinance or a summary thereof pursuant to Government Code Section 36933.

PASSED AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the 20th day of November 2023 by the following roll call vote:

AYES: **COUNCIL MEMBERS:**
NOES: **COUNCIL MEMBERS:**
ABSTAIN: **COUNCIL MEMBERS:**
ABSENT: **COUNCIL MEMBERS:**

APPROVED:

Marie Blankley, Mayor

ATTEST:

Thai Nam Pham, City Clerk

Attachments:

1. Exhibit 'A': Proposed amendment language for Chapter 17A
2. Exhibit 'B': Proposed amendment language for Chapter 24

ARTICLE III. PUBLIC INFORMATION AND PUBLIC RECORDS

17A.19 Definitions.

Whenever in this chapter the following words or phrases are used, they shall mean:

“Public information” shall mean the content of public records as defined in the California Public Records Act (Government Code Section ~~6252~~7920.000, or its successor), whether provided in documentary form or in an oral communication.

“Public information” shall not include computer software developed by the City of Gilroy as defined in the California Public Records Act (Government Code Section ~~6254.9~~7922.585, or its successor). (Ord. No. 2008-11, 11-17-08)

17A.20 Process for gaining access to public records—Administrative appeals.

(a) Every department head who has custody of any public record or public information as defined herein or who manages, directly or indirectly, subordinate employees within that department that have custody of any public record or public information as defined herein, or that department head's designated representative under section 17A.22(a) (hereinafter referred to as "a department head") shall, at normal times and during normal and reasonable hours of operation, without unreasonable delay, and without requiring an appointment, permit the public record, or any segregable portion of a record, to be inspected and examined by any person and shall furnish one (1) copy thereof upon payment of a reasonable copying charge as may be set from time to time by the city council.

(b) A department head shall, as soon as possible and within ten (10) calendar days following receipt of a request for inspection or copy of a public record, comply with such request unless the voluminous nature of the information requested, its location in a remote storage facility or the need to consult with legal counsel warrants an extension of ten (10) calendar days as provided in Government Code Section ~~6253(e)~~7922.535, or its successor. Such request may be delivered to the office of the department head by the requester orally or in writing by fax, postal delivery, or email. If the department head believes the record or information requested is not a public record or is exempt, the department head shall justify withholding any record by demonstrating, in writing, as soon as possible and within ten (10) calendar days following receipt of a request, or following the extension of ten (10) calendar days as provided in Government Code Section ~~6253(e)~~7922.535, or its successor, that the record in question is exempt under express provisions of this chapter.

(c) A department head shall assist a requester in identifying the existence, form, and nature of any records or information maintained by, available to, or in the custody of the department head, whether or not the contents of those records are exempt from disclosure, and shall, when requested to do so, provide in writing within ten (10) calendar days following receipt of a request a statement as to the existence, quantity, form and nature of records relating to a particular subject or questions with enough specificity to enable a requester to identify records in order to make a request under subsection (b) of this section. A department head, when not in possession of the record requested, shall assist a requester in directing a request to the proper office or staff person.

(d) If the department head refuses, fails to comply, or incompletely complies with a request described in subsection (b) of this section, the person making the request may, within forty-five (45) calendar days of the department head's response or the expiration of the department head's period to respond if no response is provided, petition the city administrator in writing, and in the form required by the open government commission, for a determination whether the record requested is public. The city administrator shall inform the petitioner, as soon as possible and within thirty (30) calendar days of the petition, of the city administrator's determination whether the record requested, or any part of the record requested, is public. Where requested by the petition, and where otherwise desirable, this determination shall be in writing. Upon the determination by the city administrator that the record is public, the city administrator shall immediately order the department head to comply with the person's request. If the department head refuses or fails to comply with any such order within five (5) days, the city administrator shall notify the city attorney who shall take whatever measures deemed necessary and appropriate to ensure compliance with the provisions of this chapter.

(e) If a petition to the city administrator under subsection (d) of this section is denied or not acted upon by the city administrator, the person making the request may, within forty-five (45) calendar days of the city administrator's denial or the expiration of the city administrator's thirty (30) day period to act upon the petition, petition the open government commission for a determination whether the record requested is public. The open government commission shall inform the petitioner, as soon as possible and within two (2) days after its next meeting but in no case later than forty-five (45) days from when a petition in writing is received, of its determination whether the record requested, or any part of the record requested, is public. Where requested by the petition, and where otherwise desirable, this determination shall be in writing. Upon the determination that the record is public, the open government commission shall advise the city council as to whether the record should be public. The city council and the city attorney's office shall provide sufficient resources to allow the open government commission to fulfill its duties under this provision. Where requested by the petition, the open government commission may conduct a public hearing concerning the records request denial. An authorized representative of the department head shall attend any hearing and explain the basis for its decision to withhold the record requested.

(f) The administrative remedy provided under this chapter shall in no way limit the availability of other administrative remedies provided to any person with respect to any officer or employee of any agency, executive office, department or task force; nor shall the administrative remedy provided by this section in any way limit the availability of judicial remedies otherwise available to any person requesting a public record. If a department head refuses or fails to comply with the request of any person for inspection or copy of a public record or with an administrative order under this section, the superior court of California shall retain jurisdiction to order compliance.

(g) In any court proceeding pursuant to this chapter there shall be a presumption that the record sought is public, and the burden shall be upon the department head to prove with specificity the exemption which applies.

(h) At least once a year, and as otherwise requested by the open government commission, the city administrator shall prepare a tally and report of every petition brought before it for access to records since the time of its last tally and report. The report shall at least identify for each petition the record or records sought, the department head of those records, the ruling of the city administrator, whether any ruling was overturned by a court and whether orders given to department heads of public records were followed. The report shall also summarize any court actions related to any petitions during that period. At the request of the open government commission, the report shall also include copies of all rulings made by the city administrator and all opinions issued.

(i) The Gilroy city attorney's office shall act to protect and secure the rights of the people of Gilroy to access public information and public meetings. The city attorney or its designee will monitor the handling of public records when any elected public official or the city administrator leaves office and moves materials from the office. All elected officials and the city administrator shall surrender all public records in their possession to the city attorney or its designee at the time of leaving office.

(j) Release of documentary public information, whether for inspection of the original or by providing a copy, shall be governed by the California Public Records Act (Government Code Section ~~6250-7920.000~~, or its successor, et seq.) to the extent not addressed by this chapter and in accordance with the enhanced disclosure requirements provided in this chapter.

(k) Inspection and copying of documentary public information stored in electronic form shall be made available to the person requesting the information in any form requested which is available to or easily generated by the department, its officers or employees, including disk, tape, printout or monitor at a charge no greater than the cost of the media on which it is duplicated. Inspection of documentary public information on a computer monitor need not be allowed where the information sought is necessarily and inseparably intertwined with information not subject to disclosure under this chapter. Nothing in this section shall require a department to program or reprogram a computer to respond to a request for information or to release information where the release of that information would violate a licensing agreement or copyright law.

(l) *Repealed by Ord. 2014-03.* (Ord. No. 2008-11, 11-17-08; Ord. No. 2014-03, § 1, 4-7-14; Ord. No. 2017-03, §§ 1, 2, 3-6-17)

17A.21 Policy regarding use of computer systems.

It is the policy of the city of Gilroy to utilize computer technology in order to reduce the cost of public records management, including the costs of collecting, maintaining, and disclosing records subject to disclosure to members of the public under this section. To the extent that it is technologically and economically feasible, departments that use computer systems to collect and store public records shall program and design such systems to ensure convenient, efficient, and economical public access to records and shall make public records easily accessible over public networks, including but not limited to the Internet. (Ord. No. 2008-11, 11-17-08)

17A.22 Release of oral public information.

Release of oral public information shall be accomplished as follows:

- (1) Every department head shall designate a person or persons knowledgeable about the affairs of the department to provide information, including oral information, to the public about the department's operations, plans, policies and positions (referred to herein as "a department head"). The department head may designate himself or herself for this assignment, but in any event shall arrange that an alternate or alternates be available for this function during the absence or unavailability of the person assigned primary responsibility. A list of every city department and every designated and alternate department head for public record inspection purposes, along with those employees' business addresses, telephone numbers and email addresses, shall be available for inspection and copying at the office of the city clerk and shall be kept and regularly maintained on the city's website.
- (2) The role of the person or persons so designated shall be to provide information on as timely and responsive a basis as possible to those members of the public who are not requesting information from a specific person. This section shall not be interpreted to curtail existing informal contacts between employees and members of the public when these contacts are occasional, acceptable to the employee and the department, not disruptive of the employee's operational duties and confined to accurate information not confidential by law.
- (3) If it would take an employee more than fifteen (15) minutes to obtain the information responsive to an inquiry or inquiries from a member of the public, the employee shall notify the requester of the procedures for obtaining records under this chapter.
- (4) Public employees shall not be discouraged from or disciplined for the expression of their personal opinions on any matter of public concern while on duty, so long as the opinion (a) is not represented as that of the department and does not misrepresent the department position; and (b) does not disrupt coworker relations, impair discipline or control by superiors, erode a close working relationship premised on personal loyalty and confidentiality, interfere with the employee's performance of that employee's duties or obstruct the routine operation of the office in a manner that outweighs the employee's interests in expressing that opinion. In adopting this section, the city council intends merely to restate and affirm court decisions recognizing the First Amendment rights enjoyed by public employees. Nothing in this section shall be construed to provide rights to city employees beyond those recognized by courts, now or in the future, under the First Amendment, or to create any new private cause of action or defense to disciplinary action.
- (5) Notwithstanding any other provisions of this chapter, public employees shall not be discouraged from or disciplined for disclosing any information that is public information or a public record to any journalist or any member of the public. (Ord. No. 2008-11, 11-17-08)

17A.23 Public review file—Policy body communications.

The city clerk or the designated secretary of a particular policy body shall maintain a file, accessible to any person during normal office hours, containing a copy of any letter, memorandum or other communication which the clerk has distributed to or received from a quorum of the policy body concerning a matter calendared by the body within the previous thirty (30) days or likely to be calendared within the next thirty (30) days, irrespective of subject matter, origin or recipient, except commercial solicitations, periodical publications or communications exempt from disclosure under the California Public Records Act (Government Code Section ~~6250-7920.000~~, or its successor et seq.) and not deemed disclosable under section 17A.24. (Ord. No. 2008-11, 11-17-08)

17A.24 Public information that must be disclosed.

Notwithstanding a department's legal discretion to withhold certain information under the California Public Records Act, the following policies shall govern specific types of documents and information and shall provide enhanced rights of public access to information and records:

(1) Drafts and Memoranda. No preliminary draft or memorandum shall be exempt from disclosure under Government Code Section ~~6254(a)~~7927.500, or its successor, if it is kept in the normal course of business. For purpose of this chapter, "normal course of business" means in the inherent nature of the city's business in question, and in the method systematically employed for the conduct of the task in question. Preliminary drafts and memoranda concerning contracts, memoranda of understanding, or other matters subject to negotiation or pending council approval shall not be subject to disclosure pursuant to this provision until final action has been taken.

(2) Litigation Material. Notwithstanding any exemptions otherwise provided by law, the following are public records subject to disclosure under this chapter:

- a. A pre-litigation claim against the city (excluding any investigative reports);
- b. A record previously received or created by a department in the ordinary course of business that was not attorney/client privileged or attorney-work product when it was previously received or created.

(3) Contracts, Bids and Proposals.

a. All initial city requests for proposals ("RFPs") shall be kept in a central repository and shall be made available for public inspection. In addition, RFPs shall be placed on the city's website for a period from the date the RFP was issued to the date that the RFP is due.

b. Contracts, contractors' bids, responses to requests for proposals and all other records of communications between the department and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit. All bidders and contractors shall be advised that information provided which is covered by this section will be made available to the public upon request. Immediately after any review or evaluation or rating of responses to an RFP has been completed, evaluation forms and score sheets and any other documents used by persons in the RFP evaluation or contractor selection process shall be available for public inspection. The individual ratings, comments, and score sheets or comments on related documents shall be made immediately available after the review or evaluation of an RFP has been completed.

(4) Budgets and Other Financial Information. Budgets, whether tentative, proposed or adopted, for the city or any of its departments, programs, projects or other categories, and all bills, claims, invoices, vouchers or other records of payment obligations as well as records of actual disbursements showing the amount paid, the payee and the purpose for which payment is made, other than payments for social or other services whose records are confidential by law, shall not be exempt from disclosure.

(5) Appraisals, offers and counteroffers relating to the city's purchase of real property are exempt until an agreement is executed.

(6) *Repealed by Ords. 2019-04 and 2019-05.*

(7) Neither the city nor any officer, employee, or agent thereof may assert an exemption for withholding for any document or information based on a deliberative process exemption, either as provided by California Public Records Act Section ~~6255-7922~~, or its successor, or any other provision of law that does not prohibit disclosure.

(8) *Repealed by Ords. 2019-04 and 2019-05.* (Ord. No. 2008-11, 11-17-08; Ord. No. 2018-03, § 1, 1-22-18; Ord. No. 2019-04, 2-11-19; Ord. No. 2019-05, § 1, 2-25-19)

17A.25 Immediacy of response.

Notwithstanding the ten (10) calendar day period for response to a request permitted in Government Code Section ~~6253~~7922.525, or its successor, a request for a public record described in any nonexempt category which is received by a department head shall be satisfied no later than the close of business on the day following the request unless the department head advises the requester in writing that the request will be answered by a specific future date. The statutory deadlines are appropriate for more extensive or demanding requests, but shall not be used to delay fulfilling a simple, routine or otherwise readily answerable request. If the voluminous nature of the information requested, its location in a remote storage facility or the need to consult with legal counsel warrants an extension of ten (10) calendar days as provided in Government Code Section ~~6253(e)~~7922.535, or its successor, the requester shall be noticed as required within ten (10) business days of the request. Nothing in this section shall prohibit the requester and department head or his/her designee from agreeing to a longer time than provided for herein for the provision of requested records. Any such mutual agreement shall be in writing and signed by the requester. (Ord. No. 2014-03, § 1, 4-7-14)

17A.26 Withholding kept to a minimum.

Information that is exempt from disclosure shall be masked, deleted or otherwise segregated so that the nonexempt portion of a requested record may be released and keyed by footnote or other clear reference to the appropriate justification for withholding required by section 17A.27. (Ord. No. 2008-11, 11-17-08)

17A.27 Justification of withholding.

Any withholding of information shall be justified, in writing, as follows:

- (1) A withholding under a specific permissive exemption in the California Public Records Act, or elsewhere, which permissive exemption is not forbidden to be asserted by this chapter, shall cite that authority.
- (2) A withholding on the basis that disclosure is prohibited by law shall cite the specific statutory authority in the Public Records Act or elsewhere.
- (3) A withholding on the basis that disclosure would incur civil or criminal liability shall cite any specific statutory or case law, or any other public agency's litigation experience, supporting that position.
- (4) When a record being requested contains information most of which is exempt from disclosure under the California Public Records Act and this section, the department head shall inform the requester of the nature and extent of the nonexempt information and suggest alternative sources for the information requested, if available.
(Ord. No. 2008-11, 11-17-08)

17A.28 Public records that must be disclosed.

The following policies shall govern specific types of documents and information and shall provide enhanced rights of public access to information and access:

(1) Notwithstanding Government Code Section ~~6254(e)~~7922.535, or its successor, the following information shall be considered a public record and shall be made available for review upon request by any person, business or association: A listing of gross earnings by name and job title, including base salaries and other compensation. Other compensation shall include allowances, overtime, and deferred compensation, leave cash-out payments and the percentage of base salaries that the city pays as the employer's CalPERS contribution. (Ord. No. 2008-11, 11-17-08)

17A.29 Fees for duplication.

- (a) No fee shall be charged for making public records available for review.
- (b) For documents routinely produced in multiple copies for distribution, e.g., meeting agendas and related materials, a fee as may be set from time to time by the city council may be charged, plus any postage costs.
- (c) For documents assembled and copied to the order of the requester, a fee as may be set from time to time by the city council may be charged, plus any postage.
- (d) Copies of video recorded meetings shall be provided to the public upon request for the actual cost of materials (i.e., videotape) per meeting. Audiotapes of audiotaped meetings shall be provided upon public request for the actual cost of the tape by the policy body whose meeting was recorded. The city council shall from time to time approve a fee schedule determining these costs. (Ord. No. 2008-11, 11-17-08)

17A.30 Index to records.

The city shall maintain a public records index that identifies the types of information and documents maintained by the city and its departments, agencies, task forces, commissions, and elected officers. The index shall be for the use of city officials, staff and the general public, and shall be organized to permit a general understanding of the types of information maintained, by which officials and departments, for which purposes and for what periods of retention, and under what manner of organization for accessing, e.g., by reference to a name, a date, a proceeding or project, or some other referencing system. The index need not be in such detail as to identify files or records concerning a specific person, transaction or other event, but shall clearly indicate where and how records of that type are kept. The city clerk shall be responsible for the preparation of this records index. Each department, agency, commission and public official shall cooperate with the city clerk to identify the types of records it maintains, including those documents created by the entity and those documents received in the ordinary course of business and the types of requests that are regularly received. Each department, agency, commission and public official is encouraged to solicit and encourage public participation to develop a meaningful records index. The index shall clearly and meaningfully describe, with as much specificity as practicable, the individual types of records that are prepared or maintained by each department, agency, commission or public official of the city. The index shall be sufficient to aid the public in making an inquiry or a request to inspect. Any changes in the department, agency, commission or public official's practices or procedures affecting the accuracy of the information provided to the city clerk shall be recorded by the city clerk on a periodic basis so as to maintain the integrity and accuracy of the index. The index shall be continuously maintained on the city's website and made available at the Gilroy Library. (Ord. No. 2014-03, § 1, 4-7-14)

17A.31 Records survive transition of officials.

All documents prepared, received, or maintained by the head of any department are the property of the city of Gilroy. The originals of these documents shall be maintained consistent with the records retention policies of the city of Gilroy. The city administrator shall monitor the transition of the above public officials to ensure that public documents are not unlawfully removed or destroyed during the transition. (Ord. No. 2008-11, 11-17-08)

17A.32 Internet access/World Wide Web minimum standards.

The city of Gilroy shall maintain on a World Wide Web site, or on a comparable, readily accessible location on the Internet, information that it is required to make publicly available. Each department is encouraged to make publicly available through the city's website as much information and as many documents as possible concerning its activities. These include but are not limited to campaign report forms, statements of economic interest, operating and capital budgets, meeting agenda, meeting minutes, public notices and, when feasible, staff meeting reports. Within twelve (12) months after enactment of this provision, each department shall post on the city's website all meeting notices required under this chapter, all agendas and the minutes of all previous meetings of its policy bodies from that point in time forward. Notices and agendas shall be posted no later than the time that the department otherwise distributes this information to the public, allowing reasonable time for posting.

Minutes of meetings shall be posted as soon as possible, but in any event within one (1) week after they have been approved. The city shall make reasonable efforts to ensure that its website is regularly reviewed for timeliness and updated on at least a weekly basis. The city shall also make available on its website, or on a comparable, readily accessible location on the Internet, a current copy of the city code.

The city shall also webcast all city council and planning commission meetings and archive the webcasts of such meetings for at least ten (10) years. (Ord. No. 2008-11, 11-17-08)

17A.33 Correspondence and records shall be maintained.

(a) The city administrator shall for a reasonable period maintain, preserve, and archive documents and correspondence, including but not limited to letters, emails, drafts, memoranda, invoices, reports and proposals that pertain to or are within the subject matter jurisdiction of the official's duties (as defined by the open government commission) and shall disclose all such records in accordance with this chapter.

(b) Any email that is created or received in connection with the transaction of public business and which (1) the department or office retains as evidence of its activities, or (2) relates to the legal or financial rights of the city or of persons directly affected by the activities of the city is a public record. The standard for determining if email is a public record that must be retained is identical to the standard that applies to any document. See California Government Code Section ~~6252(e)~~7920.530, or its successor. If an email must be retained, it should be printed out and the hard copy retained in the appropriate file unless the department or office can reliably retain and retrieve all email in electronic format. (Ord. No. 2008-11, 11-17-08)

17A.34 Review of FPPC statement of economic interests.

(a) During the annual filing period as required by California Code Section 87500, the city clerk as filing officer shall conduct a prima facie review of all FPPC statement of economic interests filings of all officials required to file under California Government Code Section 87200, and all designated employees required to file under the city's conflict of interest code. The city administrator shall review the filing submitted by the city clerk.

(b) Not later than April 15th of each year, the city clerk shall publish all statement of economic interests filings onto the city's official website. The city clerk shall also maintain on the city's website all prior years' filings of sitting city council members, the mayor, the city administrator, and the city attorney and members of the planning commission so that these required disclosures are readily available to the public for inspection. (Ord. No. 2014-03, § 1, 4-7-14)

ARTICLE IV. OPEN GOVERNMENT COMMISSION

17A.35 The open government commission.

(a) There is hereby established a commission to be known as the “open government commission.” From on or about January 2013 through December 31, 2013, the open government commission shall consist of two (2) city council members appointed by the city council and three (3) members of the public appointed by the city council. From January 2014, the open government commission shall consist of five (5) members of the public appointed by the city council, and all of the seats on the open government commission designated for city council members shall terminate. The city attorney shall serve as legal advisor to the commission.

(b) From on or about January 2016, the term of each newly appointed member sitting on the open government commission shall be four (4) years, unless earlier removed by the city council. Those members appointed to two (2) year terms in January 2013 shall have terms extended to January 2016, and those members appointed to two (2) year terms in January 2014 shall have their terms extended to January 2018. No person shall serve more than two (2) consecutive full terms on the commission. In the event of such removal or in the event a vacancy otherwise occurs during the term of office of any appointive member, a successor shall be appointed for the unexpired term of the office vacated in a manner similar to that described herein for the initial members. The commission shall elect a chair from among its appointive members. The term of office as chair shall be one (1) year. Members of the commission shall serve without compensation.

(c) The commission shall advise the city council and provide information to other city departments on appropriate ways in which to implement this chapter. The commission shall develop appropriate goals to ensure practical and timely implementation of this chapter. The commission shall propose to the city council amendments to this chapter. The commission shall report to the city council at least once annually on any practical or policy problems encountered in the administration of this chapter. The commission shall receive and review regular quarterly reports on requests for public information. Such reports shall not identify the requester or any information confidential by law.

(d) The open government commission shall recommend to the city council an administrative process for the review and enforcement of this chapter. No such administrative process shall preclude, delay or in any way limit a person's remedies under the Brown Act or the California Public Records Act.

(e) In addition to the powers specified above, the commission shall possess such powers as the city council may confer upon it by ordinance or as the people of Gilroy shall confer upon it by initiative. (Ord. No. 2012-12 § 1, 10-1-12; Ord. No. 2014-09, § 1, 8-4-14)

17A.36 Responsibility for administration.

The city administrator shall administer and coordinate the implementation of the provisions of this chapter. The city clerk shall provide and perform administrative duties for the commission and assist any person in gaining access to public meetings or public information. The city administrator shall provide the commission's staff person with whatever facilities and equipment are necessary to perform said duties as budgeted by the city council. (Ord. No. 2008-11, 11-17-08)

17A.37 Department head declaration and training.

All city department heads and all management employees, all policy body members, and all employees and officials who are required to file a statement of economic interests required by Government Code Section 87200 and the city's conflict of interest code shall sign an affidavit or declaration stating under penalty of perjury that they have read the open government ordinance and have taken training on the open government ordinance within the first sixty (60) days of appointment or election. Training shall be taken each two (2) years thereafter. The affidavit or declarations shall be maintained by the city clerk and shall be available as a public record. Training shall be provided by the city attorney's office. (Ord. No. 2014-03, § 1, 4-7-14)

17A.38 Willful refusal shall be official misconduct.

The willful refusal of any elected official, department head, or other managerial city employee to discharge any duties imposed by this chapter, the Brown Act or the Public Records Act shall be deemed official misconduct. (Ord. No. 2008-11, 11-17-08)

17A.39 Enforcement provisions.

(a) Any person may institute proceedings for injunctive relief, declaratory relief, or writ of mandate in any court of competent jurisdiction to enforce that person's right to inspect or to receive a copy of any public record or class of public records under this chapter or to enforce that person's right to attend any meeting required under this chapter to be open, or to compel such meeting to be open.

(b) A court shall award costs and reasonable attorneys' fees to the plaintiff who is the prevailing party in an action brought to enforce this chapter.

(c) If a court finds that an action filed pursuant to this section is frivolous, the city may assert its rights to be paid its reasonable attorneys' fees and costs.

(d) Any person may institute proceedings for enforcement and penalties under this chapter in any court of competent jurisdiction if enforcement action is not taken by a city or state official fifty (50) days after a complaint is filed.
(Ord. No. 2008-11, 11-17-08)

17A.40 Chapter supersedes other local laws—Applies to all ordinances with open government application.

The provisions of this chapter supersede other local laws. Whenever a conflict in local law is identified, the requirement which would result in greater or more expedited public access to public information shall apply. The provisions of this chapter shall apply to all applicable and relevant provisions of the Gilroy City Code. (Ord. No. 2008-11, 11-17-08)

17A.41 Severability.

The provisions of this chapter are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this chapter, or the invalidity of the application thereof to any person or circumstances, shall not affect the validity of the remainder of this chapter, or the validity of its application to other persons or circumstances. (Ord. No. 2008-11, 11-17-08)

24.27 Operation and reporting provisions.

(a) Open Books and Records.

(1) Inspection. The city shall have the right upon thirty (30) days advance written notice to inspect and copy at any time during normal business hours all books and records reasonably necessary to monitor compliance with the terms of this ordinance, a franchise agreement, or applicable law; or reasonably necessary for the exercise of any right or duty of the city under the same. This right includes the right to inspect not only the books and records of a franchisee, but any such books and records held by an affiliate regardless of who holds them, a cable operator of the cable system, or any contractor, subcontractor or any person holding any form of management contract for the cable system. Each franchisee shall be responsible for collecting the information and producing it. For purposes of this article, the terms “books and records” shall be read expansively to include information in whatever format stored. Books and records requested shall be produced to the city at City Hall, except by agreement or pursuant to subsection 24.27(e) and subject to subsection 24.27(a)(2). Books and records shall be maintained in accordance with generally accepted accounting principles.

(2) Proprietary Information. Access to a franchisee’s books and records shall not be denied by the franchisee on the basis that said books and records contain proprietary information. However, all proprietary information received by the city from a franchisee and clearly marked as such shall not be publicly disclosed insofar as permitted by the California Public Records Act, Government Code [62547927](#), et seq., or its successor, and other applicable law. The city will notify franchisee if any third party seeks release of any document marked confidential and the city will withhold release for the maximum period permitted by law to provide the franchisee the opportunity to seek court protection against the release of the requested documents.

(3) Public Inspection. The franchisee shall maintain a file of records open to public inspection in accordance with applicable FCC rules and regulations.

(b) Production of Documents upon Request.

(1) Agency Reports. Upon request, and except as provided under subsection 24.27(c), a franchisee shall file with the city all reports required by the FCC including, without limitation, any proof of performance tests and results, Equal Employment Opportunity (“EEO”) reports, and all petitions, applications, and communications of all types directly related to the cable system, or a group of cable systems of which the franchisee’s cable system is a part, submitted or received by the franchisee, an affiliate, or any other person on the behalf of the franchisee, either to or from the FCC, the Security and Exchange Commission, or any other federal or state regulatory commission or agency having jurisdiction over any matter affecting operation of the franchisee’s cable system. Provided that, nothing herein requires the franchisee to produce regulatory or court filings that are treated by the agency or court as confidential, such as Hart-Scott-Rodino Act filings. Nothing in this subsection 24.27(b)(1) affects any rights the city may have to obtain books and records under subsection 24.27(a).

(2) Automatic Delivery of Certain Documents. Franchisee shall also deliver to the city the following:

- a. Notices of deficiency or forfeiture related to the operation of the cable system; and
- b. Copies of any request for protection under bankruptcy laws, or any judgment related to a declaration of bankruptcy by the franchisee or by any partnership or corporation that owns or controls the franchisee directly or indirectly. This material shall be submitted to the city at the time it is filed or within ten (10) days of the date it is received.

(c) Reports.

(1) Quarterly Reports. Within forty-five (45) days of the end of each calendar quarter, a franchisee shall submit a report to the city containing the following information:

- a. The number of service calls (calls requiring a truck roll) received by type during the prior quarter, and the percentage of service calls compared to the subscriber base by type of complaint; and
- b. The number and type of outages known by the franchisee for the prior quarter, identifying separately the following: each planned outage, the time it occurred, its duration, and the estimated area and number of subscribers affected; each known unplanned outage, the time it occurred, its estimated duration and the estimated area and the number of subscribers affected, and if known, the cause; the total estimated hours of known outages as a percentage of total hours of cable system operation. An outage is a loss of sound or video on any signal, or a significant deterioration of any signal affecting two (2) or more subscribers; and other information a franchisee is required to submit to the city on a quarterly basis pursuant to this article.

(2) Annual Reports. No later than ninety (90) days after the end of its fiscal year, a franchisee shall submit a written report to the city administrator in a form directed by the city administrator, which shall include:

- a. A summary of the previous year's activities in the development of the cable system, including but not limited to descriptions of services begun or discontinued, the number of subscribers gained or lost for each category of service;
- b. A summary of complaints for which records are required under subsection 24.27(d)(1), identifying both the number and nature of the complaints received and an explanation of their dispositions;
- c. A balance sheet as of the last day of the fiscal year and the related statement of revenues, expenses and charges in retained earnings, and statement of cash flows for the year then ended, all of which shall be fully audited or shall be certified;
- d. An ownership report, indicating all persons who at the time of the filing control or own an interest in the franchisee of ten (10) percent or more
- e. A list of officers and members of the board of directors of the franchisee and any affiliates directly involved in the operation or the maintenance of the cable system;
- f. An organizational chart showing all corporations or partnerships with more than a ten (10) percent interest ownership in the franchisee, and the nature of that ownership interest (limited partner, general partner, preferred shareholder, etc.); and showing the same information for each corporation or partnership that holds such an interest in the corporations or partnerships so identified and so on until the ultimate corporate and partnership interests are identified;
- g. An annual report of each entity identified in subsection 24.27(c)(2)d. which issues an annual report;
- h. A report on the cable system's technical tests and measurements;
- i. A complete report on its plant, which shall state the physical miles of plant construction and plant in operation during the fiscal year, including any revisions to the cable system "as built" maps filed with the city, and which shall report the results of appropriate electronic measurements conducted in conformance with applicable law;
- j. A proposed schedule of plant construction for the upcoming fiscal year; and
- k. Such other information as the city administrator or the city council may direct. If, as of January first of any year, the information required by subsections 24.27(c)(2)d.—f. is the same as was reported to the city in the prior year, the franchisee need only so state.

(3) Presentation of Report. The annual report shall be presented at a regular public meeting of the city council to be held no earlier than ten (10) days following submission of the report.

(4) Special Reports. Upon the city's request, each franchisee shall submit construction reports and make available for review updated as-built system design maps for its cable system for any construction undertaken during the term of the franchise. The maps shall be developed on the basis of post-construction inspection by

the franchisee and construction personnel to assess compliance with system design. Any material departures from design must be indicated.

(5) General Reports. Each franchisee shall prepare and furnish to the city, at the times and in the form prescribed by the city, such reports with respect to its operation, affairs, transactions or property, as may be reasonably necessary or appropriate to the performance of any of the rights, functions or duties of the city in connection with this article or a franchise agreement.

(d) Records Required. A franchisee shall at all times maintain:

(1) Complaints. Records of all complaints received with information sufficient to allow the franchisee to prepare the reports required in this section 24.27. The term “complaints” as used herein and throughout this article refers to complaints about any aspect of the cable system or franchisee’s operations, including, without limitation, complaints requiring service calls, and complaints about employee courtesy, billing, prices, programming, outages and signal quality;

(2) Plans. A full and complete set of plans, records, and “as built” maps showing the exact location of all system equipment installed or in use in the city, including subscriber service drops;

(3) Outages. Records of outages, indicating date, duration, area, and the estimated number of subscribers affected, type of outage, and cause;

(4) Service Calls. Records of service calls for repair and maintenance indicating the date and time service was required, the date of acknowledgment and date and time service was scheduled (if it was scheduled), and the date and time service was provided, and (if different) the date and time the problem was solved;

(5) Installations. Records of installation/reconnection and requests for service extension, indicating date of request, date of acknowledgment, and the date and time service was extended; and

(6) Public File. A public file showing its plan and timetable for construction of the cable system.

(e) Voluminous Materials. If any books, records, plans, or other documents requested under this article are too voluminous, or for security reasons cannot be copied and moved, then a franchisee may request that the inspection take place at some other location, provided that (i) the franchisee must make necessary arrangements for copying documents selected by the city after review; and (ii) the franchisee must pay all travel and copying expenses incurred by the city in inspecting those documents or having those documents inspected by its designee.

(f) Retention of Records; Relation to Privacy Rights. Franchisee shall ensure that it is able to provide the city all information which must be provided or may be requested under this article or a franchise agreement, including providing appropriate subscriber privacy notices. Nothing in this section shall be read to require a franchisee to violate 47 U.S.C. 551. Franchisee shall be responsible for preserving the confidentiality of any data that federal law prevents it from providing to the city. Records shall be kept for at least five (5) years. (Ord. No. 97-1, 1-6-97)



City of Gilroy

STAFF REPORT

Agenda Item Title: Introduction of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)

Meeting Date: November 6, 2023
 From: Jimmy Forbis, City Administrator
 Department: City Clerk
 Submitted By: Thai Nam Pham, City Clerk
 Prepared By: Thai Nam Pham, City Clerk

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

1. Motion to read the ordinance by title only and waive further reading of the ordinance; and
2. Introduce an ordinance amending Chapters 17A and 24 of the Gilroy City Code.

EXECUTIVE SUMMARY

This staff report presents an ordinance for City Council consideration and approval, aiming to bring Chapters 17A and 24 of the Gilroy City Code in line with recent legislative changes affecting the California Public Records Act (CPRA) by updating references to the CPRA codes.

BACKGROUND

The CPRA Recodification Act (AB 473), enacted by the California state legislature in 2021, led to a comprehensive renumbering and reorganization of the Public Records Act within a new Government Code division, starting at section 7920.0005. Consequently, an essential step is required to ensure that the Gilroy City Code accurately reflects these new CPRA codes.

ANALYSIS

The proposed ordinance entails amendments to two chapters of the Gilroy City Code, specifically Chapters 17A and 24, in response to recent legislative changes concerning the California Public Records Act (CPRA).

Amendment to Chapter 17A, titled "Public Meetings and Public Records"

This amendment primarily revolves around updating references within Chapter 17A to align with the newly reorganized CPRA codes. These changes, as outlined in detail in Exhibit 'A,' are essential to ensure the City's adherence to the CPRA in light of the legislative reconfiguration.

Amendment to Chapter 24, titled "Television Antennas"

Similar to Chapter 17A, Chapter 24 will undergo revisions to incorporate the updated CPRA references. The specific adjustments are explained in Exhibit 'B.'

Incorporation of Future Changes

To safeguard continued compliance with evolving state laws, an important aspect of this ordinance is the inclusion of the phrase "or its successor" after references to CPRA codes in both Chapter 17A and Chapter 24. This forward-looking provision ensures that the City Code remains adaptable to future CPRA developments.

ALTERNATIVES

The proposed ordinance primarily involves ministerial changes necessitated by recent legislative modifications to the CPRA. Council could choose to not adopt the recommended changes; however, this would render Gilroy out of compliance with State law.

FISCAL IMPACT/FUNDING SOURCE

There are no immediate fiscal impacts associated with the adoption of the proposed ordinance. Any costs related to updates or publication will be absorbed within the existing budget.

PUBLIC OUTREACH

Public outreach efforts were conducted regarding the proposed amendment. The outreach activities included:

1. Publication in the Gilroy Dispatch: On October 27, 2023, the proposed amendment was published in the Gilroy Dispatch
2. City's Website: The proposed amendment was also posted on the City's official website, accessible to the general public.

Introduction of an Ordinance Amending Chapters 17A and 24 of the Gilroy City Code in Compliance with the California Public Records Act (CPRA) Recodification Act (AB 473)

NEXT STEPS

Should Council approve the introduction of the proposed ordinance, Council will need to adopt the ordinance at its regular meeting on November 20, 2023. Once adopted, staff will update the Gilroy City Code.

Attachments:

1. Proposed Ordinance
2. Exhibit 'A': Proposed amendment language for Chapter 17A
3. Exhibit 'B': Proposed amendment language for Chapter 24

8.1. Purchase of Four Dodge Durango Police Pursuit Vehicles Via Alameda County Tag-On Bid Process (Master Contract No. 902035) in the Amount of \$229,002.04

1. Staff Report:
2. Public Comment
3. Possible Action:
 1. Approve the Purchase of Four (4) Dodge Durango Police Pursuit Vehicles in the Amount of \$229,002.04 from MY Jeep-Chrysler-Dodge-Ram Utilizing Alameda County Tag-On Bid Process and Authorize the City Administrator to Execute All Necessary Purchase Documents.
 2. Adopt a budget amendment resolution to re-appropriate the budget for the planned police pursuit vehicle purchases from fiscal year 2024-2025 (FY25) to fiscal year 2023-2024 (FY24).



City of Gilroy

STAFF REPORT

Agenda Item Title: Purchase of Four Dodge Durango Police Pursuit Vehicles Via Alameda County Tag-On Bid Process (Master Contract No. 902035) in the Amount of \$229,002.04

Meeting Date: November 20, 2023

From: Jimmy Forbis, City Administrator

Department: Administrative Services

Submitted By: LeeAnn McPhillips, Administrative Services and Human Resources Director / Risk Manager

Prepared By: LeeAnn McPhillips, Administrative Services and Human Resources Director / Risk Manager

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

1. Approve the Purchase of Four (4) Dodge Durango Police Pursuit Vehicles in the Amount of \$229,002.04 from MY Jeep-Chrysler-Dodge-Ram Utilizing Alameda County Tag-On Bid Process and Authorize the City Administrator to Execute All Necessary Purchase Documents.
2. Adopt a budget amendment resolution to re-appropriate the budget for the planned police pursuit vehicle purchases from fiscal year 2024-2025 (FY25) to fiscal year 2023-2024 (FY24).

EXECUTIVE SUMMARY

Consistent with the adopted budget for FY25, the Fleet Division budgeted for four police pursuit vehicles to replace aging vehicles in the City's fleet. Staff recently received notification of a short window to place an order for four 2024 police pursuit vehicles under a tag-on bid process issued by Alameda County. Placing the order now will ensure delivery in approximately July of 2024.

BACKGROUND

The Fleet Division has been working with the Police Department on strategically replacing select vehicles that have reached the end of their useful life. Gilroy's police pursuit vehicles are heavily utilized and experience significant wear and tear. The Fleet Division services and repairs police vehicles to keep vehicles in a safe condition and ready for high use deployment; however, the vehicles reach a point where they need to be replaced hence the budgeted vehicle replacements for FY25.

Due to the limited availability of police pursuit vehicles at this time, staff researched the available cooperative bidding processes available to local government agencies like Gilroy to take advantage of purchasing power to get the most competitive pricing. During this research, the City identified the tag-on bid available through the County of Alameda (Master Contract Number 902035). This tag-on bid was utilized for a single police vehicle purchased in FY22 and five police pursuit vehicles in FY23, allowing the Police Department to obtain needed vehicles at a competitive price negotiated through the tag-on bid process. Any dealer can compete in the competitive bid process; however, a very competitive pricing structure must be included for a dealer to be awarded the bid. Dealers will offer very competitive pricing to focus on volume sales. MY Jeep-Chrysler-Dodge-Ram in Salinas was awarded the Alameda County bid following a competitive bidding process.

Due to the competitive pricing structure and limited availability of police pursuit vehicles, this tag-on bid is the best option to obtain the vehicles needed expeditiously. In addition, the Police Department and the Fleet Division wish to remain with the Dodge Durango police pursuit vehicles selected previously to retain consistency with the patrol fleet.

ANALYSIS

Police personnel who utilize the police pursuit vehicles daily developed specifications for the vehicles needed. This purchase will be for four 2024 Dodge Durango Pursuit vehicles. The cost per vehicle is \$57,250.51 for a total expenditure of \$229,002.04. The profit mark-up is a very competitive \$2,500 per vehicle. Working with the Government Sales Manager at MY Jeep-Chrysler-Dodge-Ram in Salinas, an order for the four vehicles is now pending Council approval.

ALTERNATIVES

Due to the current limited inventory of police pursuit vehicles and the competitive pricing structure, other affordable alternatives are not feasible at this time.

FISCAL IMPACT/FUNDING SOURCE

A total of \$340,000 is budgeted for four police pursuit vehicle purchases in the adopted FY25 budget that the Council approved in June 2023. This amount also accounts for the outfitting that occurs once the vehicle is received (i.e., lights, computer equipment,

Gilroy PD logo, etc.). The vehicle pricing leaves sufficient funds in the budget for the required outfitting. As such, if approved, the purchase of these vehicles will be charged to the Fleet Fund (600) for \$229,002.04.

A budget amendment is included to re-appropriate the budget for the planned police pursuit vehicle purchases from FY25 to FY24.

PUBLIC OUTREACH

N/A.

NEXT STEPS

With the Council's approval, staff will move forward with purchasing the police pursuit vehicles. Once the vehicles are received, inspected, and accepted, the vehicles are outfitted for the Gilroy Police Department use and deployed in the field.

Attachments:

1. Gilroy PD Quote for Four 2024 Dodge Durango Police Pursuit Vehicles
2. Gilroy PD POC 2024 Dodge Durango Police Pursuit AWD
3. Budget Amendment Resolution

MY JEEP CHRYSLER DODGE
600 AUTO CENTER CIR
SALINAS, CA 939072503

Configuration Preview

Date Printed: 2023-10-17 7:58 PM
Estimated Ship Date:

VIN:
VON:

Quantity: 1
Status: BA - Pending order
FAN 1: 006Y5 CITY OF GILROY,
CALIFORNIA
FAN 2:
Client Code:
Bid Number: TB4054
PO Number:

Sold to:
MY JEEP CHRYSLER DODGE (24199)
600 AUTO CENTER CIR
SALINAS, CA 939072503

Ship to:
MY JEEP CHRYSLER DODGE (24199)
600 AUTO CENTER CIR
SALINAS, CA 939072503

Vehicle: 2024 DURANGO PURSUIT VEHICLE AWD (WDEE75)

	Sales Code	Description	MSRP(USD)
Model:	WDEE75	DURANGO PURSUIT VEHICLE AWD	43,075
Package:	22Z	Customer Preferred Package 22Z	0
	EZH	5.7L V8 HEMI MDS VVT Engine	3,115
	DFD	8-Spd Auto 8HP70 Trans (Buy)	0
Paint/Seat/Trim:	PXJ	DB Black Clear Coat	0
	APA	Monotone Paint	0
	*C5	Cloth Bucket Seats w/ Shift Insert	0
	-X9	Black	0
Options:	4ES	Delivery Allowance Credit	0
	MAF	Fleet Purchase Incentive	0
	LNA	Black Right LED Spot Lamp	610
	LNF	Black Left LED Spot Lamp	640
	CW6	Deactivate Rear Doors/Windows	90
	GXF	Entire Fleet Alike Key (FREQ 1)	350
	XDV	Driver Side Ballistic Door Panel	2,830
	XDG	Passenger Side Ballistic Door Panel	2,710
	ADL	Skid Plate Group	350
	4DH	Prepaid Holdback	0
	5N6	Easy Order	0
	4FM	Fleet Option Editor	0
	4FT	Fleet Sales Order	0
	171	Zone 71-Los Angeles	0
	4EA	Sold Vehicle	0
Non Equipment:	4FA	Special Bid-Ineligible For Incentive	0
Bid Number:	TB4054	Government Incentives	0
Discounts:	YG1	7.5 Additional Gallons of Gas	0
Destination Fees:			1,595

Total Price: 55,365 .

Order Type: Fleet
Scheduling Priority: 1-Sold Order
Salesperson:
Customer Name:
Customer Address: USA
PSP Month/Week:
Build Priority: 99

Note: This is not an invoice. The prices and equipment shown on this priced order confirmation are tentative and subject to change or correction without prior notice. No claims against the content listed or prices quoted will be accepted. Refer to the vehicle invoice for final vehicle content and pricing. Orders are accepted only when the vehicle is shipped by the factory.

Instructions:

Note: This is not an invoice. The prices and equipment shown on this priced order confirmation are tentative and subject to change or correction without prior notice. No claims against the content listed or prices quoted will be accepted. Refer to the vehicle invoice for final vehicle content and pricing. Orders are accepted only when the vehicle is shipped by the factory.



Gilroy Police Department
Attn: Juan Rocha, Captain

October 17, 2023

Formal quote: Four 2024 Dodge Durango Pursuit AWD SUV:

Powertrain: 5.7L Hemi V-8, 8-speed automatic and AWD with a two-speed transfer case

Colors: Black and white exterior with black cloth interior

Options: See attached configuration preview

\$52,285.00 = vehicle invoice price before taxes and fees

\$85.00 = doc fees

\$4,778.76 = City of Gilroy 9.125% sales tax

\$33.00 = DMV filing fee (exempt plates)

\$8.75 = tire tax

\$60.00 = delivery to Gilroy

\$57,250.51 = total cost per unit

\$229,002.04 = total cost for four units

An order for these vehicles will be submitted upon receipt of a purchase order from the City of Gilroy. Ordering is currently open for these models.

Thank you for the opportunity to provide this quote for your consideration.

Denis Greathead, Government Fleet Sales Manager
MY Jeep-Chrysler-Dodge-Ram / MY Chevrolet / Nissan-Kia
600 Auto Center Circle
Salinas, CA 93907
831-320-6519

RESOLUTION NO. 2023-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GILROY AMENDING THE BUDGET FOR FISCAL YEAR
2023-2024 AND FISCAL YEAR 2024-2025 IN THE FLEET
FUND (600)**

WHEREAS, the City Administrator prepared and submitted to the City Council a budget for the City of Gilroy for Fiscal Years 2023-2024 and 2024-2025, and the City Council carefully examined, considered, and adopted the same on June 5, 2023; and

WHEREAS, City Staff has prepared and submitted to the City Council proposed amendments to said budget for Fiscal Year 2024-2025 for the City of Gilroy in the staff report dated November 20, 2023, for purchasing four Dodge Durango Police Pursuit Vehicles.

NOW, THEREFORE, BE IT RESOLVED THAT the expenditure appropriations for Fiscal Year 2023-2024 in Fund 600 – Fleet Fund shall be increased by \$229,002, and expenditure appropriations for Fiscal Year 2024-2025 in Fund 600 – Fleet Fund shall be decreased by \$229,002.

PASSED AND ADOPTED this 20th day of November 2023 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Marie Blankley, Mayor

ATTEST:

Thai Nam Pham, City Clerk

9.1. Introduction and First Reading of an Ordinance of the City Council of the City of Gilroy Amending Chapter 30, Article LIV of the Gilroy City Code Relating to Accessory Dwelling Units (Z 23-05)

1. Staff Report:
2. Open Public Hearing
3. Close Public Hearing
4. Possible Action:
 1. Motion to read the ordinance by title only and waive further reading of the ordinance; and
 2. Introduce an ordinance of the City Council of the City of Gilroy amending Chapter 30, Article LIV of the Gilroy City Code relating to accessory dwelling units and find that it is statutorily exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15282(h) for the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code.



City of Gilroy

STAFF REPORT

Agenda Item Title: Introduction and First Reading of an Ordinance of the City Council of the City of Gilroy Amending Chapter 30, Article LIV of the Gilroy City Code Relating to Accessory Dwelling Units (Z 23-05)

Meeting Date: November 20, 2023
From: Jimmy Forbis, City Administrator
Department: Community Development
Submitted By: Sharon Goei, Community Development Director
Prepared By: Erin Freitas, Planner II

STRATEGIC PLAN GOALS

Promote Safe Affordable Housing for All

RECOMMENDATION

1. Motion to read the ordinance by title only and waive further reading of the ordinance; and
2. Introduce an ordinance of the City Council of the City of Gilroy amending Chapter 30, Article LIV of the Gilroy City Code relating to accessory dwelling units and find that it is statutorily exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15282(h) for the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code.

EXECUTIVE SUMMARY

Senate Bill (SB) 897, Assembly Bill (AB) 2221, and Assembly Bill (AB) 976 amend Section 65852.2 of the Government Code regarding accessory dwelling units (ADUs). SB 897 and AB 2221 became effective on January 1, 2023, and AB 976 will become effective on January 1, 2024. The proposed zoning text amendments are recommended to ensure the city code is consistent with state law.

BACKGROUND

On September 28, 2022, Governor Newsom signed Senate Bill (SB) 897 and Assembly Bill (AB) 2221, and on October 11, 2023, he signed Assembly Bill (AB) 976 amending Section 65852.2 of the Government Code regarding accessory dwelling units (ADUs). These bills include modifications such as clarifying standards imposed must be objective, front setbacks must allow at least an 800 square foot ADU, setting new height allowances based on property location and proximity to high-quality transit, and removing owner occupancy requirements. SB 897 and AB 2221 became effective on January 1, 2023, and AB 976 will become effective on January 1, 2024. The proposed zoning text amendments to Chapter 30, Article LIV of the Gilroy City Code are proposed to be consistent with state law.

Environmental Assessment:

Section 15282(h) of the California Environmental Quality Act (CEQA) Guidelines statutorily exempts from further environmental review those projects involving the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code. The subject zoning ordinance amendments are covered under Section 15282(h) of the CEQA Guidelines.

Planning Commission Review:

On November 2, 2023, the Planning Commission considered the draft ordinance and voted 5-1-1 (one opposed, one absent) recommending the adoption of the ordinance. No public comment was received. The Commission had questions about any modifications in the ordinance that were not required per state law, specifically regarding deed restriction, encroachment into the front setback, and ADU size. The following is a detailed explanation of these topics raised by the Planning Commission:

- **Deed restrictions:** The state law states that local agencies may require a deed restriction on a JADU. The state law has no requirements for a deed restriction on an ADU. The following cities do not require deed restrictions: Los Altos Hills, Los Gatos, Monte Sereno, and Sunnyvale. Currently, the City of Gilroy's zoning ordinance requires a deed restriction on an ADU or a JADU. Requiring a deed restriction can create a barrier and delay for a property owner to permit an ADU or a JADU. Therefore, staff proposes removing the deed restriction requirement and instead asks for an affidavit from the property owner. This aligns with a program in the 2023-2031 Housing Element to update the ADU ordinance to incentivize ADU production by replacing the ADU deed restriction requirement with an owner affidavit form that does not require recordation at the County. This change will accelerate and streamline the process for approving ADUs in the City.
- **Front setback encroachment:** The current zoning ordinance requires accessory dwelling units not to encroach upon the required front yard setback. AB 2221 modified Gov. Code Section 65852.2(c)(2)(C) which now states that a local agency shall not establish by ordinance any limits, including front setbacks, that

do not permit at least an 800 square foot accessory dwelling unit with four-foot side and rear yard setbacks. The City modified Section 30.54.30(f)(1) in the zoning ordinance to reflect this language and be consistent with state law.

- **ADU size:** The current zoning ordinance allows the maximum size of a detached ADU to be 1,000 square feet. The maximum size for an attached ADU previously allowed up to 50% of the existing primary dwelling unit or up to 800 square feet. Staff further reviewed the state law and comments provided by HCD to other jurisdictions and determined this section of the zoning ordinance should be modified to clarify that an 850-square-foot one-bedroom or 1,000-square-foot two-more bedroom is allowed as stated in Gov. Code Sec. 65852.2(c)(2)(B). The ADU size was only modified to reflect the minimum required size per state law. Staff did not propose a change to the maximum square footage as that did not change in state law, and the current maximum size of 1,000 square feet that Council previously approved is compliant.

ANALYSIS

State laws SB 897 and AB 2221 became effective January 1, 2023, and AB 976 will become effective on January 1, 2024, requiring modifications to the City's zoning ordinance for accessory dwelling units.

The following table summarizes the amendments proposed to be consistent with new state laws. The revised draft ADU Ordinance is attached with changes shown in strikeout and underlined text (See Attachment 1).

Topic	Section	Action
ADU conveyance	30.54.20 (b) and (c)	Amended to allow separate conveyance as permitted by Govt. Code Section 65852.26(a).
Deed restriction	30.54.20 (c)	Amended to remove the requirement of a recorded deed restriction and instead accept an affidavit from the property owner.
Owner occupancy	30.54.20 (c); 30.54.40 (a)	Amended to remove owner occupancy requirement per state law.
Design standards	30.54.20 (e)	Amended to include "objective" design standards and that zoning must allow for the construction of at least an 800 square foot ADU with four-foot side and rear setbacks per state law.
Independent utility connections	30.54.20 (j)	Removed. Not consistent with state law.
Number of ADUs	30.54.30 (c) and Preamble	Amended to include language precisely as stated in state law.

ADU size for internal conversions	30.54.30 (d)(2)	Removed internal conversions of existing living space because the state law does not limit the size of internal conversions. Added language to include size allowed for attached ADUs per state law which states attached ADUs shall not exceed 50 percent of the existing primary dwelling but shall allow at least an 850 square foot one-bedroom unit or 1,000 square foot two or more-bedroom unit.
ADU height maximums	30.54.30 (e)(1); 30.54.30 (e)(3); 30.54.50(c)	Amended to comply with state law to allow height for detached ADUs up to 18 feet within a ½ mile of a major transit stop or high-quality transit corridor or on multifamily zoned properties with a multifamily, multi-story dwelling structure.
Front yard setbacks	30.54.30(f)(1)	Amended to not preclude construction of an 800 square foot ADU with four-foot side and rear setbacks per state law.
Driveway standard	30.54.30 (g)	Removed the requirement for driveway clearance of 18 feet from the back of the sidewalk which is not required per state law.
Compatible with existing primary dwelling	30.54.30 (h)(1)	Removed “not limited to” which is considered to be subjective language.
Streamlined ADUs	30.54.30 (i)	Removed. The language includes requirements not consistent with state law. All ADUs are streamlined and ministerially approved.
Shared bathroom	30.54.40 (f)	Amended to include that a JADU shall have an interior entry to the main living area if the JADU shares a bathroom with the primary dwelling unit.
Definitions	30.54.60	Added “high-quality transit corridor”, “major transit stop”, and “objective standards” per state law.

The following analysis further demonstrates the amendments would be consistent with the general purpose of the Zoning Ordinance and applicable General Plan goals and

policies.

General Plan Consistency: The proposed amendments are consistent with the Gilroy 2040 General Plan Land Use Goal LU 3 to provide a variety of housing types that offer choices for Gilroy residents and create complete, livable neighborhoods; the Gilroy 2023-2031 Housing Element Goal 1 (Housing Production) to encourage the production of a variety of housing types for Gilroy residents; and the Gilroy 2023-2031 Housing Element Goal 2 (Removal of Government Constraints) to periodically review City regulations and ordinances to ensure that they do not constrain housing development and are consistent with state law.

Zoning Text Amendment Review: Pursuant to City Code Section 30.52.40, the Planning Commission may recommend approval, recommend modifications, or deny the proposed ordinance amendment. The draft Ordinance includes findings demonstrating that the amendment is appropriate and necessary to carry out the general purpose of the Zoning Ordinance and comply with applicable General Plan goals and policies. Pursuant to Section 30.52.60, the City Council may approve, modify, or disapprove a proposed ordinance amendment. The action by the City Council shall be final and conclusive. Ordinances become effective 30 days after adoption by the City Council.

ALTERNATIVES

Council may decline the introduction of the ordinance. This would mean that the City continues to defer to state law regarding regulation of ADUs. Should Council choose to modify the proposed ordinance, staff would return with a revised ordinance.

FISCAL IMPACT/FUNDING SOURCE

Staff time and resources required to adopt new zoning regulations to implement the state requirements are typically funded under the Department's operational budget and through the City's General Fund. No other funding resources are necessary at this time.

PUBLIC OUTREACH

A notice of the November 20, 2023 City Council meeting was advertised in the Gilroy Dispatch on Friday, November 10, 2023 (no less than 10 days prior to the meeting). The City Council public hearing packets are available through the City's webpage. Since the amendments apply city-wide, a separate mailed notice to property owners was not required. No public comments have been received on the proposed amendments.

NEXT STEPS

If the proposed ordinance is introduced, it will be placed on the consent calendar of the next City Council meeting for adoption, tentatively scheduled for December 4, 2023. The ordinance will become effective 30 days following adoption. Staff will submit the

Introduction of an Ordinance of the City Council of the City of Gilroy Amending Chapter 30, Article LIV of the Gilroy City Code Relating to Accessory Dwelling Units (Z 23-05)

adopted ADU ordinance for review by the State of California Housing and Community Development Department (HCD) for compliance with state law.

Attachments:

1. Proposed Accessory Dwelling Unit Ordinance
2. Planning Commission Staff Report (November 2, 2023)

ORDINANCE 2023-XX

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
GILROY AMENDING THE GILROY CITY CODE, CHAPTER
30 (ZONING), ARTICLE LIV REGARDING ACCESSORY
DWELLING UNITS**

WHEREAS, the Gilroy City Code Chapter 30 (Zoning), Article LIV currently regulates accessory dwelling units within the city; and

WHEREAS, Senate Bill No. 897 and Assembly Bill No. 2221 were approved by the Governor and filed with the Secretary of State on September 28, 2022, and amended Section 65852.2 of the Government Code, which became effective January 1, 2023; and

WHEREAS, Assembly Bill No. 976 was approved by the Governor and filed with the Secretary of State on October 11, 2023, and amended Section 65852.2 of the Government Code, and will be effective January 1, 2024; and

WHEREAS, Senate Bill No. 897, Assembly Bill No. 2221, and Assembly Bill No. 976 require text amendments to Gilroy City Code Chapter 30 (Zoning), Article LIV regarding accessory dwelling units; and

WHEREAS, the adoption of the Zoning Ordinance text amendments is statutorily exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15282(h) for projects involving the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code; and

WHEREAS, on November 2, 2023, the Planning Commission held a duly noticed public meeting, at which time the Planning Commission received and considered the staff report as well as all evidence received including written and oral public testimony related to the proposed Zoning Amendments (Z 23-05); and

WHEREAS, the City Council held a duly noticed public hearing on November 20, 2023, at which time the City Council received and considered Zoning Amendment file number Z 23-05, took and considered written and oral public testimony, the staff report, and all other documentation related to application Z 23-05; and

WHEREAS, in accordance with City of Gilroy Chapter 30 (Zoning), Article LII (Amendment to the Zoning Ordinance), the Planning Commission has recommended, and the City Council finds, that the proposed Zoning Ordinance text amendment is necessary to carry out the general purpose of the Zoning Ordinance, and applicable General Plan goals and policies including Gilroy 2040 General Plan Land Use Goal LU 3 to provide a variety of housing types that offer choices for Gilroy residents and create complete, livable neighborhoods; Gilroy 2023-2031 Housing Element Goal 1 (Housing Production) to encourage the production of a variety of housing types for Gilroy residents;

and Gilroy 2023-2031 Housing Element Goal 2 (Removal of Government Constraints) to periodically review City regulations and ordinances to ensure that they do not constrain housing development and are consistent with state law; and

WHEREAS, the location and custodian of the documents or other materials which constitute the record of proceedings upon which the project approval is based is the office of the City Clerk.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GILROY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I

The foregoing recitals are true and correct and are incorporated herein by this reference.

SECTION II

The amendments to the Gilroy City Code, Chapter 30 (Zoning), Article LIV, set forth in Exhibit 'A' regarding accessory dwelling units, are hereby adopted.

SECTION III

If any section, subsection, subdivision, sentence, clause, or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise void or invalid by any court of competent jurisdiction, the validity of the remaining portion of this Ordinance shall not be affected thereby.

SECTION IV

Pursuant to section 608 of the Charter of the City of Gilroy, this Ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

PASSED AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the ___ day of ___ 2023 by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

APPROVED:

Marie Blankley, Mayor

ATTEST:

Thai Nam Pham, City Clerk

Attachment:

1. Exhibit 'A': Proposed amendment language for Chapter 30, Article LIV

DRAFT

EXHIBIT 'A' of ORDINANCE 2023-XX

Chapter 30 ZONING ORDINANCE

ARTICLE LIV. ACCESSORY DWELLING UNITS

30.54.10 Purpose and intent.

The intent of this article is to provide for accessory dwelling units and junior accessory dwelling units on lots zoned to allow single-family, duplex and multifamily dwelling residential use and that include a proposed or existing primary residential dwelling consistent with California Government Code Section 65852.2. Accessory dwelling units contribute needed housing to the City of Gilroy's housing stock and enhance housing opportunities. An accessory dwelling unit is considered a residential use that is consistent with the existing general plan and zoning designations for the lot. The accessory dwelling unit is not included in calculation of residential density for the purposes of determining general plan conformance.

30.54.20 General requirements.

Notwithstanding any local ordinance regulating the issuance of variances or special use permits, or regulations adopted herein to the contrary, an application for a building permit to construct an accessory dwelling unit or junior accessory dwelling unit shall be approved or denied ministerially without discretionary review or hearing within sixty (60) days from the date the city receives a completed application if there is an existing single-family or multifamily dwelling on the lot. The following requirements apply to all accessory dwelling units:

(a) An accessory dwelling unit shall not be rented for periods less than thirty (30) days. Short-term rentals are prohibited.

(b) An accessory dwelling unit shall not be sold separately from the primary residential structure except as permitted by California Government Code Section 65852.26(a).

(c) Prior to the issuance of a building permit for an accessory dwelling unit and/or a junior accessory dwelling unit, the owner must sign an affidavit record a deed restriction stating that any accessory dwelling unit on the property may not be rented for periods less than thirty (30) days and that any accessory dwelling unit may not be transferred or sold separately from the primary residential structure except as permitted by California Government Code Section 65852.26(a). ~~In addition, the deed restriction for a junior accessory dwelling unit shall include an owner occupancy requirement in compliance with this article. However, there shall be no owner occupancy requirement imposed on an accessory dwelling unit that is permitted on or after January 1, 2020.~~

(d) The installation of fire sprinklers shall not be required for an accessory dwelling unit if sprinklers are not otherwise required for the primary residence.

(e) Accessory dwelling units are subject to the objective design standards and other zoning requirements of the zoning district in which the existing primary dwelling is located and must be built in accordance with the building code set forth in Chapter 6, except for those design, zoning, and building standards inconsistent with state requirements under California Government Code Section 65852.2. Zoning standards and requirements will be modified if they would preclude the construction of at least an 800 square foot attached or detached dwelling unit with four-foot side and rear yard setbacks.

(f) An accessory dwelling unit is not subject to residential accessory structure regulations.

(g) An accessory dwelling unit will not be subject to any charges and fees other than building permit fees generally applicable to residential construction in the zone in which the property is located, except as otherwise provided herein.

(h) Any connection fees and capacity charges that may be required must be assessed in compliance with the provisions of Government Code Sections 65852.2 and 65852.22.

(i) The accessory dwelling unit must contain water, sewer and gas and/or electric utility connections that are in working condition upon its occupancy. The accessory dwelling unit may be serviced by the primary residence or may have separate utility meters. The accessory dwelling unit will not be considered a new residential use for the purpose of calculating connection fees or capacity charges for these utilities.

~~(j) Subject to Government Code Section 65852.2(f)(4), an accessory dwelling unit must have an independent electrical subpanel, water heating and space heating equipment within the unit or be readily accessible to the occupant on the exterior of the unit.~~

~~(j)~~ Ministerial approval of a permit for creation of an accessory dwelling unit shall not be conditioned on the correction of preexisting nonconforming zoning conditions.

~~(k)~~ A certificate of occupancy for any accessory dwelling unit shall not be issued before the local agency issues a certificate of occupancy for the primary dwelling.

~~(l)~~ If the applicant requests a delay in processing, the sixty (60) day time period shall be tolled for the period of the delay.

30.54.30 Single-family residential accessory dwelling unit standards.

Notwithstanding any other provisions of this article or of this chapter to the contrary, ~~one~~ ~~(1)~~ residential accessory dwelling unit shall be a permitted as a single-family residential use that complies with California Government Code Section 65852.2 and the following:

(a) Zoning. An accessory dwelling unit shall be allowed on any residential parcel in any zoning district that permits residential or mixed use development and which contains an

existing or proposed primary single-family residential use.

~~(b) Number. Only one (1) detached accessory dwelling unit may be permitted on a parcel that contains not more than one (1) existing or proposed single-family residence.~~

~~(be)~~ Primary Dwelling Relationship. An accessory dwelling unit may be within, attached to, or detached from the proposed or existing primary dwelling; provided, that a single-family residential accessory dwelling unit contained within or attached to an existing primary dwelling unit shall have independent exterior access from the existing residence.

(c) Unit Type Combinations. Ministerial approval for a building permit within a residential or mixed-use zone is permitted to create any of the following:

(1) One accessory dwelling unit and one junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if all of the following apply:

(i) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

(ii) The space has exterior access from the proposed or existing single-family dwelling.

(iii) The side and rear setbacks are sufficient for fire and safety.

(iv) The junior accessory dwelling unit complies with the requirements of this article and Government Code Section 65852.22.

(2) One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling.

(d) Size.

(1) A detached accessory dwelling unit shall not exceed a maximum size of one thousand (1,000) square feet in floor area.

(2) An attached accessory dwelling unit ~~, including internal conversions of existing primary living space,~~ shall be permitted but shall not exceed fifty percent (50%) of the existing primary dwelling gross floor area, garage area excluded. Notwithstanding this requirement, an eight hundred fifty ~~(800)~~ 850 square-foot one bedroom or one thousand (1,000) square-foot two or more-bedroom

accessory dwelling unit shall be allowed.

(e) Height.

(1) The maximum height for a ~~an~~ detached accessory dwelling unit shall be one (1) story and sixteen (16) feet. Detached accessory dwelling units located within a half-mile of a major transit stop or high-quality transit corridor are permitted to a maximum height of 18 feet, and may be up to two feet or taller, for a maximum of 20 feet, if necessary to match the roof pitch of the primary dwelling unit.

(2) The maximum height for a structure composed of a detached garage and an accessory dwelling unit that is proposed to be constructed above a detached garage shall be twenty-four (24) feet.

(3) An accessory dwelling unit attached to the primary dwelling is limited to the height allowed in the underlying zoning district.

(f) Setbacks. An accessory dwelling unit is subject to the design criteria and zoning requirements of the district in which the existing single-family dwelling is located and as follows:

(1) An accessory dwelling unit must not encroach upon the required front yard area unless it would preclude the construction of at least an eight hundred (800) square foot accessory dwelling unit with four-foot side and rear yard setbacks.

(2) A setback of four (4) feet from the side and rear lot lines shall be required for a newly constructed accessory dwelling unit that is not constructed in the same location and to the same dimensions as an existing structure.

(3) No additional zoning setback is required for conversion of an existing permitted accessory structure, living area, or garage space, or conversion of a structure that is constructed in the same location and to the same dimensions as the existing structure.

(g) Parking. One (1) additional parking space shall be required for a newly constructed accessory dwelling unit, which may be located within the front setback, in tandem and in an existing driveway ~~that provides at least eighteen (18) feet of clearance from the back of sidewalk.~~ Parking in setback areas or tandem parking may be denied if found to be infeasible due to specific site or life safety conditions. Notwithstanding the above, a parking stall will not be required for an accessory dwelling unit that meets any of the following criteria:

(1) The accessory dwelling unit is created as a result of the conversion of existing area of the single-family residence or existing permitted single-family residential accessory structure.

(2) An existing single-family residential garage, carport or parking structure is converted or demolished to accommodate an accessory dwelling unit in the same location.

(3) The accessory dwelling unit is within one-half (1/2) mile walking distance of a public transit station, such as a bus stop or train station.

(4) The property is within an architecturally and historically significant historic district.

(5) On-street parking permits are required in the area but not offered to the occupant of the residential accessory dwelling unit.

(6) A car share vehicle is located within one (1) block of the accessory dwelling unit.

(h) Design Standards. Architectural review of an attached or detached accessory dwelling unit will be limited to the following:

(1) The design of the single-family residential accessory dwelling unit must be compatible with the existing primary dwelling. This may be achieved through use of the same architectural details, including ~~but not limited to,~~ window styles, roof slopes, exterior materials, and colors. Architectural review shall not unreasonably restrict construction of the accessory dwelling unit.

(2) An accessory dwelling unit located within a historic site or neighborhood combining district will be subject to ministerial review for compliance with the design review criteria set forth in ~~section~~ Section 30.27.40 and must be consistent with the Secretary of the Interior's Standards for the Treatment of Historic Properties.

(3) Outside stairways serving a second story accessory dwelling unit shall not be constructed on any building elevation facing a public street.

(4) No passageway will be required in conjunction with the construction of an accessory dwelling unit.

(5) An accessory dwelling unit must be built in accordance with the building code set forth in Chapter 6, except that any design, zoning, and building standards inconsistent with state requirements under California Government Code Section 65852.2 shall not apply.

~~(i) Streamlined Accessory Dwelling Units. Notwithstanding the above restrictions of this section, a building permit application shall be ministerially approved for an attached or detached single-family accessory dwelling unit that is proposed on a lot with a proposed or existing family dwelling if the accessory dwelling unit complies with all of the following~~

~~minimum standards:~~

- ~~(1) The front yard setback requirement is provided for new construction;~~
- ~~(2) A setback of at least four (4) feet is provided from side and rear lot lines;~~
- ~~(3) No greater than eight hundred (800) square feet of floor area is proposed;~~
~~and~~
- ~~(4) No greater than sixteen (16) feet of height is proposed.~~

30.54.40 Junior accessory dwelling unit standards.

Notwithstanding any other provisions in this article or of this chapter to the contrary, a junior accessory dwelling unit shall be permitted within a single-family residential unit in compliance with the following standards:

~~(a) Owner occupancy of the property shall be required. The owner must reside in the primary single-family residence, junior accessory dwelling unit or separate residential accessory dwelling unit constructed on the property in compliance with this article.~~

~~(ab)~~ One (1) junior accessory dwelling unit may be permitted per residential lot zoned for a single-family residential use; provided, that the lot has not more than one (1) existing or proposed single-family residence, and not more than one (1) attached or detached residential accessory dwelling unit if constructed in compliance with all applicable limitations of Ssection 30.54.30.

~~(be)~~ The unit must be constructed within the existing walls of an existing or proposed single-family dwelling.

~~(cd)~~ The square footage of the unit shall be at least the minimum size required for an efficiency unit, up to a maximum size of five hundred (500) square feet in floor area.

~~(de)~~ A separate entrance from the unit to the exterior of the residence shall be provided. Internal connection may also be permitted.

~~(ef)~~ An efficiency kitchen must be provided in the unit which shall include all of the following:

- (1) A cooking facility with appliances, which may be countertop appliances.
- (2) A food preparation counter and storage cabinets that are of reasonable size in relation to the size of the junior accessory dwelling unit.

~~(fe)~~ The unit may include separate bathroom facilities or may share bathroom facilities contained within the primary residence. If a bathroom facility is shared with a primary

residence, a separate interior entry to the main living area is required.

(~~gh~~) No separate utility connection, connection fee or capacity charge, or parking space shall be required for a junior accessory dwelling unit.

30.54.50 Multifamily and duplex residential accessory dwelling unit standards.

Notwithstanding any other provisions of this article or of this chapter to the contrary, accessory dwelling units within duplex or multifamily zoned and developed properties shall be permitted and comply with the following:

(a) Portions of the existing duplex or multifamily dwelling structure(s) that are not used as livable space (including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages) may be converted for use as accessory dwelling units; provided, that the total number of units must not exceed twenty-five percent (25%) of the existing multifamily dwelling units or one (1) unit, whichever is greater.

(b) An owner may also construct up to a maximum of two (2) detached accessory dwelling units on a lot that has an existing permitted or proposed duplex or multifamily dwelling, subject to a height limit of sixteen (16) feet and four (4) foot rear yard and side setbacks.

(c) Height. Accessory dwelling units are limited to a maximum height of 16 feet, except as established below:

(1) A detached accessory dwelling unit located within a half-mile of a major transit stop or high-quality transit corridor is limited to a maximum height of 18 feet, and may be up to two feet taller, for a maximum of 20 feet, if necessary to match the roof pitch of the primary dwelling unit.

(2) A detached accessory dwelling unit located on a parcel with a multistory, multifamily dwelling structure is limited to a maximum height of 18 feet.

(~~de~~) Each unit shall be limited in accordance with the maximum size parameters provided in section 30.54.30(d)

30.54.60 Definitions.

As used in this article, the following terms shall be defined as follows:

“Accessory dwelling unit” means an attached or a detached residential dwelling unit that provides complete independent living facilities for one (1) or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking and a food preparation area (which may include countertop appliances), and sanitation on the same parcel as the

single-family or multifamily dwelling is or will be situated. "Accessory dwelling unit" also includes the following:

- (a) An efficiency unit, as defined in California Health and Safety Code Section 17958.1.
- (b) A manufactured home, as defined in California Health and Safety Code Section 18007.

"Attached accessory dwelling unit" means a residential dwelling unit that is created as a result of internal conversion, addition, or combination thereof made to the primary residential dwelling unit.

"High-quality transit corridor" means a corridor with fixed bus route service with service intervals no longer than 15 minutes during peak commute hours as defined in Section 21155 of the Public Resources Code.

"Junior accessory dwelling unit" means a unit that is no more than five hundred (500) square feet in size and contained entirely within a single-family residence. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.

"Living area" means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.

"Major transit stop" means an existing rail or bus rapid transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods as defined in Section 21064.3 of the Public Resources Code.

"Nonconforming zoning condition" means a physical improvement on a property that does not conform with current zoning standards.

"Objective standards" means standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal.

"Public transit" means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

"Tandem parking" means that two (2) or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.



Community Development Department

Sharon Goei
DIRECTOR

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Telephone: (408) 846-0451 | Fax: (408) 846-0429
cityofgilroy.org | planningdivision@cityofgilroy.org

DATE: November 2, 2023
TO: Planning Commission
FROM: Erin Freitas
SUBJECT: Zoning Ordinance Amendment to Modify Chapter 30, Article LIV of the
Gilroy City Code Relating to Accessory Dwelling Units (Z 23-05)

RECOMMENDATION:

Staff has analyzed the proposed project, and recommends that the Planning Commission:

- a. Recommend that the City Council, based on its independent analysis, find that approval of the Gilroy City Code (Zoning) amendment is statutorily exempt from review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15282(h) for the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code; and
- b. Recommend that the City Council adopt an Ordinance (Z 23-05), approving amendments to the Gilroy City Code, Chapter 30 (Zoning), Article LIV regarding Accessory Dwelling Units.

EXECUTIVE SUMMARY:

On September 28, 2022, Governor Newsom signed Senate Bill (SB) 897 and Assembly Bill (AB) 2221 and on October 11, 2023 signed Assembly Bill (AB) 976 amending Section 65852.2 of the Government Code regarding accessory dwelling units (ADUs). These bills include modifications such as: clarifying standards imposed must be objective, front setbacks must allow at least an 800 square foot ADU, new height allowances based on property location and proximity to high quality transit and removing owner occupancy requirements. SB 897 and AB 2221 became effective on January 1, 2023 and AB 976 will become effective on January 1, 2024. The proposed zoning text amendments are recommended to ensure the city code is consistent with state law.

Environmental Assessment:

Section 15282(h) of the California Environmental Quality Act (CEQA) Guidelines statutorily exempts from further environmental review those projects involving the adoption of an ordinance regarding second units in a single-family or multifamily

residential zone by a city or county to implement the provisions of Section 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code. The subject zoning ordinance amendments are covered under Section 15282(h) of the CEQA Guidelines.

DISCUSSION AND ANALYSIS:

State laws SB 897 and AB 2221 became effective January 1, 2023 and AB 976 will become effective on January 1, 2024 requiring modifications to the City's Zoning Ordinance for accessory dwelling units.

The following table provides a summary of the amendments proposed to be consistent with new state laws. The revised draft ADU Ordinance is attached with changes shown in strikeout and underline text (See Attachment).

Topic	Section	Action
ADU conveyance	30.54.20 (b) and (c)	Amended to allow separate conveyance as permitted by Govt. Code Section 65852.26(a).
Deed restriction	30.54.20 (c)	Amended to remove requirement of a recorded deed restriction and instead accept an Affidavit from the property owner.
Owner occupancy	30.54.20 (c); 30.54.40 (a)	Amended to remove owner occupancy requirement per state law.
Design standards	30.54.20 (e)	Amended to include "objective" design standards and zoning must allow for construction of at least an 800 square foot ADU with four-foot side and rear setbacks per state law.
Independent utility connections	30.54.20 (j)	Removed. Not consistent with state law.
Number of ADUs	30.54.30 (c) and Preamble	Amended to include language precisely as stated in state law.
ADU size for internal conversions	30.54.30 (d)(2)	Removed internal conversions of existing living space because the state law does not limit the size of internal conversions. Added language to include size allowed for attached ADUs per state law which states attached ADUs shall not exceed 50 percent of the existing primary dwelling but shall allow at least an 850

		square foot one bedroom unit or 1,000 square foot two or more-bedroom unit.
ADU height maximums	30.54.30 (e)(1); 30.54.30 (e)(3); 30.54.50(c)	Amended to comply with state law to allow height for detached ADUs up to 18 feet within ½ mile of a major transit stop or high-quality transit corridor or on multifamily zoned properties with a multifamily, multi-story dwelling structure.
Front yard setbacks	30.54.30(f)(1)	Amended so as not to preclude construction of an 800 square foot ADU with four-foot side and rear setbacks per state law.
Driveway standard	30.54.30 (g)	Removed requirement for driveway clearance of 18 feet from back of sidewalk which is not required per state law.
Compatible with existing primary dwelling	30.54.30 (h)(1)	Removed “not limited to” which is considered to be subjective language.
Streamlined ADUs	30.54.30 (i)	Removed. The language includes requirements not consistent with state law. All ADUs are streamlined and ministerially approved.
Shared bathroom	30.54.40 (f)	Amended to include that a JADU shall have an interior entry to the main living area if the JADU shares a bathroom with the primary dwelling unit.
Definitions	30.54.60	Added “high-quality transit corridor”, “major transit stop”, and “objective standards” per state law.

The proposed zoning text amendments require approval from City Council, following review and recommendation by the Planning Commission. The following analysis further demonstrates the amendments would be consistent with the general purpose of the Zoning Ordinance and applicable General Plan goals and policies.

General Plan Consistency: The proposed amendments are consistent with the Gilroy 2040 General Plan Land Use Goal LU 3 to provide a variety of housing types that offer choices for Gilroy residents and create complete, livable neighborhoods; Gilroy 2023-2031 Housing Element Goal 1 (Housing Production) to encourage the production of a variety of housing types for Gilroy residents; and Gilroy 2023-2031 Housing Element Goal 2 (Removal of Government Constraints) to periodically review City regulations and ordinances to ensure that they do not constrain housing development and are consistent with state law.

Zoning Text Amendment Review: Pursuant to City Code Section 30.52.40, the Planning Commission may recommend approval, recommend modifications, or deny the proposed ordinance amendment. The draft Ordinance includes findings demonstrating that the amendment is appropriate and necessary to carry out the general purpose of the Zoning Ordinance and comply with applicable General Plan goals and policies. Pursuant to Section 30.52.60, the City Council may approve, modify, or disapprove a proposed ordinance amendment. The action by the City Council shall be final and conclusive. Ordinances become effective 30 days after adoption by the City Council.

PUBLIC NOTICING:

A notice of the November 2, 2023 Planning Commission meeting was advertised in the Gilroy Dispatch on Friday, October 20, 2023 (no less than 10 days prior to the meeting). The Planning Commission public hearing packets are available through the City's webpage. No public comments have been received on the proposed amendment.

CONCLUSION AND NEXT STEPS

Staff recommends that the Planning Commission recommend approval of the draft changes to City Code, Chapter 30 (Zoning), Article LIV regarding Accessory Dwelling Units. Alternatively, the Planning Commission can deny the zoning text amendments or recommend modifications to the Ordinance. However, this is not recommended since the City would remain inconsistent with state law. The recommendation of the Planning Commission shall be forwarded to the City Council. The Council hearing date is tentatively scheduled for November 20, 2023.

Attachment:

Draft Accessory Dwelling Unit Ordinance

11.1. Renaming the Downtown Pop-Up Park and Installing a Plaque in Honor of Donald “Elvis” Prieto

1. Staff Report:
2. Public Comment
3. Possible Action:

Council approve naming the Downtown Pop-Up Park the Donald “Elvis” Prieto Park and the installation of a privately funded memorial plaque.



City of Gilroy

STAFF REPORT

Agenda Item Title: Renaming the Downtown Pop-Up Park and Installing a Plaque in Honor of Donald “Elvis” Prieto

Meeting Date: November 20, 2023

From: Jimmy Forbis, City Administrator

Department: City Council

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Not Applicable

RECOMMENDATION

Council approve naming the Downtown Pop-Up Park the Donald “Elvis” Prieto Park and the installation of a privately funded memorial plaque.

BACKGROUND

At the June 5, 2023 regular meeting of the City Council, Council Member Bracco requested, and Council unanimously consented, to hear a future Council-initiated agenda item about renaming the downtown pop-up park in honor of Donald “Elvis” Prieto.

ANALYSIS

Park Naming

The City Council has full authority to name the City’s parks. The City has an established policy, entitled the City of Gilroy Parks or Recreation Facilities Naming, Community and Memorial Contribution, and Gift and Sponsorship Policy, which includes requirements and standards for naming parks. However, the policy is aimed at outside applicants requesting to name park facilities and not the City Council. The policy is attached for reference if desired.

Additionally, the Parks and Recreation Commission serves in an advisory capacity to the City Council for matters relating to recreation and parks. The City Charter enumerates a list of specific advisory duties for the Commission to perform beyond the general advisory statement. None of the enumerated duties grants a requirement or role for the Commission in determining park names.

Council may, at its sole discretion, choose to consider the naming of the pop-up park against the policy as if it were an applicant or submit the name for a recommendation from the Parks and Recreation Commission, but there is no established requirement for doing so.

Memorial Monument

As part of the request, a memorial monument is proposed in the form of a freestanding cast bronze plaque to be of a similar design to the plaque mounted on the exterior wall of the building where 5th Street Coffee is located on Monterey Road and Fifth Street, to be mounted on a thin pedestal. The proposed memorial inscription on the plaque is provided below.

Donald "Elvis" Prieto

February 16, 1967 – May 1, 2021

As an Elvis tribute artist, Donald spent his life sharing what he loved by spreading love and joy through his music and entertainment. He was known to the community for his selfless nature and endless contributions to local causes. Diagnosed with Juvenile Brittle Diabetes at the age of 7 and a kidney/pancreas transplant in 1999 and another kidney transplant donated by his dear friend Dottie Stewart in 2006, he fought his battles with God's grace, gratitude, strength, faith and most of all love.

His legacy will live on forever in our hearts.

Below is an image of a plaque and pedestal design that serves as a visual example of the proposed design.

Renaming the Downtown Pop-Up Park and Installing a Plaque in Honor of Donald "Elvis" Prieto



The proposed location for the monument plaque is just inside the grass area facing towards Monterey Road, in the middle of the space between the Gilroy Arts Center and the art wall along the north of the pop-up park location. Below is a map showing the potential location.



The approval of the memorial plaque assumes the procurement of the plaque and pedestal will be conducted by a private party or parties. Staff is proposing to provide in-kind services to support installation.

ALTERNATIVES

Council may modify or reject the proposed renaming and memorial plaque.

FISCAL IMPACT/FUNDING SOURCE

Only non-financial in-kind services are proposed. There is a nominal opportunity cost for the labor hours for these services. Costs for the memorial plaque will be funded through private donations.

PUBLIC OUTREACH

This item was first considered by the Council at the June 5, 2023 meeting of the City Council for future discussion. This item was also included on the publicly posted agenda for this meeting.

NEXT STEPS

If approved, staff will reach out to notify the interested party(ies) that the naming and/or plaque has been approved.

Attachments:

1. City of Gilroy Facilities Naming Policy

CITY OF GILROY PARKS OR RECREATION FACILITIES NAMING, COMMUNITY AND MEMORIAL CONTRIBUTION, AND GIFT AND SPONSORSHIP POLICY

DEFINITIONS AND METHODS OF RECOGNITION

A) Definitions

- **Donations/gifts:** Funds, equipment, materials or services given to the City without expectation of a significant return or recognition.
- **Memorial:** A physical feature intended to honor a deceased person. The primary intent of a memorial is not to recognize social contributions, importance, or historic significance, though the person being memorialized may also have such significance. May take various forms such as:
 - Site furnishings, benches, trees, drinking fountains
 - Monuments
 - Donations of significant improvements i.e. a picnic area in memory of an individual
- **Recognitions, Tributes & Commemorations:** Requests to honor or commemorate significant community contributions. Naming or dedication of a facility or distinct feature of a facility after a person or an event is a typical form of recognition, i.e. DeBell-Uvas Preserve.
- **Corporate Sponsorship:** The temporary or permanent naming of a facility or feature of a facility in exchange for significant donations from a for-profit corporation or business.
- **Gifting Sponsorship:** The temporary or permanent naming of a facility or feature of a facility in exchange for significant donations from individuals, groups, families or non-profit organizations.
- **Historical Recognitions:** A recognition or tribute that honors a person, place or event of historical nature. This includes:
 - a. Identification of places that are registered or designated historical by the State of California;
 - b. Commemorating an event that changed or influenced the course of history, i.e. a battle;
 - c. Identification of places of local historic significant, though not registered or designated as historic by the State of California;
 - d. Recognition of historically significant individuals.

B) Methods of Recognizing Donations and Memorials

Commemorative Naming: A means of accomplishing memorial recognition, typically for the purpose of acknowledging extraordinary civic contributions and dedication.

- Naming of a park or recreation facility or building
- Naming of a distinct feature within a park or recreation or building (i.e. sports field, play area)

Sponsorship Naming: Naming a facility or feature after an individual, business, organization or corporation in recognition of major donor contributions. Typically the sponsorship is done for a specified time period, such as 10 years, after which, the facility will be eligible for re-naming.

Monuments: A physical structure that is erected as a memorial, recognition, or gift acknowledgement. Monuments are generally intended to be visible and obvious to draw the attention of visitors or passing individuals.

Plaques: Size is no larger than 1 sq. ft., is typically placed on an object, or placed on a concrete base flush with ground or elevated no more than 4" above ground. Plaques are intended to be inconspicuous and to blend in seamlessly with the surrounding environment. Plaques placed above ground on concrete or on other pedestals, or that are otherwise conspicuous are considered monuments.

I. FUND RAISING AND SPONSORSHIP AGREEMENT POLICY

The City may enter into agreements with non-profit organizations allowing the organization to solicit contributions towards construction and/or operations and maintenance of park or recreation facilities. The non-profit organization may propose to the City recognition of contributions through the naming of park or recreation facilities, or features of those facilities in honor of the organization, group or individual making the contribution. The non-profit organization soliciting the gift may assist in negotiating the terms of the gift and making recommendations to the Parks and Recreation Commission and the City Council on the terms of the gift agreement, consistent with Section IV of this policy, Gift and Sponsorship Policy. The City may also engage the assistance of City Task Forces or Commissions in fund raising efforts in accordance with Section IV Gift and Sponsorship Policy.

Corporate or gifting sponsors will be required to enter into a sponsorship agreement with the City establishing the terms of the gift including the amount of the gift, the facility or program being offered the gift, the use of the gift, and the duration of any naming rights associated with the gift. Funds given under the sponsorship agreement will be held in the manner defined in the agreement and in trust for the sole purpose outlined in the agreement.

II.) PARK OR RECREATION FACILITY NAMING POLICY

A) Naming, Renaming of Park or Recreation Facilities or Features

Overview

The use of names based upon distinguishing characteristics, location, or historical usage, is a long-standing practice for the official naming of public sites and facilities. At the national level, naming of federal sites is overseen by the U.S. Board on Geographic Names. Among the key factors considered by the Board is use of names based on established, historical, and local usage. Not surprisingly, many agencies have adopted policies that are generally similar to those of the Board on Geographic Names, and which give priority to names based on geography, location, historical usage, and distinguishing characteristics.

At the same time, it is recognized that individuals and community organizations periodically wish to honor individuals or groups by naming park or recreation assets after them. The policy outlined below was developed to accommodate the desire for commemorative naming, where warranted, while still supporting the primary community values.

Policy

- It is the policy of the City to name park or recreation facilities in a manner that will provide an easy and recognizable reference for the City's customers. Therefore, first priority in naming facilities shall be given to geographical location.
- The geographic location may be based on the identification of the facility with a specific place, neighborhood, major street, or regional area of the City.
- Facilities may also be named based on distinguishing, prominent, natural or geological features. This may be used in conjunction with a geographical location, for example, Three Rivers Peak.
- Names in common or historical usage have a secondary priority.
- Names that honor a person who has made a distinct and significant contribution to the City of Gilroy will be considered in accordance with Section I.B.) Commemorative Dedications and Names.
- Naming that is done in exchange for major contributions will be considered in accordance with Section IV, Gift and Sponsorship Policy.
- Conditions of property donation or deed shall be honored regarding name of facility, although a geographic or characteristic name is preferred.
- Names that are similar to existing park or recreation facilities or properties in the Gilroy area should be avoided in order to minimize confusion.
- Property type and intended use may be designated in the name.
- Park or recreation facilities named after an individual should include the geographic, natural, or geological features as part of the name, i.e. DeBell-Uvas Park Preserve

B) Commemorative Dedications and Names

Overview

The selection of commemorative names must be done in a manner that insures that there is broad based support for the naming and general acknowledgement that the contributions of the individual being honored are extraordinary, above and beyond the norm, and unique in quantity and quality of service. Extreme care and diligence must be exercised in the application of this policy to insure that the selection of honorees will withstand the test of time.

If the selection of individuals for commemorative naming or dedication is felt to be inconsistent or biased, then it could become a divisive force in the community and make future decisions on naming difficult and shrouded in controversy. It is the goal of this policy, therefore, to provide consistency in the evaluation of dedication and naming requests and to insure that this honor is bestowed to individuals in an equitable manner and based on common criteria. The dedication or commemorative naming of park or recreation facilities or features will be considered with the following guidelines:

Guidelines:

- Names or dedications that commemorate or may be construed to commemorate living persons will not be considered, except at the discretion of the City Council.
- The person being honored must be deceased at least one year before a commemorative dedication or naming proposal will be considered.
- The individual/organization must have demonstrated outstanding achievements, contributions to the community, and enrichment of the City. The contribution of the person being honored must have been uncompensated, extraordinary, significant, and unique, setting this individual apart from others who contributed to the community. This may be evident by documented history such as articles in newspapers recognizing the individual's contributions or previously received recognitions and awards.
- The person being honored by the dedication or naming should have had a direct and long term association with the feature or facility.
 - Early or long-time settler –20 or more years
 - Developer of the designated feature
 - Restorer or maintainer of the feature
 - Donor of the land to the City of Gilroy
 - Person who played a large part in protecting the land or feature for public benefit
 - Person who played a large part in providing community services through the feature or facility
- Contribution to the community was through our park or recreation system or programs.
- Contributions to the park or recreation system were sustained over a long period of time.

- The named resource is pertinent to, or representative of, the individual's contribution.
- The proposal to commemorate an individual should contain evidence of broad based local support for the proposed name and its application, such as letters, editorials, and petitions.
- The costs of plaques, monuments, and replacement of signs resulting from, or done in conjunction with the dedication or commemorative naming will be borne by the individual, group, or organization sponsoring the request

C) Procedure to Request Naming or Renaming or Commemorative Dedications of Park or Recreation Facilities

1. New Park or Recreation Facilities:

Naming of new parks or recreation facilities will be done through a community outreach process that provides opportunity for Gilroy's residents to provide suggestions and input. Citizens may suggest the commemorative naming of a new park through this process.

- a) Whenever possible, the naming of a new facility should occur in conjunction with the Master Plan process for that facility
- b) The City will publicize the naming opportunity broadly including posting on the Channel 17, the City's web page, and in local newspapers. The opportunity to name the facility will also be discussed during the community meetings for design of the facility.
- c) Nominations for names will be submitted to Community Services Director on the Park Naming Nomination form
- d) The Director and staff will review the nominations for compliance with the City's Park or Recreation Facility Naming Policy
- e) Nominations that are found to be in compliance with the Park or Recreation Facility Naming Policy will be forwarded to Park and Recreation Commission for review and recommendation
- f) The Parks and Recreation Commission will make a recommendation to Council based on their review of the nominations.
- g) The recommended name will be forwarded to the City Council for their review and consideration. This may be done in conjunction with the approval of the facility Master Plan. Approval, modification, or denial of the proposed name is within the sole discretion of the City Council.

2. Re-naming of Existing Facilities and Features for Commemorative purposes

- a) Applicant will complete the Commemorative Dedication and Names Application and submit to the Community Services Director.
- b) Application shall include documentation of contributions of the person being honored
- c) Application shall include letters of support, articles, and similar documents which demonstrate broad based community support for re-naming
- d) The Director and staff will review the Commemorative Dedication and Names Application and determine if complies with the City's Park or Recreation Facility Naming Policy.

- e) If the application is found to be consistent with the City's policy, it will be forwarded to the Parks and Recreation Commission for their review
- f) Applications that are determined by the Director to incomplete, without sufficient documentation, or otherwise inconsistent with the City's policy will be returned to the applicant with a letter explaining the reasons for rejection. The applicant may resubmit the name request with new or additional information that brings the request into compliance with the City's policy.
- g) The Community Services Director will submit the commemorative re-naming request to the Parks and Recreation Commission for their review.
- h) The Parks and Recreation Commission will make a recommendation to Council based on their review of the application.
- i) The recommended name will be forwarded to the City Council for their review and consideration.
- j) All decisions with respect to facility naming will be at the sole discretion of the City Council, which may choose not to grant any naming rights or recognitions for facility or feature of a facility. Approval, modification, or denial of the proposed name is within the sole discretion of the City Council.

III.) COMMUNITY AND MEMORIAL CONTRIBUTIONS POLICY

A) Community and Memorial Contributions

Overview

City parks are a scarce resource provided for active recreational use and passive enjoyment of natural beauty by the general public. Members of the public often wish to make contributions to the park system, sometimes as a memorial or tribute to deceased friends or relatives at, or in conjunction with a favorite park or recreational activity. The placement of donation plaques, memorials, monuments, or tributes to private individuals in City parks must be done in a manner that preserves a positive experience for the public in the park, and provides a net benefit to park users. The goal of this policy is to prevent proliferation of monuments, plaques and memorials that would eventually change the nature of the public's experience of these spaces, which should celebrate their natural beauty, and not evoke a funeral or cemetery like experience. It is the goal of this policy to establish a Community and Memorial contributions policy that benefits the general public.

Policy

- The installation of freestanding plaques, monuments and similar memorials is generally discouraged so as to preserve the character of the park or facility and maintain a positive experience for users.
- Contributions of trees, play equipment, and park furniture such as park benches will be recognized with a certificate from the Parks and Recreation Commission that will be provided to the donor, family or friends.
- Contributions of significant, complex or complete park or facility elements, such as a playground, plaza, classroom or ball field may be recognized with a plaque not to exceed 8"x10" placed so as to blend into the feature and not be conspicuous, and the wording approved by the City.
- Contributions or donations of land or other real estate will be recognized in the manner agreed upon in the deed.
- Placement of free standing memorials, or monuments, in parks will, be considered only when the individual memorialized or a contribution is of extraordinary stature, and the memorial or monument is exceptional in design. Additionally, the contributions of the person being honored must have had a direct relationship to the site of the monument. The dedication of Uvas-DeBell Park preserve to Dennis DeBell who contributed one million dollars to the acquisition of the preserve is a good example of an extraordinary contribution. The criteria outlined for commemorative naming shall be used in evaluating and accepting requests for free standing monuments.
- The City cannot guarantee the future condition of contributions, plaques or monuments. Replacement required by vandalism or other damage is the responsibility of the individual/group originally sponsoring the contribution, monument or plaque.
- The City reserves the right to remove any contribution, monument or plaque as a result of vandalism, graffiti or other damage.
- Contributions, plaques or monuments may need to be relocated to accommodate park improvements, or operational or maintenance needs at the City's discretion. If the relocation can be accomplished with minimal cost, the City will handle the relocation.

More extensive projects, such as reconstructing a monument will be the responsibility of the individual or group sponsoring the original monument.

- Any relocation will be done in a manner to preserve the original intent of the recognition to the greatest extent reasonably possible.
- The City retains the right to accept or reject any proposed contribution.
- Contributions where the donor request that a facility or feature be named in recognition of the donation are considered sponsorships and must follow Section IV) Gift and Sponsorship Policy.
- Complex, formal or significant memorials must address needs identified in the Parks and Recreation System Master Plan.
- If the complex, formal, or significant memorial donation is for a component or feature in a renovation or development already funded and planned by the City, and the applicant requests no other changes, modifications, special features, etc. The City will provide all technical drawings, specifications, etc. and will provide long-term maintenance of the item in accordance with current maintenance standards.

B) Procedures for Community and Memorial Contributions in City Park or Recreation Facilities

1) Simple Landscape Element, Park Fixture or Facility Fixture:

- a) Applicant will complete the Community Contribution Application and submit to the Community Services Director.
- b) A list of available contributions is provided in the City's Community Contribution Catalog.
- c) The Community Contribution Application will indicate the applicant's preferences for the item to be donated, the desired location of the item, and whether it is a Memorial or Community contribution.
- d) The Community Services Director will review the request and determine if the item and location are suitable. Factors that will be considered include impact on maintenance and operations, compliance with facility Master Plan, impact on park or facility use or circulation, potential for damage or vandalism, need for item, future plans for the park or facility, overall appropriateness.
- e) The Director may suggest alternate contributions or locations if it is determined that the applicant's request is not acceptable.
- f) Upon approval, applicant will provide the City with a check, cashier's check, or money order for the total cost of the contribution as specified in the Community Contribution Catalog.
- g) City will purchase and install the contribution and will provide the applicant with two weeks notice prior to the installation so that they may arrange to be present during the installation. Installations will occurring during normal weekday work hours
- h) The City does not warranty the survival of any plant material.

2) Donation of Complex, Formal or Significant Contributions (Playground, Ball Field, Fountain, Plaza etc.)

- a) Applicant will complete the Community and Memorial Contributions Application, as well as the Complex Contribution supplemental, which includes a project,

- funding, and maintenance proposal, and submit them to the Community Services Director.
- b) A list of available complex contributions is also provided in the City's Community Contribution Catalog.
 - c) The Community and Memorial Contributions Application will indicate the applicant's preferences for the item to be donated, the desired location of the item, and whether it is a Memorial or Community contribution.
 - d) The Community Services Director will review the applicant's request and supplemental and determine if the contribution and location is suitable. Factors that will be considered include impact on maintenance and operations, compliance with facility master plan, impact on park or facility use or circulation, potential for damage or vandalism, need for item, future plans for the park or facility, overall appropriateness.
 - e) The Director may suggest alternate contributions, locations or proposal options if it is determined that the applicant's request is not acceptable
 - f) Upon the Director's review of the request and supplemental the Director will mail the applicant a letter indicating whether the proposal has found to be in accordance with this policy, and if not, any changes that might bring the proposal into compliance with the policy.
 - g) Once a proposal is determined by the Director to be in compliance with this policy, the applicant will then be required to submit to the Director detailed project plan including technical documents which at a minimum will include the items listed below. Additional documents may be required depending on the proposal:
 - i) Schematic Design;
 - ii) Actual dimensions;
 - iii) Identification of colors and/or other special features;
 - iv) Detailed site plan showing existing and proposed site improvements;
 - v) Project timeline and budget;
 - vi) Funding source(s);
 - vii) Construction and maintenance agreement.
 - h) The Director along with other City staff will review the drawings and documents to ensure that the project is appropriate for the selected facility, meets public facility design standards, has a reasonable budget and any outside agency approvals or permits that may be required
 - i) Once approved by the Director, a final proposal will presented to the Parks & Recreation Commission by the applicant.
 - j) Once approved by the Parks & Recreation Commission, it will be forwarded to the City Council for review and acceptance. Approval, modification, or denial of the proposed improvement is within the sole discretion of the City Council.
 - k) If the project is not a component of a planned park or facility development or renovation project, applicant will be required to provide funding for all costs including construction, design, permits and fees, plans and specifications, and all other costs associated with the design and construction of the project.

IV.) GIFT AND SPONSORSHIP POLICY

A) Gift and Sponsorship

Overview

It is the intent of this policy to provide the opportunity for businesses, corporations, organizations or individuals to make contributions to park or recreation facilities and receive appropriate recognition for that contribution. Often this recognition is in the form of naming a facility or feature in a facility in recognition of the contribution. However, there is also a local demand for commemorative naming, which is the naming of facilities in honor of people or organizations that have made outstanding contributions to the community. The relative benefits and need to provide recognition of significant monetary contributions by naming facilities must be balanced with the need to provide opportunities for commemorative naming.

This policy sets forward guidelines for the allocation of naming rights to City park or recreation facilities or features and also for accepting and recognizing other good will contributions to these facilities.

Policy

- The City encourages the donations of funds, and/or involvement by civic organizations or groups to provide for the on-going maintenance, operations, and development of park or recreation facilities.
- The City will designate properties for which the naming rights may be offered including the suggested donation and the duration of the naming rights.
- Determinations on whether the naming rights will be made available for newly planned facilities will be made during the planning process for that facility.
- Facilities that have been given a commemorative name will not be available for naming rights.
- Naming rights to entire facilities for living individuals is discouraged.
- Naming rights carry no power of direction, or implied power of direction, to the City on matters of appointment of persons, City policy, or any other government process.
- Where park feature or building component is named, the name used should normally be the family name, or in the case of a corporate entity, the shortest name possible.
- Where the naming rights purchased are for a corporate entity or business, the naming rights will be limited to not longer than the life of the corporate entity.
- In the event of demolition or destruction of a structure, any naming rights will terminate.
- The City reserves the right to reject any sponsorship request.
- City Council reserves the right, as part of fund development, to make appropriate business arrangements in exchange for sponsorship of City facilities.
- The applicant must enter into a sponsorship agreement with the City.
- City Council reserves the right to terminate sponsorship agreements in accordance with the terms of the agreement which may include, but not be limited to, evidence of corruption, fraud, poor moral character, criminal activity, or other actions which would reflect poorly on the City.

B) Procedures for Gift and Sponsorship Policy

- 1) Applicant will complete the Gift and Sponsorship Application, and submit it to the Community Services Director.
- 2) Applicant must select from the list of available facilities for which sponsorship is available.
- 3) The Gift and Sponsorship Application will indicate the applicant's preference for the item to be named, the proposed name, and background information on the individual, corporation, or organization after which the facility is to be named.
- 4) Background information shall include the organization's purpose, mission, and community involvement supporting the sponsorship request. Background information for naming after an individual shall include information demonstrating the individual's good character, personal achievements, contributions to the community, or efforts towards the enrichment of the City.
- 5) The Community Services Director will review the applicant's request and determine if the application complies with the City's adopted policies.
- 6) The Director may suggest alternate facility or name construction.
- 7) Once approved by the Director, the Gift and Sponsorship Application will be presented to the Parks & Recreation Commission for their review and consideration.
- 8) If the Commission recommends approval of the application, the applicant will complete a sponsorship agreement with the City.
- 9) The Gift and Sponsorship application and agreement will be forwarded to the City Council for their review and consideration. Approval, modification, or denial of the proposed name is within the sole discretion of the City Council.

11.2. Santa Teresa Fire District Station Update

1. Staff Report:
2. Public Comment
3. Possible Action:

Council discussion and direction regarding the strategic approach towards Fire staffing.



City of Gilroy

STAFF REPORT

Agenda Item Title: Santa Teresa Fire District Station Update

Meeting Date: November 20, 2023

From: Jimmy Forbis, City Administrator

Department: Administration

Submitted By: Bryce Atkins, Assistant to the City Administrator

Prepared By: Bryce Atkins, Assistant to the City Administrator

STRATEGIC PLAN GOALS

Develop a Financially Resilient Organization
 Ensure Neighborhood Equity from City Services
 Maintain and Improve City Infrastructure

RECOMMENDATION

Council discussion and direction regarding the strategic approach towards Fire staffing.

EXECUTIVE SUMMARY

Since 2000, the City of Gilroy and its Fire Department have identified the need and commenced planning efforts for a fourth fire station to serve those within the Santa Teresa Fire District. As time progressed, the need for the station to be in operation with a full crew increased. Today, the City Council, residents, businesses, firefighters and other City staff are in agreement that the Santa Teresa District Interim Station needs to be fully staffed.

The City has had plans to slowly build up staffing to meet the need, but external factors, such as the 2008/2009 recession, the slow recovery thereafter, and the impact of the COVID-19 Pandemic, have greatly limited the resources available to staff the fourth station. This has also been compounded with workplace injury leaves, turnover over the past decade, and the subsequent demand for overtime to meet the operational needs of the entire Department.

The issue at hand is not about the need for the fourth station to be open 24/7 with a fully staffed engine to serve the community, but rather how to pay for it, and staff it, with limited financial and personnel resources. Staff has developed for Council review and direction a list of possible options and recommendations for determining next steps

towards achieving the needed staffing and operational needs to open the Santa Teresa Fire District Station.

BACKGROUND

Recently, the issue of Fire Department staffing, particularly at the Santa Teresa Fire District (STR District), has been a matter of discussion and concern for residents, the Firefighters labor bargaining group, City staff, and the City Council. Concerns regarding the hours of staffing and the staffing levels of the STR District have sharply risen recently. The nature of staffing the STR District requires consideration of multiple background factors that need to be included as the starting point in discussing possible solutions.

Background on Station History

In 2000, the Master Plan of Fire Services Report prepared by Citygate Associates, a management consultant, predicted the need for a fourth fire station based on predicted growth and road networks ([Citygate](#), 2000). In 2004, the Public Facilities Fee Study for Gilroy identified the need to plan for a fourth and fifth fire station as detailed in the Capital Improvement Budget Summary fund 437 ([MuniFinancial](#), 2004). Planning for a fourth Fire Station in the Glen Loma area was identified and adopted in 2005, and later revised in 2014 ([Glen Loma Ranch Specific Plan](#), 2014).

The City engaged with Glen Loma Development Group (GLDG) on a development agreement for their housing development project. As part of this agreement, funding and location of a fourth fire station was included, to be operational upon the issuance of 1,100 building permits. Although the outside date for completion of the fire station has not yet occurred, service demand to support the Glen Loma project, as well as the other southwestern part of Gilroy has increased over time. The City deployed an alternative service model to establish a crew to provide service in the STR District.

Since mid-2020, the STR District crew has been temporarily housed at the TEEC Building located on the ranch-side at Christmas Hill Park. However, as the City pursues providing fire staffing resources from 12 hours per day to 24 hours per day, the current location at the TEEC Building is inadequate to meet the needs of the fire crew stationed there. The TEEC Building lacks the proper amenities and a garage to house fire apparatus securely.

The City's agreement with the GLDG requires funding from GLDG for the new permanent fire station, but such funding and construction of the permanent fire station has not yet occurred. Therefore, there is a need to build an interim fire station at an alternate site.

The Santa Teresa Interim Fire Station was initially planned to be located on the City-owned property at the corner of 10th Street and DeAnza Place (currently planned as the future 10th Street Bridge project). But unfortunately, due to infrastructure difficulties beyond the City's control, the proposed location for the interim Fire Station was changed in January 2023. The new proposed location is on the Ranch Site at Christmas

Hill Park, where the current interim fire station is located. Under this new plan, the interim facilities currently housing the Fire Department at this location will be upgraded.

The design phase for the new interim station is near completion. Contractor services will soon be engaged with approved plans to complete site prep work, including grading and trenching for electrical, water, sewer, and technology needs. Additionally, perimeter fencing will be installed to provide security with two electrical gates for access to the site. The last part of phase one will be to move into a modular facility where station alerting and all live-in amenities are provided for the crews.

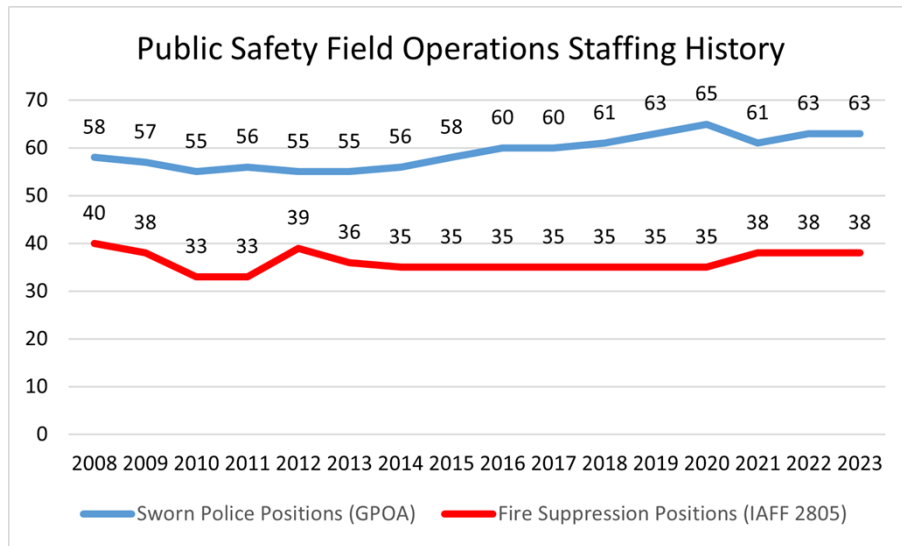
Comparable Analysis: Sunrise Station

The STR Station is not the first station to be constructed/established and not be staffed immediately. In 2004, the Sunrise Fire Station in the northwest portion of Gilroy finished construction, but no staff were hired to fill the positions right away. Sunrise remained closed for approximately three years, in 2007, before sufficient funding was available to staff the station on an ongoing basis. In the intervening time from station construction to full operation, the Gilroy Fire Department ran medical ambulance service out of Sunrise, with the other stations responding to fire calls in the Sunrise District.

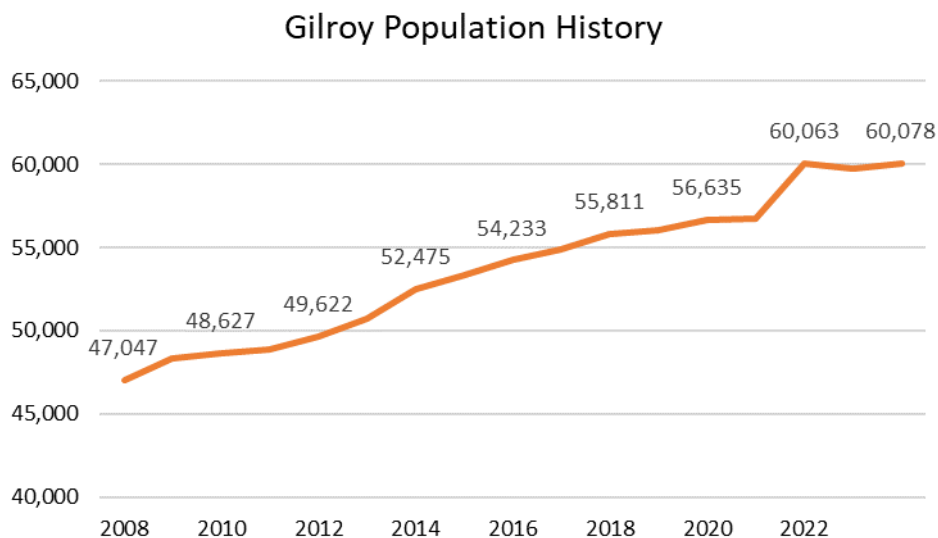
The financial challenges with the STR District station are similar. The City has enough promised funds to develop a permanent station at the location, but what is lacking currently is the available ongoing revenue levels to sustain the staffing at the STR District station. Today, the staffing and resources cited in the STR District are higher than was present in the Sunrise station area when that station was built. Records indicate that there were no reported concerns about coverage history or a major drive to compel certain staffing levels before the City could afford to host the positions.

Background on Public Safety (Police and Fire) Staffing History

Public Safety staffing has slowly increased since the recession of 2008/2009 but overall has not returned to pre-recession levels. Further complications from revenue fluctuations over the past 15 years have not allowed enough recurring revenues to generate to reach previous levels and increase public safety positions commensurate with the population increase over the same period. However, when looking at public safety field operation positions only, the total number has increased by three net positions. Below is a chart showing the total authorized public safety field operations positions each year since FY08 through FY23. As can be seen, the net change in public safety field operation positions has decreased in the Fire Department by two positions and increased by five positions in the Police Department.



While the total aggregated public safety field operations positions increased by a net three positions (roughly a 3% increase), the population of Gilroy has increased 27.7%, as shown below, resulting in an increase of service demand at a higher rate than field operation positions have been added.



Staffing in the STR District

The Gilroy Fire Department, with the approval of the Council in mid-2019, began a pilot study called the “Alternative Service Model” (ASM) that positioned a fire crew within the STR District. The purpose of the ASM study was to determine if a fire crew positioned in

STR could improve emergency response times within the district and throughout the city, designed to meet the calls in the area. The following 2019 data shows marked improvement in response times throughout the city within the first three months of the pilot program.

ASM Results – As of December 2019

District Area	Prior to ASM	With the ASM
Santa Teresa	10:51 Minutes	7:32 Minutes
Chestnut	8:56 Minutes	8:32 Minutes
Las Animas	8:11 Minutes	8:07 Minutes
Sunrise	8:33 Minutes	9:08 Minutes
All Districts	8:43 Minutes	8:07 Minutes

This became the catalyst towards planning the construction of an interim fire station at the designated site located at the corner of W. Luchessa and Miller Avenue, ahead of the construction of a permanent fourth fire station at the same location.

As work has commenced on an interim station, the staffing of the station has been varied. The following staffing models have been utilized this FY at the Santa Teresa Fire Station:

Apparatus Staffed (Typically)	E650		E50	
Staffing (FTE)	2.0	2.0	3.0	3.0
Hours in Service	12 hours	24 hours	12 hours	24 hours

Daily staffing of the STR Station is impacted by:

- Availability of personnel regularly staffed each day.
- Availability of personnel to work overtime to support vacancies.
- Availability of qualified personnel to fill the additional positions.
- Extreme weather events requiring up-staffing.
- Other planned requests that support the need to staff (i.e., Mandated Training, mutual aid coverage for adjoining agencies, etc.).

It is important to note that when staffed with 2.0 FTEs, per the labor contract, an additional Engine is also required to respond to calls for service. When staffed with 3.0 FTEs, the STR engine is able to respond as a stand-alone engine to calls for service, thereby leaving all other units available for service.

Financial and Budgetary Background

On June 5, 2023, the City Council adopted both the Fiscal Year 2024 and 2025 Budget and the Authorized Position List. Through those adoptions, the City established the position and financial resources available to the Fire Department to carry out its public safety function. The staffing plan is described generally below in the analysis portion of this staff report. Overall, the City's budget was adopted with an operating margin of only \$600,000 for ongoing expenditures. With additional one-time use of resources, the City

budgeted for complete use of all incoming general revenue, and use of savings for one-time purchases.

The City's overall General Fund budget for FY24 was approved at \$65.6 million, with an additional \$5.8 million for one-time uses. Public Safety (Police and Fire) accounts for \$45.9 million, roughly 63.8% of the total General Fund budget. Of the General Fund total of \$65.6 million amount, personnel costs account for 66.7% of the total amount (\$47.4 million).

The Fire Department's budget is \$15.4 million, which is 23.5% of the total General Fund. Of that amount, 76.4% (\$11.8 million) is for Fire Department personnel expenses. Overall, the Fire Department represents 25% of all personnel costs in the General Fund, and 21.2% of all full-time equivalent (FTE) positions authorized for the City (44 FTE of 207.5 FTE total in FY24).

As a whole, public safety accounts for 76% of the City's discretionary General Fund budget. The discretionary amount of the City's budget is the amount of revenue received from taxes that may be used for purposes at the discretion of the City Council. The discretionary amount does not include charges for services, fines and forfeitures, transfers, intergovernmental revenues, and use of money and property. The City's discretionary revenues are generally 80% of the total General Fund revenues, with small variations in proportion each year.

The Fire Department has seen significant investment over the past four years. Below is a table showing those investments.

Investments	Cost
Two new fire engines	\$1.5M
Type III and Type VI Vehicles	\$650K
Fire station improvements	\$2.0M
Labor Agreement – salary increases	\$825K
SCBA Equipment	\$857K
Station Alerting System/CAD	\$293K
Additional staffing	\$1.1M
Interim STR Station	\$462K
Additional Overtime	\$2.0M
TOTAL	\$9.7M

The Police Department is also a large portion of the General Fund at \$30.5 million or 42.4% of the total General Fund budget. The Police Department's personnel costs account for 77.1% of the Departmental budget (\$24.9 million of \$32.3 million). Overall, the Police Department represents 52.0% of all personnel costs in the General Fund and 50.1% of all full-time equivalent (FTE) positions authorized for the City (104 FTE of 207.5 FTE total in FY24).

On October 16, 2023, the City's Finance Department provided a report to the City Council updating the Council on the current financial picture of the City. In that report, it was revealed that the City's sales tax revenue for FY24 is forecasted to come under budget, to the estimate of \$900,000 less. Any plan to contribute funding to address the Fire Department staffing strategy will also need to account for this reduction as well since the Fire Department is fully dependent upon the General Fund. In addition, recent information indicates that growth in property tax revenue is likely to slow down as there are fewer home sales due to high-interest rates, the impact of which will likely occur in FY25. Data indicates that a 2024 recession is likely. In December 2024, staff will be presenting to Council an update on actual revenues and expenditures through the first quarter (July through September) of FY24 to provide more robust information.

ANALYSIS

Based on the above background information, staff is bringing this analysis of possible options regarding the ability to staff the interim STR District station with a three-person crew on a 24/7 coverage schedule.

The Original Fire Staffing Plan

The Fire staffing plan as adopted in the Fiscal Year 2023-24 and 2024-25 budget (FY24 and FY25, respectively) called for a total department staffing of 44 in FY24 and 46 in FY25, with the number of actual firefighting personnel being 38 and 40, respectively. Below is a table of what those approved positions are:

Position	FY24	FY25
Fire Chief	1	1
Management Analyst	1	1
Fire Administration Technician	1	1
Fire Division Chief	3	3
Fire Captain	10	10
Fire Engineer	9	9
Firefighter I/II	19	21
Total	44	46

The original plan as described in the budget message was that *“given our hiring efforts, and barring retirements and/or injuries, the department will be at full-budgeted staffing in the very near future. Two (2) additional firefighters in FY25 will allow the STR fire station to be staffed with a three-person engine 24/7. This staffing level will allow the*

department to meet demands for service, reduce response times, and increase firefighter safety. Service levels throughout the City will be consistent as the 4th station will operate like the other three existing stations.”

Why Won't the Original Fire Staffing Plan Work?

As described above, the plan was based on the full staffing, barring retirements, resignations, and/or injuries. Unfortunately, the Fire Department did experience injuries which has not allowed the full deployment model to be enacted as originally planned.

As of the writing of this staff report, all but one of the budgeted positions have been filled, due to a recent vacancy (November 1, 2023). Although nearly all budgeted positions are filled, not every employee currently hired is deployable. Currently, the department has three firefighters in the fire academy. The academy will conclude at the end of January. In February, two of three personnel should be deployable with the third to be deployable in March. In addition, the department has four employees (with a potential fifth employee pending) out on long-term worker's compensation leave due to injuries sustained in the course of employment. We do not have a date certain that any of these four employees will be able to return to active duty. Given the above, eight of the 38 firefighting/EMS response personnel are not currently available for deployment which impacts the department's ability to staff the STR Station.

Another element of staffing is planned and unplanned time off. Personnel have scheduled time off to include vacations and family leave. In addition, staffing is impacted by unplanned time off such as sick leave. In particular, in the last 12-month time period (October 21, 2022 - October 20, 2023), the department has experienced a significant increase in sick leave usage as compared to the year prior. From October 21, 2022 - October 20, 2023, 4,593¹ hours of sick leave were used by fire personnel compared to 1,725 hours in the year prior. Therefore, at different times, some of the 32 deployable personnel are not available due to planned and unplanned leave. The significant increase in the amount of unplanned sick leave usage has impacted the Department's ability to plan for and staff the STR District Interim Station. With planned and unplanned leave, combined with training time, it is mathematically impossible to staff four stations without increasing total Fire Department firefighting positions beyond the original staffing plan.

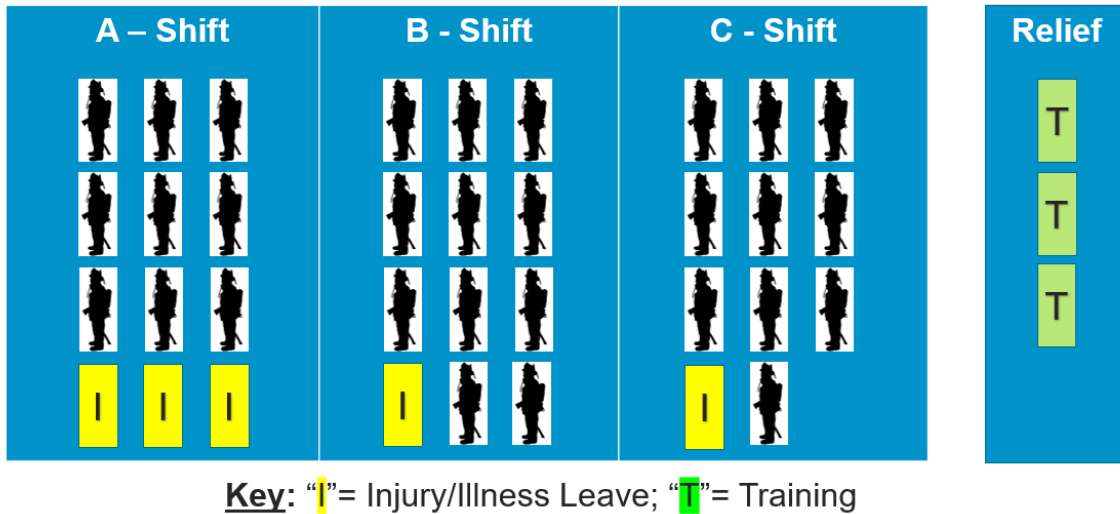
The staffing plan did not include having four (possibly five) employees out on long-term worker's compensation leave, nor the increased amount of overtime that would be needed to offset the loss of available personnel as it relates to providing shift coverage. The amount of worker's compensation leave had been reducing over the last half of the previous fiscal year, and such an increase was not anticipated. However, the staffing plan did mention it as a risk to reaching the intended goal if it occurred. To quantify the impact of injury leave, for the period of October 21, 2022 - October 20, 2023, 6,564² hours of productive work time were lost due to injury leave. This missed time is valued at \$320,788. When this missed time has to be covered by another employee who is not

¹ Hours are based on a Firefighter 56-hour workweek schedule or 2912 hours per year.

² Again, based upon a Firefighter 56-hour workweek scheduled or 2912 hours per year.

already scheduled to work on that shift (i.e., relief personnel), then the coverage is in the form of overtime paid at time and one half. This added overtime work, in turn, leads to more exhaustion and also increased likelihood for workplace injuries, which increases sick leave as well as worker's compensation and non-worker's compensation leave use. Below is an infographic that demonstrates the impact of these unplanned leave use, vacancies, and non-deployable staff currently in the academy.

Current Status of Fire Station Staffing: 38 FFs hired / 30 available for staffing



What is Our Current Status?

With various factors affecting staffing and coverage, below is a summary of the Fire Department's current status.

Employees

Fire staffing. All but one position has been filled due to a recent vacancy, though not all filled positions are deployable. Recently, three hires for firefighters are currently at the Fire Academy and will be deployable in February. As of the writing of this staff report, the Fire Department has four (possibly 5) fire line staff on worker's compensation or other extended leave. All other staffing per the authorized positions is currently deployed.

Deployment structure. The current deployment model is shown in the below table. Each entry below is one shift staffing, with three different shifts in the Fire Operations Division.

Station	Operational Hours	Firefighter Paramedics	Fire Engineers	Fire Captains
Chestnut	24/7	1	1	1
Las Animas	24/7	1	1	1
Sunrise	24/7	1	1	1
Santa Teresa	(3.0) 12-24/7	1	1	1
	(2.0) 12-24/7	1 (qualified as both)		1

The Fire Department has been attempting to staff the STR Station with three-person crews whenever it has not created overtime. The station is also upstaffed to a three-person crew during peak periods of increased fire risk. The ultimate staffing on non-peak fire risk periods is a two-person crew, filled as able subject to staffing availability. This has typically been 12-hour operating shifts, but some 24-hour deployments have been possible.

Deployable staffing. Of the positions staffing the station, there are several members who are currently on long-term leave or are in the academy and cannot be deployed currently to serve on a fire shift. Below is a table that shows the number of non-deployable operational staff at each classification:

Operations Position	FY08 Authorized	FY24 Authorized	Filled Positions	Deployable Staffing
Fire Division Chief	4	3	3	3
Fire Captain ³	10	10	10	8
Fire Engineer ⁴	9	9	9	8
Firefighter I/II ⁵	21	19	18	14
Total	44	41	40	33

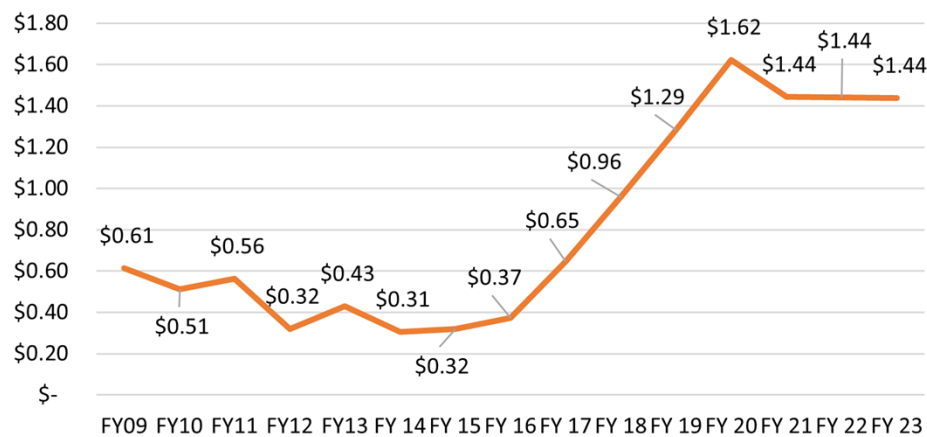
Overtime. The Fire Department currently requires significant overtime shift work to maintain operations. However, with the final staffing hires in the Academy, the extensive need to use overtime should be reduced, again provided that no additional injuries or vacancies occur. Below is a graph that shows the historical trend of overtime actual expenditures since FY09, with the Strike Team reimbursable overtime removed.

³ Two Fire Captain positions are on long-term worker's compensation leave.

⁴ One Fire Engineer position is on long-term worker's compensation leave.

⁵ One Firefighter Paramedic position is on long-term worker's compensation leave; one vacant position; and three currently in the fire academy.

Overtime History Not Including Strike Team Overtime (in millions)

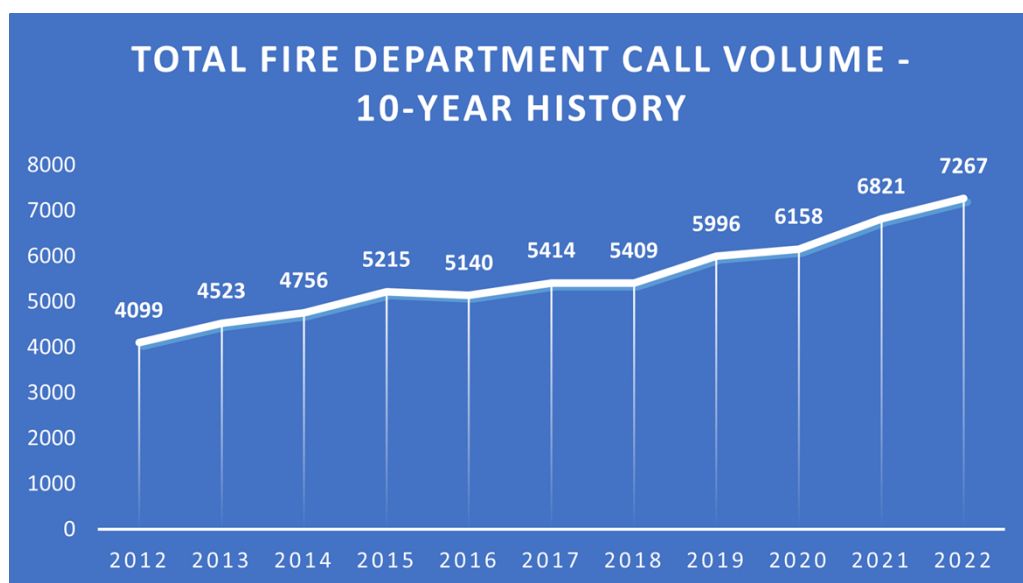


Overtime expenses in the First Quarter of FY24 (July-September 2023) have been \$511,949. Trending and extrapolating the pattern, accounting for the additional deployable personnel in February, the overtime is currently estimated to be over \$1.6 million at the end of FY24, nearly \$500,000 over budget projections.

Fire Services

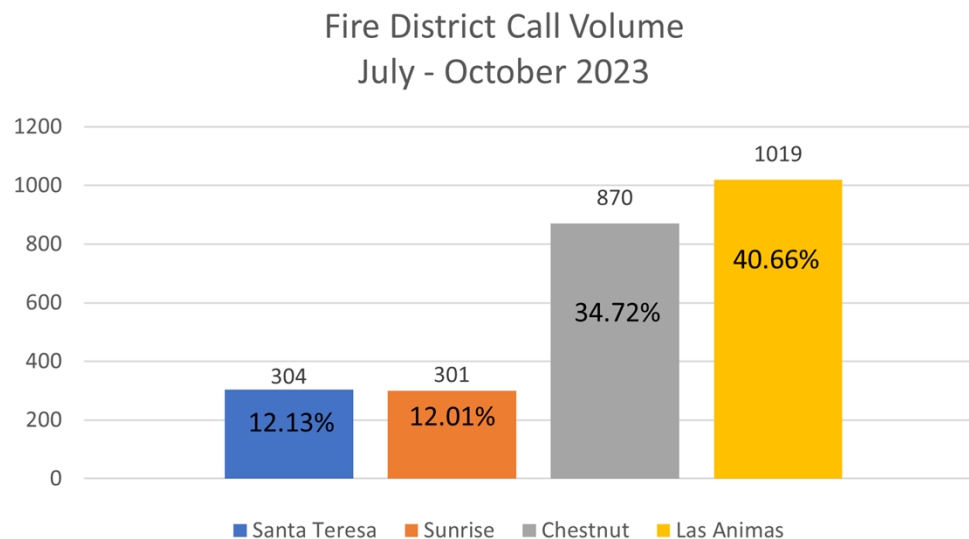
Community Fire Response

The demand for fire services and response to the community has increased dramatically over the past decade. Overall call volume for the Fire Department, including both emergency medical and fire suppression calls, has increased 77.3% over the past ten years, to a total of 7,267 calls in 2022. Below is a graph showing the increase over time.



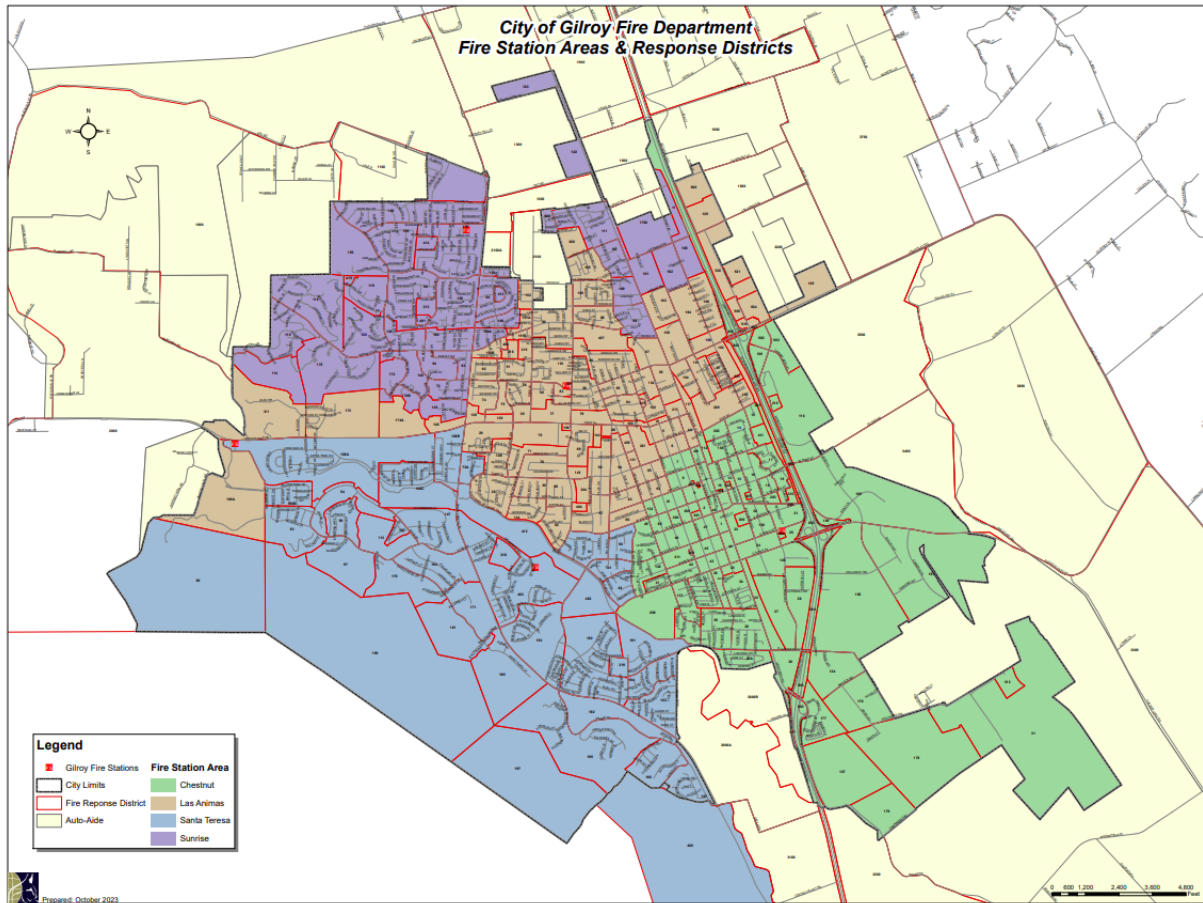
More recently, for the first four months of Fiscal Year 2024 (July 1, 2023-October 31, 2023), there have been a total of 2,506 calls for service. This is 34% of the previous year's total call volume at a third of the fiscal year. If the calls are even across the year, then extrapolating these calls would result in a total of 7,518 calls for the year, an increase of 3% over the prior year.

The calls for service do not affect each station to the same degree. For the first four months, below is the breakdown of the 2,506 calls into the various fire districts. It is important to note that these calls have their origination point within the identified district, but the ultimate response may have been provided from a station in another district.

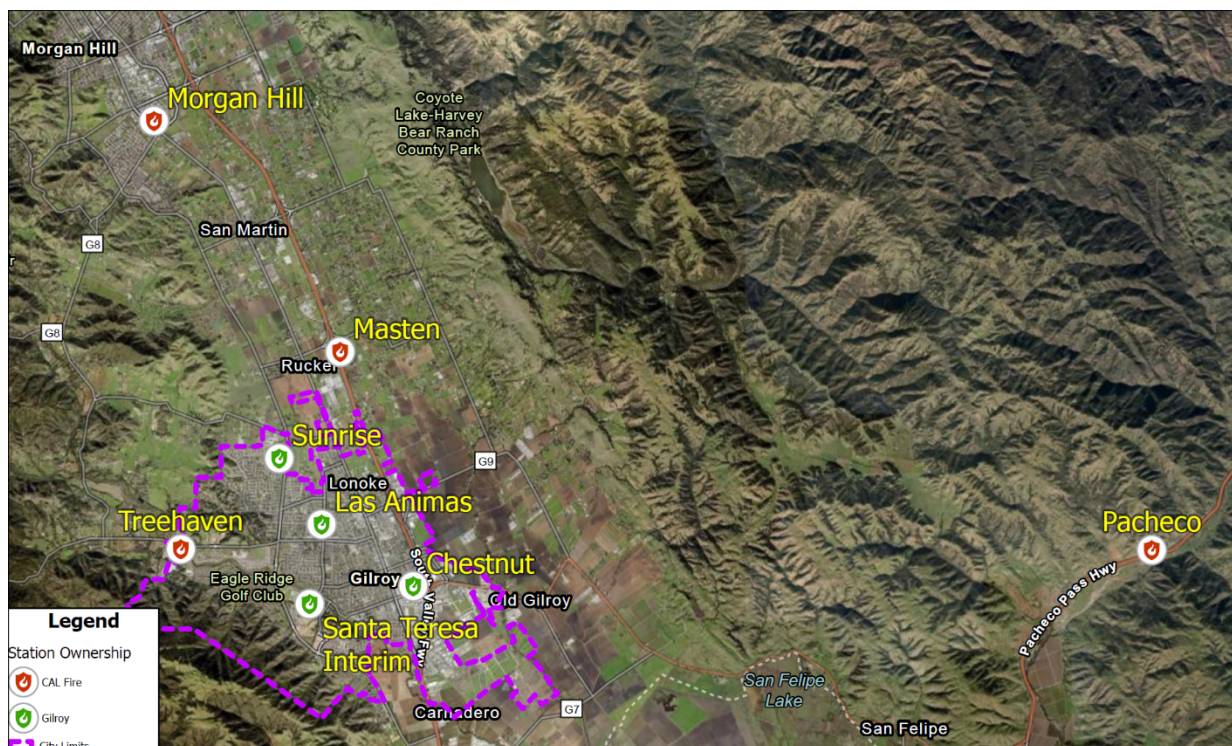


As can be seen, the STR District has seen 12% of the total call volume. The STR District does not see the high demand that the more centralized districts do.

For reference when considering the four fire districts within the City of Gilroy, below is a map showing the four districts' boundaries.



Additionally, the City receives support from other fire agencies' stations near the City of Gilroy. Within a 20-mile radius, there are 12 fire stations, not including Gilroy's four fire stations. Below is a map showing the location of four fire stations surrounding the City of Gilroy, as well as the City's fire stations.



Many agencies adopt response time goals. Response times for fire services are not based on averages, but the response time for 90% of the calls for service. These serve as targets for achievement in reducing or meeting response times. The City of Gilroy has an adopted response time goal of 7:30. The actual response time for the period ending October 31, 2023 is 8:55. While it is longer than the goal, a review of the response times of other fire agencies in Santa Clara County determined that none of the Santa Clara County fire agencies are meeting their established goals. Below is a table of these agencies, their established goal, and their actual response times.

Agency	Actual Response Time ⁶	Adopted Response Time (90 th percentile)
Santa Clara	8:03	7:00
Mountain View	8:15	7:20
Santa Clara County Fire	8:21	6:30
Sunnyvale	8:26	7:59
Milpitas	8:39	n/a
Gilroy	8:55	7:30
Palo Alto	9:41	8:00
San Jose	9:41	8:29 (80%)

⁶ Response times from other agencies from LAFCO report on Countywide fire services. Gilroy response time is more recent.

Agency	Actual Response Time ⁶	Adopted Response Time (90 th percentile)
Morgan Hill	9:56	n/a
South Santa Clara County	15:24	15:00

The county-wide average of the above 90th percentile response time actuals, not including Gilroy, is 9:36. With a response time of 8:55, the City of Gilroy has a faster response time than the countywide average. Below is a table that shows the 90th percentile response times per district for the first four months of the fiscal year ending October 31, 2023.

**Fire District Response Times
(90th Percentile)**

District	Response Times
Santa Teresa Total	0:10:16
Santa Teresa Staffed	0:09:25
Sunrise	0:09:06
Chestnut	0:09:24
Las Animas	0:07:51

Many additional factors impact the City's fire response, including increased congestion on roadway infrastructure, availability of staffing, multiple calls for service occurring simultaneously, reliability of neighboring agencies' resource availability to provide assistance, and severity of calls/size of necessary response.

Strike Teams. These teams are not being sent out. Due to staffing issues, but also for needed training, these existing priorities for providing service to our community must be met before strike teams will be sent to support other communities' wildfire protection needs.

Medical Call Transports (Ambulance services). County ambulance response times are significantly delayed throughout all areas of the County. As wait times increase, crews are bound at the scene until the ambulance arrives. When on scene with the patient, it is not uncommon to have wait times for an ambulance that exceed 30 minutes. These committed fire resources on scene are now unavailable for response, requiring the next due resource to respond to additional calls in the district.

Staff issued a letter in October to Santa Clara County, raising the issue that they created as a result of contract changes for American Medical Response (AMR), the County's ambulance service for the south county area. The letter identifies the discrepancy between the response time of 12 minutes to the urban areas of the County, while Gilroy and the rest of the south county experience average response times

exceeding 30 minutes. This wait time prevents Fire Department personnel from responding to the next pending emergency.

The County Emergency Medical Services Agency daily issues “Standard Dispatch Order #17”, which suspends automatic dispatches for County ambulances until the first-due Gilroy fire engine crew arrives on the scene and determines the acuity of the patient. It is only at that point that the Gilroy fire captain can then request the dispatch of the closest available county ambulance. This extends the on-scene time Gilroy fire crews have to stay before being able to respond to the next call.

The County compounded the issue when, three years ago, it unilaterally modified the agreement with AMR to decrease the late response penalties and changed the nature of the target response time from 12 minutes in each separate geographic zone to compliance levels systemwide, which lessens the need for fast response times to Gilroy residents in need. Further compounding the problem is the County’s effort to bridge the gap with basic life support ambulances, which frequently requires the Gilroy fire department engine crew to give up its only firefighter-paramedic member to accompany the patient to the hospital, and then requires the firefighter-paramedic to find alternative transportation back to Gilroy.

If a Basic Life Support (BLS) ambulance (non-paramedic) arrives, this requires a GFD paramedic to retain care and ride into the hospital. Depending on which hospital the patient is transported to, the paramedic may have a two-hour delay before rejoining with their crew. If the ambulance transports to Saint Louise, then the paramedic can be picked up at the hospital, minimizing the out-of-service time for the crew.

During Standard Dispatch Order #17, ambulances are not automatically attached to calls. Company officers are to arrive on scene to determine if an ambulance is required. Captains then request an ambulance and ask for an estimated time of arrival. For critical calls where an ambulance is needed, but there are none available, or they are extended, company officers have had to request Rescue-Medic 49, the City’s ambulance, for transport when in the best interest of the patient.

What is Our Plan Going Forward?

Our plan and recommendations are composed of short-term and long-term options. These are detailed below.

Short-term options

Due to the recent Firefighter vacancy that occurred on November 1, 2023, staff is commencing the recruitment process earlier than planned for the two new FY 25 positions. This will allow the department to fill the current vacancy as soon as possible and have two employees on deck ready to begin work on July 1, 2024, when the two new budgeted positions are approved.

Pilot policy changes. Staff has been reviewing overtime, leave use, and policies to determine options that may reduce the burden of overtime and negative impacts leading to increases in worker's compensation cases.

Auto Aid and Mutual Aid Agreement. Continue to foster and update current aid agreements to ensure coverage is maximized and mutually beneficial to all South County Agencies.

Interim fire station. Staff is continuing the effort to construct the interim fire station at the TEEC Building. This interim location until a permanent fire station can be constructed and placed into operation will help to allow both the short-term and long-term options to be better provided until the permanent structure is completed. On October 19th, the TEEC building was outfitted to enable change of shift operations to occur on-site. Security measures now protect personal vehicles and apparatus when placed out of service behind the building on the north side. Out-of-service time is now minimized as the crew starts and ends their shift at the TEEC site. A temporary system is now in place until the modular and apparatus bay is built and installed.

Explore additional alternative service delivery models. The Fire Department saw demonstrated reductions in response times with the implementation of the Quick Response Vehicle alternative service model. This option would entail reviewing the QRV Alternative Service Delivery Model, as well as reviewing and developing other potential ASMs that may help meet the needs identified in the fire service.

Long-term options

Increase staffing. One option is to increase staffing to 45 total fire response staffing. This model would raise staffing levels in each classification as follows:

- Captains 12 (+2 over current authorized staffing)
- Engineers 12 (+3 over current authorized staffing)
- Firefighters (Licensed Paramedics) 21 (+2 over current authorized staffing, matches FY25 authorized staffing)

The increase in staffing levels would provide enough staffing to fully staff all four stations with three-person crews on a 24/7 schedule taking into account workers' compensation leave, planned leave (vacation, family leave), and unplanned leave (sick leave). Currently, these leaves account for 2.5 absences per shift on average necessitating three relief personnel per shift. This would result in 15 personnel per shift (12 personnel per shift plus three relief personnel to cover absences).

The total employer cost for each position is \$170,658 for firefighter paramedics, \$181,480 for engineers, and \$199,800 for captains. The total anticipated cost using 2024 personnel cost rates would be \$944,039 per year ongoing (two Fire Captains and three Fire Engineers), with COLA and any other approved increases having to be absorbed into the Department's budget in future years.

Permanent Fire Station. This is completing the construction of the permanent STR District Fire Station and placing it into operation. The operation would be staffed with a three-person crew on a 24/7 schedule, assuming the increased staffing option is pursued. One-time construction cost as of December 2019 was \$9.3 million. Ongoing operating and maintenance costs are projected to be \$102,000 per year thereafter, with increases due to inflation each year.

One of the challenges relating to the construction of the permanent fire station is the funding from the Glen Loma Development Group. The Development Agreement with Glen Loma requires the developer to fund the construction of the permanent station, based on a baseline amount increased by an inflationary factor. The permanent fourth fire station is to be operational by the 1,100 building permit issued. At this time, the funding for the station has not been received, nor the station constructed. The GLDG is expected to pay a currently estimated \$8 million for the station construction, as well as the dedication of the land for the station. This is a matter that continues to be pursued by the City. The City has already received \$2.3 million from Glen Loma in lieu of building out the McCutchin Park which was approved by Council in June 2022 to further reduce the gap in permanent fire station funding. The City received those funds in July 2023, and deposited the payment into the Capital Projects fund to help offset future permanent fire station costs.

Standards of Coverage Review and Adjustment. The current Standards of Coverage was adopted prior to the completion of the 2040 General Plan update. The Standards of Coverage – which reviews and estimates the deployment and number of needed Fire Department facilities, equipment and staffing – needs to be updated with the projected community growth in the 2040 General Plan. This helps to provide the most strategic and holistic plan for the growth of the Fire Department as the population it serves increases. It will also serve to establish realistic response time goals. As mentioned earlier in the report, the Gilroy Fire Department has an average response time better than the countywide average. The goal currently established is not realistic given that the time is nearly one and one-half minute short of our average response time, while GFD outperforms larger fire protection agencies.

Contracting Out. In the Countywide Fire Services Review issued by the Local Agency Formation Commission of Santa Clara County (LAFCO) in 2023, LAFCO presented the following regarding contracting out fire service in the South County:

“The southern region of Santa Clara is served by SCFD and the cities of Gilroy and Morgan Hill. These agencies each play an integral role in the other’s services, as the jurisdictions experience a degree of isolation from external service providers and rely primarily on themselves or each other to furnish the necessary resources to handle almost all emergencies, except for the most severe ones, without assistance from external sources.

The combination of geographical isolation and financial constraints that hinder any single jurisdiction from affording a service level with adequate resources and

staff to handle all service calls independently, makes a cooperative service delivery model the most favorable long-term option for all three jurisdictions. This model maximizes the utilization of their combined resources, ensuring optimal operational and fiscal effectiveness and efficiency.

As such, the three agencies have practiced significant collaboration, planning, and resource sharing. In 2016, the three agencies entered into a boundary drop agreement to respond to emergency calls in each other's jurisdictions. The agencies have also instituted several practices to maximize efficiency in administration and operations. SCFD and Morgan Hill operations, support, and dispatch are co-located, and they currently share funding for several positions: Heavy Equipment Mechanic, Emergency Medical Services Chief, Staff Services Analyst, Battalion Chief, and Administrative Chief. The three agencies have also conducted joint planning through a Standard of Coverage Assessment in 2019.

The Standards of Coverage Assessment found that 'a cooperative fire service model that maximizes utilization of the combined three fire agency jurisdictions' resources is the best alternative going forward for efficient and cost-effective delivery of fire services in south Santa Clara County.'

There are further opportunities to better share and leverage resources and develop cohesive response in the region:

- Possibly enter into a Memorandum of Understanding outlining the three agencies' commitment to providing long-term cooperative fire services.
- Establishment of a joint strategic planning team with policy-level direction "to evaluate potential cooperative service elements for approval by the respective policy bodies, and then to conduct the detailed implementation planning necessary."
- Gilroy may contract with CAL FIRE, thus making the region served by a single entity for consistency and cohesiveness of response and ease of communication. Additionally, with all three agencies served by CAL FIRE, they may have greater negotiation power for contracts.
- In the long-term, the agencies may wish to consider annexation of Morgan Hill and Gilroy fire services into SCFD to fully maximize efficiencies and effectiveness.

The LAFCO report suggests potential collaboration with Morgan Hill and/or CAL FIRE directly as an option to address increasing costs and needed efficiencies. Contracting out has the potential to provide one or more alternative service models for Gilroy Fire Services. Further analysis of options would need to be conducted.

How are We Going to Fund These Options?

There are several possible methods, including raising funds as well as re-allocating swapping existing funding that was approved as part of the Fiscal Year 24 and 25 Adopted budgets. These are discussed more below.

One-time funding

Grants. While City staff will continue to seek out grants, there are only a few that are for personnel. These grants are often focused on retaining firefighters in a department where the positions are at risk of being eliminated and not an expansion of staffing. There are some grants that can provide one-time reimbursement for equipment purchases, but they are also competitive and are not guaranteed. For the purposes of planning for funding other options for staffing, it is recommended not to include in the feasibility analysis grant revenue as a determination of increasing staffing.

The City has been applying for various grants, including the Assistance to Firefighter Grant and for additional positions, the latter particularly in the past. The City has not been awarded a grant for funding positions for many years, and with the intention being to fund the expansion of the number of firefighters the City has it is highly unlikely that we would receive any personnel grants. We have been awarded mainly equipment and training grants, such as an air compressor for refilling self-contained breathing apparatus (SCBAs) tanks, other smaller equipment purchases, and tactical medic training. Despite this, we still have more grant applications denied than approved. The other items applied for include satellite phone deployment and a type 1 fire engine. This experienced level of grant funding, and the challenges with personnel funding via grants, is the reason for grants not to be relied upon in the determination of increasing staffing.

Sustainable Funding

Revenue Enhancement - Ballot Measure. Since the majority of public safety services are provided utilizing the General Fund's discretionary tax dollars, the most effective means of securing revenue for fire services is through a ballot measure to increase tax revenue. There are two options for such a measure, a sales tax and a parcel tax. Each have advantages and disadvantages.

Public Safety Sales Tax. The City could initiate a ballot measure for a 0.25% sales tax dedicated to fire, police, and youth services. The rate of 0.25% is the maximum remaining sales tax increase capacity without special legislation at the state level. The anticipated amount this would generate would be approximately \$4.3 million to \$4.9 million. Since it would be based as a sales tax, the disadvantage is that it would be variable based on sales transactions overall, the same challenges that our normal sales tax revenue experiences. The advantage is that with our sales tax capture, a portion of the revenue comes from tourists and shoppers that do not live in the City of Gilroy, but still enjoy the services of the City. Since the sales tax is for a specified purpose, the threshold for passage is a 2/3 majority of the votes on the ballot. A general sales tax increase only requires a simple majority.

Public Safety Parcel Tax. The other option for a revenue ballot measure is a public safety parcel tax. This tax, since it is property based, would also require a 2/3 majority to pass regardless of its purpose. The disadvantage is that this tax would be assessed against only Gilroy residents and property owners, and none of our tourists or outside shoppers would be helping to pay for public safety services while enjoying the benefits of it. However, an advantage over a sales tax is that there is greater stability in a parcel tax. The revenues are set by each parcel, and they can have a defined growth rate in the ballot measure. This would preserve the revenue during an economic recession. Additionally, there is no arbitrary legislative cap regarding the rate, but instead it is based on the initial assessment rate approved by voters and recommended based on need. The lack of a cap may be a disadvantage as well, as concerns about future rates may cause fears of escalating tax liabilities. The amount would vary based on the assessment method, and the initial assessment amount proposed and approved by the voters.

Cost Reductions

Downsize and reallocate personnel costs. The alternative to raising additional revenue through a ballot measure is to make reductions in other areas and repurpose those funds towards Fire staffing. For such an endeavor, there are a few issues for consideration:

- Fire staffing is a discretionary General Fund expense, and therefore any reallocations must be done in the General Fund. This will limit the nature of any reductions, as the service impact will only be in the General Fund supported budgets for the various departments. Additionally, as discussed above, public safety is already the largest discretionary General Fund budget item, and therefore most reductions in those departments would not be possible while trying to maintain service. The decrease in funding would eliminate positions, and therefore programs and service reductions, with the following departments/divisions:
 - Recreation
 - Building
 - Planning
 - Engineering (non-utility work)
 - Non-sworn Police Department staff
 - General Fund Streets and Park Landscaping
- The budget was approved with minimal operating margin to accomplish the additional personnel and services that were needed over the next two fiscal years. As such, there is not a pool of funds that can be easily shifted to Fire. Every dollar reduced and repurposed will be felt operationally, though the public may not experience the effects evenly from all the reductions. The City has continually “squeezed” the year-end savings as those savings are now budgeted and accounted for in the forecasted operating margin (salary savings).

- Ongoing expenditures need to be funded from reductions to other ongoing expenditures. Given that most of the ongoing costs for the General Fund is personnel (approximately 67%), the vast majority of reductions would have to be other, currently funded positions.
- Reduction in positions such as those in central services (Administration, Administrative Services, Finance), have a slightly lower effect, as these positions have some of their costs recovered to the General Fund from other funds through the Cost Allocation Plan/overhead charges. Any position reduced may also see a small reduction to revenue through the overhead charges applied to other funds. This means that more than the additional fire increase would need to be reduced, to offset the loss in overhead charge revenue.

The targeted amount may vary depending on the performance of the economy. As discussed in the background, sales tax revenue is now estimated to be \$900,000 less than projected in the adopted budget. This amount would have to be identified in addition to the cost of any of the options above that are selected for addressing the need in the Fire Department, in addition to any potential future recession revenue losses.

CONCLUSION AND DIRECTION RECOMMENDATIONS

Current fire staffing is approaching the level proposed in the original budget adopted for this fiscal year, assuming that the three firefighters in the academy complete their training by February and the Fire Department does not see additional worker's compensation claims, retirements, or resignations. Staff will be continuing to issue to Council the weekly reports on staffing and station operating hours. There will also be an overall report to the City Council each month as work is performed on Council's final direction at tonight's meeting.

Additional staffing for the fourth fire station to enhance above the level proposed in the adopted budget, in either its interim or permanent state, will require additional funding to pay for the positions, equipment, and supplies. Staff is proposing to pursue several of the options listed above simultaneously. Therefore, staff is recommending to Council to direct staff to enact the following options.

1. Direct staff to pursue a dedicated 0.25% sales tax ballot measure for funding public safety, both police and fire, and public safety infrastructure. The funding would help generate funds for fire staffing, as well as police services and related infrastructure.
2. Authorize staff to explore alternative service models, including reinstating a quick response vehicle, as well as any other potential ASMs that would help meet the demand for fire services in the STR District while preserving funding and finding efficiencies in service delivery.

3. Update the Standards of Coverage (SOC) regarding updated actuals for call volume/growth. Update of the SOC after adoption of a General Plan is a best practice. The updated projections of where the community will grow, population increase, infrastructure planning, traffic, and the other planning components of the General Plan all inform the Fire Department's coverage today and into the future.
4. Create a Fire Service Strategic Plan to look at the service holistically and to consider best methods, service models, growth projections, and options regarding stations, equipment, staffing, service levels, internal and external support options, and funding sources.
5. The Fire Department, in covering shifts that incurred absences from unplanned leaves, has consumed a large proportion of the current overtime budget. With the Department being nearly fully staffed, there is not an additional source of funding to facilitate more overtime coverage. Since there are insufficient resources to staff the STR District Interim Station, staff will be evaluating daily staffing and will continue to staff the station when on-duty personnel are available to do so and will continue to evaluate the current overtime budget to determine when resources are available to staff the station with overtime staffing. Given that there is not an unlimited overtime budget, fire management will evaluate the strategic use of the remaining overtime budget to staff the STR District Interim Station when it is possible to do so.

ALTERNATIVES

Each staff identified alternative has been discussed above in the analysis portion. There may be other alternatives that staff have not become aware of yet, which may be revealed as the process proceeds.

FISCAL IMPACT/FUNDING SOURCE

The ultimate fiscal impact will vary depending upon which option Council directs staff to pursue. Each option discussed above has a discussion on the financial impact of each for consideration, where the fiscal impact amount is known.

PUBLIC OUTREACH

The item has been discussed at previous meetings, including public comment and a closed session item at the September 18, 2023 City Council Regular Meeting. Additionally, the item was included on the publicly posted agenda for this meeting.

NEXT STEPS

Once Council issues direction to staff, staff will commence implementation. The next steps will vary based on Council's direction to staff and are discussed more in the analysis portion of this report.

