

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL RENAMING THE EXISTING OPEN SPACE FUND (FUND 306) TO THE AGRICULTURAL AND OPEN SPACE PRESERVATION FUND, ESTABLISHING AN AGRICULTURAL LANDS MITIGATION BANK AND DIRECTING STAFF TO WORK WITH THE SELECTED CONSULTANT TO ESTABLISH THE SAME, DEDICATING AN INITIAL AMOUNT OF SIX MILLION DOLLARS (\$6,000,000.00) FROM THE AGRICULTURAL AND OPEN SPACE PRESERVATION FUND FOR AGRICULTURAL LAND CONSERVATION, AND DIRECTING STAFF TO EVALUATE AGRICULTURAL LAND PRESERVATION PARTNERSHIP OPPORTUNITIES WITHIN SANTA CLARA COUNTY

WHEREAS, the City of Morgan Hill (the "City") has a long and proud history of environmental stewardship and is committed to preserving agricultural lands; and

WHEREAS, as one of only 20 cities and counties in the State of California to adopt agricultural mitigation policies, the City is confident that its forward-thinking, city-wide agricultural preservation program will result in preserving viable agricultural lands within its Sphere of Influence (SOI); and

WHEREAS, the City wishes to rename the existing Open Space Fund (Fund 306) to the "Agriculture and Open Space Preservation Fund" to reflect that funds gained from the City's Residential Development Control System (the "RDCS") are appropriately used to fund agricultural land preservation; and

WHEREAS, the Agricultural Lands Preservation Program (the "Program"), which serves as a binding City Council Policy document, establishes a policy framework for the preservation of such agricultural lands; and

WHEREAS, the Program identifies the purchase of permanent Agricultural Conservation Easements as a primary tool for the preservation of agricultural activity and the preservation of agricultural lands in perpetuity; and

WHEREAS, the Program indicates that the City should partner with a 3rd-party entity (a non-profit or governmental agency) to act as the "Implementing Entity" for the Program, recognizing that other entities may have greater expertise with the various steps necessary to obtain and manage Agricultural Conservation Easements; and

WHEREAS, per previous Council direction, City staff is currently in the process of selecting a Consultant to act as the Implementing Entity for the Program; and

WHEREAS, the Consultant would be responsible for negotiating the purchase of Agricultural Conservation Easements from willing property owners using funding available as collected from the Agricultural Mitigation In-Lieu Fee or the City's Agricultural and Open Space Preservation Fund; and

WHEREAS, the City desires to establish an Agricultural Lands Mitigation Bank, consisting of properties upon which an Agricultural Conservation Easement has been recorded, consistent with the requirements of the Program and the City's Agricultural Lands Mitigation Ordinance, in advance of the need for those lands to serve as mitigation and City staff should work with the selected Consultant to establish the same; and

WHEREAS, the Consultant would also be responsible for monitoring and reporting to the City (and the City would concurrently report to the Local Agency Formation Commission ("LAFCO") of Santa Clara County) on the status of lands placed under Agricultural Conservation Easements through the Program; and

WHEREAS, the Consultant's role would be an interim role while the City identifies an entity to act as the Implementing Entity long-term; and

WHEREAS, the City wishes to pledge and formally commit Six Million Dollars (\$6,000,000.00) from the Agriculture and Open Space Preservation Fund to fund the effort to establish the Agricultural Lands Mitigation Bank; and

WHEREAS, this commitment is consistent with the original purpose of the funds when those were originally provided to the City as a contribution from developers through the RDSCS and is a restatement of existing policy; and

WHEREAS, City staff should evaluate agricultural land preservation partnership opportunities within Santa Clara County as detailed in the Open Space Authority's "Santa Clara Valley Greenprint" and other complementary plans, especially those in close proximity to the City; and

WHEREAS, the activities that are the subject of this Resolution are part of a project for which an environmental impact report ("EIR") was prepared, which EIR has been certified by adoption of a resolution by City Council at the November 5, 2014 City Council meeting; and

WHEREAS, the actions approved in this Resolution will enable the City to begin implementation of the Program through the conservation of agricultural lands; and

WHEREAS, further reasons supporting the actions that are the subject of this Resolution are set forth in detail in that certain City Council Staff Report entitled "City-Wide Agricultural Lands Preservation Program - Implementation Actions" submitted for City Council consideration at its meeting of March 2, 2016, submitted to the City Council by the City Manager (the "Staff Report"), the contents of which Staff Report are incorporated herein by this reference; and

WHEREAS, the City Council determines that adoption of this Resolution is in the public interest.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Recitals. The City Council does hereby find, determine and resolve that all of the foregoing recitals are true and correct.

Section 2. Approval and Authorization. The City Council does further resolve, order and/or direct as follows:

- a. That the existing Open Space Fund (Fund 306) is hereby renamed to the "Agriculture and Open Space Preservation Fund"; and
- b. That the City Clerk is hereby authorized and directed to forward a copy of this Resolution to the City's Finance Director, who is hereby authorized and directed to take all actions necessary to rename Fund 306; and
- c. That the Agricultural Lands Mitigation Bank, consisting of properties upon which an Agricultural Conservation Easement has been recorded, consistent with the requirements of the Program and the City's Agricultural Lands Mitigation Ordinance, in advance of the need for those lands to serve as mitigation, is hereby established and City staff is directed to work with the selected Consultant to effect such establishment; and
- d. That Six Million Dollars (\$6,000,000.00) in the City's Agriculture and Open Space Preservation Fund is hereby pledged and formally committed to fund the initial effort to establish the Agricultural Lands Mitigation Bank; and
- e. That City staff is hereby directed to evaluate agricultural land preservation partnership opportunities within Santa Clara County as detailed in the Open Space Authority's "Santa Clara Valley Greenprint" and other complementary plans, especially those in close proximity to the City; and
- f. That the City Manager is hereby delegated authority to and is authorized to take all other ministerial actions that may be necessary or appropriate to implement the provisions of this Resolution.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morgan Hill at its meeting held on this 2nd day of March, 2016 by the following vote:

AYES:
NOES:

COUNCIL MEMBERS:
COUNCIL MEMBERS:

**ABSTAIN:
ABSENT:**

**COUNCIL MEMBERS:
COUNCIL MEMBERS:**

DATE: _____

Steve Tate, MAYOR

∞ CERTIFICATION ∞

I, Irma Torrez, City Clerk of the City of Morgan Hill, California, do hereby certify that the foregoing is a true and correct copy of Resolution No. XXXX , adopted by the City Council at the meeting held on March 2, 2016.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

Irma Torrez, CITY CLERK