

May 19, 2020, 7:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy

Web Site: www.ci.tracy.ca.us

Due to the COVID-19 emergency, the regular meeting was conducted pursuant to the provisions of the Governor's Executive Order N-29-20 which suspends certain requirements of the Ralph M. Brown Act. Residents participated remotely via email, phone and WebEx during the meeting.

Mayor Rickman called the meeting to order at 7:23 p.m.

Mayor Rickman led the Pledge of Allegiance.

Pastor Tim Heinrich, Crossroads Baptist Church offered the invocation.

Roll call found Council Members Arriola, Ransom, Vargas, Mayor Pro Tem Young and Mayor Rickman present.

1. CONSENT CALENDAR – Following the removal of consent item 1.E. by Mayor Pro Tem Young motion was made by Council Member Vargas and seconded by Council Member Arriola to adopt the Consent Calendar. Roll call vote found all in favor; passed and so ordered.
 - 1.A. ADOPTION OF MAY 5, 2020, CLOSED SESSION AND REGULAR MEETING MINUTES – **Minutes were adopted.**
 - 1.B. APPROVE AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH MCE, INC. FOR LANDSCAPE MAINTENANCE SERVICE TO AMEND THE 'NOT TO EXCEED' AMOUNT TO \$900,000 ANNUALLY – **Resolution 2020-068** approved Amendment No. 4 to the Professional Services Agreement.
 - 1.C. APPROVE THE FINAL SUBDIVISION MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR TRACT 3958, TRACY HILLS VILLAGE 8B, AND AUTHORIZE THE CITY CLERK TO FILE THE SUBDIVISION IMPROVEMENT AGREEMENT WITH THE OFFICE OF THE SAN JOAQUIN COUNTY RECORDER – **Resolution 2020-069** approved the Final Subdivision Map and Subdivision Improvement Agreement.
 - 1.D. APPROVE CITY OF TRACY TRANSIT DIVISION TITLE VI PROGRAM AND LANGUAGE ASSISTANCE PLAN FOR TRACER FIXED ROUTE AND PARATRANSIT SERVICES – **Resolution 2020-070** approved the City of Tracy Transit Division Title VI Program and Language Assistance Plan.
 - 1.F. EXTEND THE YEAR 2020 DEADLINE TO OBTAIN A BUILDING PERMIT UNDER SECTION D.3.(c) OF THE CITY OF TRACY GROWTH MANAGEMENT ORDINANCE GUIDELINES FOR FORTY-FIVE (45) CALENDAR DAYS DUE TO COVID-19 PUBLIC HEALTH EMERGENCY – **Resolution 2020-071** extended the Year 2020 deadline to obtain a building permit under Section D.3.(c) of the Growth Management Ordinance Guidelines.

- 1.G. AMEND THE TRACY STATION 95 FIRE STATION FIRST IMPLEMENTATION AGREEMENT BY AND BETWEEN THE CITY OF TRACY AND THE TRACY HILLS PROJECT OWNER, LLC, AND TRACY PHASE I, LLC, TO CLARIFY THE CONSTRUCTION SCHEDULE FOR FIRE STATION 95 – Resolution 2020-072 amended the Tracy Station 95 Fire Station First Implementation Agreement.

Jenny Haruyama, City Manager provided a brief update regarding consent item 1.G. stating the developer who is constructing Station No. 95 has received the bids for this project. The bids are currently under evaluation and staff will keep Council informed on the progress of the project.

- 1.E. GRANT LEAVE TO FILE LATE CLAIM AND REJECT CLAIM FILED BY NANCY LUNETTA

Mayor Pro Tem Young pulled the item to state that she did not agree to reject the claim filed by Nancy Lunetta.

Leticia Ramirez, City Attorney provided the staff report.

No one from the audience wished to speak.

City Council comments and questions followed.

ACTION: Motion was made by Council Member Ransom and seconded by Council Member Vargas to adopt **Resolution 2020-073** granting leave to file late claim and rejecting claim filed by Nancy Lunetta. Roll call found Council Members Arriola, Ransom, Vargas and Mayor Rickman in favor; passed and so ordered. Mayor Pro Tem Young opposed.

2. ITEMS FROM THE AUDIENCE – There were no comments from the public.

3. REGULAR AGENDA

- 3.A. PUBLIC HEARING TO CONSIDER APPROVAL OF THE TRACY HILLS KT PROJECT, WHICH INVOLVES APPROVING A GENERAL PLAN AMENDMENT, INTRODUCING AN ORDINANCE APPROVING A TRACY HILLS SPECIFIC PLAN AMENDMENT, AND APPROVING A VESTING TENTATIVE SUBDIVISION MAP TO CREATE APPROXIMATELY 185 SINGLE-FAMILY RESIDENTIAL LOTS, TWO COMMERCIAL PARCELS, AND VARIOUS OTHER PARCELS, INCLUDING A LINEAR PARK AND AN HOA RECREATION AREA, CONSISTING OF APPROXIMATELY 45 ACRES, LOCATED EAST OF CORRAL HOLLOW ROAD IN THE VICINITY OF TRACY HILLS DRIVE

Scott Claar, Senior Planner provided the staff report.

Robert Armijo, City Engineer described the traffic analysis.

Frederik Venter, Kimley-Horn summarized the traffic study for the KT Project.

John Palmer, Project Manager for Tracy Hills thanked Council and staff for their efforts towards the project and provided a summary of how Tracy Hills got to where it is today.

Mike Souza, Tracy Hills Project Manager spoke about the Tracy Hills land plan.

Mayor Rickman opened the public hearing.

Alice English spoke about traffic issues on Corral Hollow and Linne Road. Ms. English stated she liked the project but the infrastructure needs to get done first.

Mayor Rickman closed the public hearing.

City Council questions and comments followed.

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Vargas to adopt **Resolution 2020-074** approving a General Plan Amendment and considering an Addendum to the Tracy Hills Specific Plan Subsequent Environmental Impact Report prepared for the Tracy Hills KT Project, Application Number GPA19-0003. Roll call found all in favor; passed and so ordered.

Mayor Rickman requested the City Clerk read the title of the proposed ordinance.

Adrienne Richardson, City Clerk read the title of the proposed ordinance.

ACTION: Motion was made by Mayor Pro Tem Young and seconded by Council Member Ransom to waive the reading of the full text and introduce **Ordinance 1286** an Ordinance of the City of Tracy approving an amendment to the Tracy Hills Specific Plan for Tracy Hills KT Project. Roll call found all in favor; passed and so ordered.

ACTION: Motion was made by Mayor Pro Tem Young and seconded by Council Member Ransom to adopt **Resolution 2020-075** approving a Vesting Tentative Subdivision Map for the Tracy Hills KT Project to create approximately 185 single-family residential lots, two commercial parcels, and various other parcels, including a linear park and HOA recreation area, consisting of approximately 45 acres located east of Corral Hollow Road in the vicinity of Tracy Hills Drive. Roll call found all in favor; passed and so ordered.

3.B. APPROVE A NEW CITY SMALL BUSINESS FORGIVABLE LOAN PROGRAM TO SUPPORT LOCAL SMALL BUSINESSES AFFECTED BY COVID-19 AND AUTHORIZE THE CITY MANAGER OR DESIGNEE TO SIGN THE LOAN AGREEMENTS

Barbara Harb, Economic Development Management Analyst provided the staff report.

Robin Lopez thanked Council for providing the Small Business Forgivable Loan Program and asked if non-profits will be eligible for a forgivable loan if they meet the criteria.

City Council comments and questions followed.

ACTION: Motion was made by Council Member Ransom and seconded by Council Member Vargas to adopt **Resolution 2020-076** approving a new Small Business Forgivable Loan Program to support local small businesses affected by COVID-19 and authorizing the City Manager or designee to sign the loan agreements. Roll call found all in favor; passed and so ordered.

3.C. APPROVE CANNABIS BUSINESS PERMIT APPLICATION PROCEDURES AND GUIDELINES

Bill Dean, Assistant Development Services Director provided the staff report and presentation.

Pamela Epstein, Eden Enterprises submitted a nine page letter into the record regarding approval of the cannabis business permit application and guidelines.

Spencer Sitnik provided information regarding AcesoTHC and submitting a cannabis application for cultivation, manufacturing, distribution, distribution transport, and retail. Mr. Sitnik spoke about finding locations and a letter from City Council saying there is approval of that kind of business.

Edward spoke about reducing barriers stating they are beyond what an equity applicant can have and is against the will of the voters. Edward urged Council to have a meeting with constituents and figure a way to lower the barriers.

Pamela Epstein, Eden Enterprises spoke about points allocation, a community benefits plan, application process, and local preference suggesting instead of city limits have zip code define what local is.

Alex Monceaux spoke about the social equity plan not including being a local to qualify and no financial limit on minority groups. Mr. Monceaux stated social equity should have applications waivers, and landlord letters and referred to a three phase process: eligibility screening, community benefit, and landlord letters, and suggested looking at one license in each category.

City Council comments and questions followed.

Council Member Ransom stated she would be willing to make that third step for the equity applicant but not in favor of doing that across the board, has no objection to putting equity applicant in other categories as well, and supported the zip code being a qualification of the local process. Council Member Arriola supported the recommendations made by Council Member Ransom. Council Member Arriola and Council Member Vargas also supported the zip code qualification.

ACTION: Motion made by Council Member Vargas to adopt a Resolution approving the Cannabis Business Permit Application Procedures and Guidelines with the caveat as indicated by Council Member Ransom and Council Member Arriola regarding the zip code qualification. Motion failed due to lack of second.

Council questions and discussion continued.

ACTION: Motion was made by Council Member Ransom to adopt **Resolution 2020-077** approving the Cannabis Business Permit Application Procedures and Guidelines to be amended to include local zip codes and what it means to be a local applicant, to create a third step which will give a waiver to the equity applicants and to bring back a final discussion on an equity applicant at a later date.

Council Member Arriola made a friendly motion that the amount of points for social equity be raised from 3 to 5 to be equal to that of local preference. Council Member Ransom accepted the amendment. Council Member Arriola seconded Council Member Ransom's motion. Roll call found all in favor; passed and so ordered.

3.D. INTRODUCE AN ORDINANCE AMENDING VARIOUS SECTIONS OF CHAPTER 6.36 OF THE TRACY MUNICIPAL CODE REGARDING COMMERCIAL CANNABIS ACTIVITY

Bianca Rodriguez, Assistant City Attorney provided the staff report.

Alex Monceaux requested extending the landlord waiver to all local not just equity, cautioned Council on limiting these to four due to operators wanting multiple licenses, asked about stacking multiple licenses and a different community benefit for each license. Mr. Monceaux stated with the COVID-19 situation the proposed tax would be more beneficial than community benefit fees.

City Council questions and discussion followed.

Mayor Rickman requested the City Clerk read the title of the proposed ordinance.

Adrienne Richardson, City Clerk read the title of the proposed ordinance.

ACTION: Motion was made by Council Member Ransom and seconded by Council Member Arriola to waive the reading of the full text and introduce **Ordinance 1287** an Ordinance of the City of Tracy amending various sections of Chapter 6.36 of Title 6 "Businesses, Professions, and Trades" of the Tracy Municipal Code regarding local regulations of commercial cannabis activity in the City of Tracy as amended to include removing the numerical limitation on business types except for storefront retailers who will be limited to four. Roll call found all in favor; passed and so ordered.

3.E. APPROVE ACTIONS RELATED TO SUBMITTING A MEASURE TO THE VOTERS TO ADOPT AN ORDINANCE IMPOSING A CANNABIS BUSINESS TAX WHICH SHALL CUMULATIVELY NOT EXCEED 15% OF GROSS RECEIPTS ON COMMERCIAL CANNABIS ACTIVITIES IN TRACY TO FUND GENERAL SERVICES AT THE ELECTION ON NOVEMBER 3, 2020, INCLUDING:

- (1) CALLING FOR AND GIVING NOTICE OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2020 FOR THE ELECTION OF CERTAIN OFFICERS AND CONSIDERATION OF LOCAL BALLOT MEASURE(S), AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN JOAQUIN ORDER THE CONSOLIDATION OF SAID ELECTION WITH THE

- (2) STATEWIDE GENERAL ELECTION TO BE HELD ON THAT DATE ORDERING THE CITY CLERK TO SUBMIT A MEASURE TO THE VOTERS TO ADOPT AN ORDINANCE IMPOSING A CANNABIS BUSINESS TAX ON COMMERCIAL CANNABIS ACTIVITIES IN TRACY TO FUND GENERAL SERVICES AT THE GENERAL MUNICIPAL ELECTION ON NOVEMBER 3, 2020
- (3) INTRODUCTION OF AN ORDINANCE ADDING CHAPTER 6.40 "CANNABIS BUSINESS TAX" TO TITLE 6 OF THE TRACY MUNICIPAL CODE TO IMPOSE A TAX ON COMMERCIAL CANNABIS ACTIVITIES SUBJECT TO APPROVAL OF A MAJORITY OF THE ELECTORS VOTING ON THE MEASURE AT THE GENERAL MUNICIPAL ELECTION ON NOVEMBER 3, 2020

Karin Schnaider, Finance Director provided the staff report.

Alex Monceaux shared his concern regarding a 15% tax as a lot of entities are 10%, and that may scare operators in the future. Mr. Monceaux suggested being competitive to tax rates in Stockton.

Michaela Toscas shared her concerns regarding the tax measure of up to 15%, provided examples from the City of Oakland, and suggested doing a tier based level, or having two separate based tier levels.

City Council comments and questions followed.

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Ransom to adopt **Resolution 2020-078** calling and giving notice of a General Election to be held on November 3, 2020 for the election of certain officers and consideration of local ballot measure(s), and requesting the Board of Supervisors of the County of San Joaquin order the consolidation of said election with the Statewide General Election to be held on that date. Roll call found all in favor; passed and so ordered.

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Ransom to adopt **Resolution 2020-079** ordering the City Clerk to submit a Measure to the voters to adopt an Ordinance imposing a cannabis business tax on commercial cannabis and hemp activities in Tracy to fund core City services at the General Municipal Election on November 3, 2020. Roll call found all in favor; passed and so ordered.

Mayor Rickman requested the City Clerk read the title of the proposed ordinance.

Adrienne Richardson, City Clerk read the title of the proposed ordinance.

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Ransom to waive the reading of the full text and introduce **Ordinance 1288** an Ordinance of the City of Tracy adding Chapter 6.40 "Cannabis Business Tax" to Title 6 of the Tracy Municipal Code to impose a tax on commercial cannabis activities in Tracy. Roll call found all in favor; passed and so ordered.

Mayor Rickman called for a recess at 11:04 p.m.

Mayor Rickman reconvened the meeting at 11:10 p.m.

- 3.F. ADOPT AN URGENCY ORDINANCE AMENDING ORDINANCE NO. 1285 EXTENDING CERTAIN DEVELOPMENT RELATED DEADLINES AND AUTHORIZING THE CITY MANAGER TO TAKE CERTAIN ACTIONS REGARDING PUBLIC IMPROVEMENT AGREEMENTS, GRANT APPLICATIONS, CHANGE ORDERS AND PROFESSIONAL AND GENERAL SERVICES AGREEMENTS, AND ACCEPTING IMPROVEMENTS DURING THIS LOCAL EMERGENCY

Leticia Ramirez, City Attorney provided the staff report.

There were no comments from the public.

There were no comments from City Council.

Mayor Rickman requested the City Clerk read the title of the proposed ordinance.

Adrienne Richardson, City Clerk read the title of the proposed ordinance.

ACTION: Motion was made by Council Member Vargas and seconded by Council Member Arriola to waive the reading of the full text and adopt **Ordinance 1289** an Urgency Ordinance amending Ordinance No. 1285 of the City of Tracy extending certain deadlines and authorizing the City Manager to take certain actions regarding public improvement agreements, grant applications and Professional and General Services Agreements and accepting improvements during the local emergency. Roll call found all in favor; passed and so ordered.

It was Council's consensus to move Item 3.H to the next meeting and publish any updates on the City of Tracy website.

- 3.G. AUTHORIZE THE DISPLAY OF THE LGBT PRIDE FLAG AT CITY HALL FOR THE MONTH OF JUNE 2020 TO RECOGNIZE LGBT PRIDE MONTH AND ON THE DAY OF TRACY PRIDE CELEBRATION TO BE HELD IN FALL 2020

Midori Lichtwardt, Assistant City Manager provided the staff report.

Alex Monceaux suggested a process to allow other groups in addition to LGBT to be able to get City support to display other flags in the future.

City Council comments and questions followed.

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Ransom to adopt **Resolution 2020-080** authorizing the display of the LGBT Pride Flag for the month of June 2020 at City Hall to recognize LGBT Pride Month and on the day of the "Tracy Pride Celebration" to be held in Fall 2020. Roll call found all in favor; passed and so ordered.

Council Member Vargas requested review of the flag policy to come back before Council. Mayor Pro Tem Young supported the request.

- 3.H. DISCUSS CITY'S RESPONSE TO COVID-19 (VERBAL REPORT) – Due to the late hour, it was Council's consensus to move this item to the next agenda.
4. ITEMS FROM THE AUDIENCE – Yolanda Magana requested dog parks and playgrounds be reopened, expanding more benches, shade, trails and open grass areas in our parks and nature parks, suggested classes offered by Parks and Recreation be flexible for online learning.

Eleassia Davis requested City Council take proactive steps to reopen Tracy for all businesses in a timely and efficient manner with health and safety in mind. Ms. Davis requested the City commit to devising a local emergency response plan.

Alice English spoke about the following: Toyota dealership not adhering to policies and safety of workers, Farmers Market moving to Central Ave with the vendors in middle and people walk up one side and down the other, closing down 10th and Central on Fridays and Saturdays and opening up restaurants for people to sit outside. Ms. English spoke about wearing masks at the Farmers Market and asked staff to reach out to TCCA.

5. STAFF ITEMS - Jenny Haruyama, City Manager provided an update on the following actions taken by the City Manager during the COVID emergency:

- Approval of Amendment No. 1 to Professional Services Agreement with Management Partners, Inc. to provide budgeting consulting assistance
- Approval of Amendment No. 1 to Professional Services Agreement with Mejorando Group for Succession Plan Development

6. COUNCIL ITEMS - Mayor Rickman requested staff to bring back to Council for discussion the following items:

1. A joint Resolution brought before the Board of Supervisors and the City Councils of the cities of Escalon, Lathrop, Lodi, Manteca, Ripon and Tracy to petition the Governor to allow counties to implement local directives regarding resumption of activities during the COVID-19 pandemic. Council Member Vargas supported the request.
2. Reopening plan for Tracy. Council Member Vargas supported the request.
3. Stand alone for the Fire JPA. Council Member Ransom supported the request.

Mayor Rickman wished everyone a Happy Memorial Day, congratulated the 2020 graduates, and thanked everyone for their patience during COVID-19.

Council Member Arriola reported on the East Bay Community Energy Board meeting, and congratulated the graduating class of 2020.

Council Member Ransom acknowledged the 2020 graduates and announced the following: Blood drive on May 22, 2020 co-sponsored by Assemblymember Eggman and herself, contact the County Health Department if interested in volunteering for contact tracers for tracing COVID, and the need to meet the protocols for homeless in order to get out of this. Council Member Ransom requested an agenda item regarding a mask policy with support for our Tracy essential businesses and Farmers Market. Council Member Vargas supported the request. Council Member Ransom wished everyone a Memorial Day full of gratitude.

Mayor Pro Tem Young commented on the following: Requested the COVID update presentation to be emailed to Council, asked whether the resolution that was before the County today was signed, and setting up of a cooling center. Mayor Pro Tem Young congratulated the graduating class of 2020, honored veterans and safety personnel on the front lines, read a quote from John Kennedy, and asked about the Memorial Day video in partnership with the American Legion.

Council Member Vargas provided an update from the JPA meeting for Valley Link and thanked the Council and Assemblymember Susan Eggman for being in support of the Valley Link project.

7. ADJOURNMENT – Time: Wednesday, May 20, 2020, 12:12 a.m.

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Ransom to adjourn. Roll call vote found all in favor passed and so ordered.

The above agenda was posted at the Tracy City Hall on May 14, 2020. The above are action minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk