



# Annual Progress Report

2024

## 1. Introduction

On July 27, 2016, the Morgan Hill 2035 General Plan was adopted by City Council [Resolution No. 16-128](#). The Morgan Hill 2035 General Plan is a comprehensive update of the City's 2001 General Plan.

The General Plan incorporates the City's Housing Element, which was adopted by the City Council on January 25, 2023, and certified by HCD on November 29, 2023.

On December 6, 2017 the City Council adopted [Resolution No. 17-098](#) approving General Plan Land Use and Text Amendments (File Nos. GPA2017-0001 and GPA2017-0002) to correct miscellaneous Land Use Map, figure, and text errors.

Government Code Section 65400 mandates that certain cities and all 58 counties submit an annual progress report (APR) on the status of the General Plan and progress on its implementation to the Governor's Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD) by April 1 of each year. This document and the attached forms meet this requirement for the City of Morgan Hill.

## 2. Implementation Highlights by General Plan Element

### CITY AND NEIGHBORHOOD FORM ELEMENT

#### Development Services - Planning

- Continued to implemented permit processing for SB330 including utilizing objective criteria established at the end of 2019.
- Continued to provide planning services and functions in-person and in a virtual environment.
- Continued to create and improve resources for public information regarding development activity in the city.

*Goal CNF-1 An improved, effective, efficient, fair, equitable, flexible, and user-friendly planning and decision-making process.*

- Amended the Zoning Ordinance implementing miscellaneous code amendments due to clerical errors and inconsistencies, modify parking standards, facilitate by-right Agricultural Labor Accommodations, Low Barrier Navigation Centers, emergency shelters, transitional and supportive housing, group housing, and residential care facilities; modify Reasonable Accommodations Chapter.

*Goal CNF-2 An improved, orderly, and efficient pattern of urban development.*

### HOUSING ELEMENT

- See Attached Housing Element Annual Progress Report

#### Development Services - Housing

- Led Affordable Housing Program communication efforts in both English and Spanish through webinars, townhalls, tabling at resource fairs, and submitting articles.
- Processed 268 referrals and connected with 247 households at risk of, or currently experiencing homelessness, by providing case management and supportive services through the City's Unhoused Specialist. Housed 58 households, of which 26 were homeless and 32 households were at risk of becoming homeless.
- Operated a 10-bed Inclement Cold Weather shelter in partnership with Community Christian Church during inclement cold weather episodes.
- Continued to partner with the Morgan Hill Bible Church Safe Car Parking Program that operates year-round for 8 families (30 people max each night) where they are provided meals, showers, restrooms, washer & dryer, and case management by the South County Compassion Center. Permanently housed 14 program participants.

- Transitioned the grant funded Unhoused Specialist position into a permanent full-time city funded position to continue to advance local implementation of the Community Plan to End Homelessness.
- Elevated the Housing Director position to Housing and Economic Mobility Director and conducted a nationwide job search for candidates
- Continued to partner with HouseKeys to provide ongoing implementation of the Inclusionary Housing Ordinance Below Market Rate (BMR) Program. 1,153 attendees at BMR workshops (orientations), 825 new potential applicants added to the database.
- In partnership with ICMA, launched the Elevate Morgan Hill framework identifying strategies for Economic Success, Power and Autonomy, and Dignity and Belonging.
- Hosted an Economic Mobility Symposium with 140 people in attendance celebrating cultural diversity, launching the Elevate Morgan Hill framework, and fostering new partnerships and engagements for the City.
- Mobilized volunteers along with a call for donations of blankets and jackets for the biennial Santa Clara County point in time count.

*Goal HE-1 Provide a diversified housing stock to meet the full range of future community housing needs; Goal HE-2 Encourage Extremely Low-Income (ELI) housing production, increasing availability of affordable and workforce housing; Goal HE-4 Preserve and rehabilitate existing housing supply; Goal HE-5 Promote housing for people experiencing homelessness; Goal HE-6 Provide adequate housing for groups with special needs; and Goal HE-7 Increase community outreach and promote education of affordable housing.*

#### Development Services - Planning

- Amended the Zoning Ordinance implementing miscellaneous code amendments due to clerical errors and inconsistencies, modify parking standards, facilitate by-right Agricultural Labor Accommodations, Low Barrier Navigation Centers, emergency shelters, transitional and supportive housing, group housing, and residential care facilities; modify Reasonable Accommodations Chapter.
- Coordinated with the Building Division and the Santa Clara County Planning Collaborative to build an ADU plans gallery to conform with new law regarding pre-approved ADU plans.
- Continued to implement permit processing for SB330 including utilizing updated objective criteria.
- Created new guidance documents for application processing based on new and updated housing laws.
- Continued to create and improve resources for public information regarding development activity in the City.
- Continued to monitor state housing legislation and provide informational items to the public and Council on new laws.

*Goal HE-1 Provide a diversified housing stock to meet the full range of future community housing needs; Goal HE-2 Encourage Extremely Low-Income (ELI) housing production, increasing availability of affordable and workforce housing; Goal HE-3 Advance Equity and inclusion throughout the City; Goal HE-4 Preserve and rehabilitate existing housing supply; Goal HE-5 Promote housing for people experiencing homelessness; Goal HE-6 Provide adequate housing for groups with special needs; and Goal HE-7 Increase community outreach and promote education of affordable housing.*

## ECONOMIC DEVELOPMENT ELEMENT

### Economic Development

- Provided City Council with an extensive update on the 2017 Economic Blueprint and its continued relevancy.
- Supported 28 businesses to receive Certificates of Occupancy (COO) in 2024.
- Supported entitlement and permit processing for: Pinnacle, Chick-Fil-A, Grocery Outlet, Sempera Organics, Raising Cane's, Silo's Bar, Hotel MOHI, and Daikin.
- Conducted quarterly Human Resources Roundtable meetings with Morgan Hill's top employers.
- Conducted two Downtown Property/Business Owner meetings
- Supported the on-going operation of the Downtown Property and Business Improvement District (PBID) and the retainer of a contracted administrator, annual budget, and completed all necessary filings.
- In conjunction with the PBID, further expanded Sidewalk Saturday Program to increase vendor participation and event footprint.
- Led the PBID effort to develop and publish the inaugural Downtown Business Directory marketing brochure.
- Supported the inaugural MOHI Food & Wine Festival.
- Updated the Choose Morgan Hill industrial and commercial marketing brochures.
- Launched Manufacture Morgan Hill advertising and promotional campaign in conjunction with the Silicon Valley Business Journal.
- Supported the permitting and construction of two additional parklets (EDES Building & Chocotella Crepes).
- Updated Business License Application process to be available in Spanish.
- Launched Request for Proposals (RFP) to secure services in 2025 to support small businesses and entrepreneurs, especially those that are Spanish speaking.
- Created dedicated Morgan Hill employer landing page on City website and encouraged local employers to post job openings in Spanish.
- Supported Art Symposium to gather Community feedback regarding the potential implementation of an Art Development Fee.

*Goal ED-2 A strong, unique, stable, and diverse economic base that supports fiscal sustainability; Goal ED-3 A high-quality business community with established roots in Morgan Hill; Goal ED-6 A mix of uses along Monterey Corridor that supports the*

*Downtown and encourages walking and biking; and Goal ED-8 Office and industrial areas that provide high-quality work locations for existing and new businesses.*

### Development Services - Planning

- Implemented a Form-Based Code for the Monterey Road Corridor.
- Developed a Public Art Ordinance requiring developments to integrate art into their projects or pay an in-lieu fee equal to 1% valuation of construction costs or 0.5% for lower-income residential projects.

*Goal ED-2 A strong, unique, stable, and diverse economic base that supports fiscal sustainability; Goal ED-6 A mix of uses along Monterey Corridor that supports the Downtown and encourages walking and biking and Goal ED-8 Office and industrial areas that provide high-quality work locations for existing and new businesses.*

## HEALTHY COMMUNITY ELEMENT

### Public Services

- Resealed Railroad Park and Magical Bridge playground surfaces to ensure ongoing use of these high use park facilities.
- Repainted the Encompass Bike Sculpture and updated the patina on the Waiting for the Train Sculpture.
- Partnered with the Rotary Club of Morgan Hill to plant 30 new trees at Community Park.
- Assisted with the planting of “50 Trees in 50 Days” adding to the City’s street tree inventory.
- Installed new windscreens and LED lights at the tennis courts at Community Park.
- Coordinated the installation of a new mural at the new Galvan Park restroom building.
- Managed the replacement of the Hiram Morgan Hill Room HVAC unit at the Community and Cultural Center.
- Upgraded the Aquatics Center pool lights to LED and installed new windscreens, both of which were over 20 years old.
- Replastered the Aquatics Center recreational pool.
- Resurfaced the Centennial Recreation Center gymnasium floor and other facilities floors to ensure continued safe use of the City’s active recreation facilities.
- Partnered with Silicon Valley Clean Energy to implement an energy saving program during peak electrical use hours.
- City Maintenance staff responded to resident requests for maintenance completing over 2,000 work orders on City roads, parks, trails and buildings.
- City staff abated graffiti at 300 locations across the City, ensuring a safe and clean Community.

- Centennial Recreation Center (CRC) Memberships: continued to build back to a peak of 4,226 membership units in the summer, 85% of pre-COVID levels. This is an increase of 176 memberships from summer 2023's peak of 4,050 memberships.
- Provided financial assistance to over 1,500 residents in need for program participation, membership, and recreation programming.
- Collaborated with the Morgan Hill Outdoor Sports Center (MHOSC) to enhance field sustainability by contributing \$129,000 to the facility's replacement fund.
- Partnered with Bay Area Panthers to provide rental space and CRC membership access for the second season in a row.
- Opened four new dedicated pickleball courts in Community Park.
- Hosted 12 swim meets at the Aquatics Center (AC), a 50% increase from 2023.
- Yearly attendance at the CRC and AC exceeded 372,000 in 2024 - an average of 1,019 visitors a day.
- Over 8,000 participants took part in recreation classes and camps throughout our parks and facilities.
- Ran two seasons of co-ed Adult Softball, the first time since pre-COVID (2019).
- Implemented and operated concessions (snack bar) at the AC during summer season.
- Reestablished public art exhibits at the Community and Cultural Center (CCC).
- Provided and established a new rental space for South Valley Civic Theatre at the outdoor trailer located at the AC.
- Partnered with the YMCA of Silicon Valley to support the Senior Nutrition program which continued to serve close to 100 meals a day.
- Opened an adaptive play space for children with special needs at the CRC every Saturday morning funded by donations and grants.

*Goal HC-2 A built environment and community services that serve the special needs of youth and seniors, allowing residents to age in place; Goal HC-3 Usable, complete, well-maintained, safe, and high-quality activities and amenities, including active and passive parks and recreational facilities, community gardens, and trails that are accessible to all ages, functional abilities, and socio-economic groups; and Goal HC-6 Options for residents at all income, education, and mobility levels to access healthy food and food education.*

## TRANSPORTATION ELEMENT

### Economic Development

- Supported the permitting and construction of two additional parklets (EDES Building & Chocotella Crepes).

*Goal TR-4 Emphasis on transportation improvements in the Butterfield, Hale/Santa Teresa, and Monterey corridors.*

## Development Services - Planning

- Completed adoption of the Vehicle-Miles-Traveled (VMT) policy metric for transportation analysis under the California Environmental Quality Act (CEQA) for development projects.
- Begun exploring mitigation fee opportunities/methodologies for VMT with the Engineering Team.
- In coordination with Engineering, completed adoption of the Transportation Master Plan.

*Goal TR-11 Coordinated transportation planning efforts with local, regional, State and federal agencies.*

## Public Services

- Successfully completed the 2024 Pavement Rehabilitation Project rehabilitating significant roadways across the City, including the overpass on Dunne Avenue which also included the installation of newly improved bike lane striping and accessible curb ramps
- Completed the second Phase of Hale Avenue Extension Project opening a new roadway and multi-use trail between Main Avenue and West Dunne Avenue, improving traffic flow Citywide and reducing traffic on neighborhood streets
- Supported MoGo, the City's pilot grant-funded on-demand rideshare service operated in partnership with RideCo. Through December 2024, MoGo provided 37,000+ passenger rides to 1,642 unique users since its September 2022 launch. As of November 2024, MoGo is averaging 80 rides per day, 47% of rides are shared, and the service has an average rating of 4.7 out of 5.
- Completed the installation of a paved multi-use trail on the Madrone Channel between Tennant Avenue and Main Avenue improving pedestrian and bicycle connectivity on the east side of the City.
- Installed new bollards at intersections in Downtown on Monterey Road to provide additional pedestrian safety.

*Goal TR-2 A system designed for a healthy, active community based on complete streets, smart growth, and Sustainable Communities strategies; reflecting a balanced, safe, multi-modal transportation system for all users, especially in Downtown where pedestrian, bicycle, and transit facilities will be emphasized along with vehicular facilities.; Goal TR-3 A coordinated, continuous network of streets and roads; and Goal TR-4 Emphasis on transportation improvements in the Butterfield, Hale/Santa Teresa, and Monterey corridors.*

## NATURAL RESOURCES AND ENVIRONMENT ELEMENT

### Public Services

- Worked with property owners in FY 2023/24 to convert 92,218 square feet of turf to drought tolerant landscaping in partnership with Valley Water through the Landscape Rebate Program.
- Implemented the private sewer lateral (PSL) inspection program which resulted in inspection and/or repairs of 305 laterals, reducing infiltration into the City's Wastewater System.
- Created a new PSL Inspection Reporting Platform in CityWorks which will allow a streamlined inspection process. The new platform will go live in early 2025.
- Completed a competitive Request for Proposals and entered into contract with Aquatrax for use of their Water Use platform. This new tool is innovative, user friendly, and will result in cost savings of approximately \$105,000 over a five-year contract compared with current vendor. The new water use platform will go live in early 2025.
- Completed planting of 50 trees in 50 days through a County grant, in partnership with City Geographic Information System (GIS) and Maintenance Divisions.
- Commenced construction of a new water reservoir on East Dunne Avenue that will provide improved resiliency and enhanced fire protection.
- Continue to support the ongoing construction of Valley Water's Upper Llagas Creek Flood Protection Project, supporting the completion of Phase 2A and commencing Phase 2B, which will ultimately result in flood protection for thousands of Morgan Hill residents.

*Goal NRE-15 An adaptive and resilient community that responds to climate change.*

## SAFETY, SERVICES, AND INFRASTRUCTURE ELEMENT

### City Manager

- Served as the City of Morgan Hill's Director of Emergency Services throughout local activations.

*Goal SSI-11 Efficient police, fire, and emergency medical response and services, and access to local medical facilities and Goal SSI-12 Reduce risk to life and property associated with emergencies and natural and manmade disasters.*

### Fire

- Responded to 6,679 calls for service.
- Conducted 3,175 fire hazard severity zone inspections.

- Received \$63,500 from the Santa Clara County EMS Trust Fund for improvements to the EMS system.
- Purchased a new 2024 Ford F250 truck.
- Reduced the work week to 66 hours, prioritizing the health and welfare of our firefighting teammates.
- Deployed mutual aid resources throughout the state and received \$38,550 in reimbursements.
- Field personnel continued to engage in Community outreach events including Open Streets Morgan Hill, National Night Out, Morgan Hill Holiday Lights Parade, and multiple school tours and educational events.
- In coordination with Santa Clara County EMS, implemented a new Nurse Navigator Pilot Program to triage callers to the appropriate level of medical care.

*Goal SSI-3 Minimal threat to persons, property, and the environment from fire hazards and Goal SSI-12 Reduce risk to life and property associated with emergencies and natural and manmade disasters.*

#### Police

- Deployed the City's Community Emergency Response Team (CERT) during the 4<sup>th</sup> of July weekend to high fire locations to monitor and deter the use of illegal fireworks.
- Completed the Police Department building expansion project.
- Recruited, hired, and trained 10 teammates: 6 Police Officers, 2 Dispatchers, 1 Animal Services Officer, and 1 Records Specialist.
- Applied for and received an Organizational Staffing Study to be conducted by the Commission on Police Officers Standards and Training (POST).
- Participated in the 30X30 Initiative to increase representation of women in policing.
- Hosted a Community Police Academy.
- Maintained response time to Priority One Calls for Service under 5 minutes.
- Purchased 7 New Patrol vehicles and 3 Traffic motorcycles with improved safety technology.
- Partnered with Santa Clara County's Mobile Crisis Response Team (MCRT) to address people in mental health crisis.
- Officers have been trained in CPR, the administration of NARCAN and Automated External Defibrillators (AED) which are in each patrol vehicle resulting in 7 lives saved.
- Community Service Officer (CSO) continued to manage the Department's Youth Diversion Program. In 2024, 23 youth individuals were diverted from the Criminal Justice System to the Youth Diversion Program (15 completed their contracts, 3 are currently working on the terms of their diversion contracts, 5 are awaiting acceptance into the program, and zero have failed the program).

- School Resource Officer worked with Morgan Hill Unified School District on providing Restorative Justice Practices for our students and conducted Run, Hide, Defend trainings to students, faculty, and businesses.
- Gained approval for the Emergency Management Performance Grant to purchase Emergency Operations Center (EOC) equipment to enhance emergency readiness.
- Conducted functional EOC exercise implementing virtual and online capabilities and strengthening readiness.
- Achieved certification as an Emergency Management Specialist through Cal OES.
- Coordinated Community Emergency Response Team (CERT) training.
- Coordinated Listos Emergency Preparedness training program.
- Updated the City's Local Hazard Mitigation Plan.

*Goal SSI-11 Efficient police, fire, and emergency medical response and services, and access to local medical facilities and Goal SSI-12 Reduce risk to life and property associated with emergencies and natural and manmade disasters.*

### Public Services

- Commenced construction of a new water reservoir on East Dunne Avenue that will provide improved resiliency and enhanced fire protection.
- Continue to support the ongoing construction of Valley Water's Upper Llagas Creek Flood Protection Project, supporting the completion of Phase 2A and commencing Phase 2B, which will ultimately result in flood protection for thousands of Morgan Hill residents.
- Completed a gradual implementation of new hydrant meters equipped with remote flow readers and GPS tracking capabilities.
- Successfully completed sewer Spill Emergency Response Plan (SERP) training for all utility crews.

*Goal SSI-12 Reduce risk to life and property associated with emergencies and natural and manmade disasters.*

### 3. General Plan Amendment Applications

#### GPA2024-0001: CITY OF MORGAN HILL - REMOVE FAR FROM MIXED USE FLEX LAND USE DESIGNATION

General Plan Text Amendment – Remove Floor Area Ratio (FAR) from the Mixed Use Flex (MUF) General Plan land use designation. <Approved February 19, 2025>

#### GPA2024-0002: ENVIRONMENTAL JUSTICE ELEMENT

General Plan Text Amendment – Creation of new Environmental Justice Element called Healthy Neighborhoods for All consistent with SB 1000 - Government Code Section 65302(h). <Pending>

#### GPA2024-0003: SAFETY SERVICES & INFRASTRUCTURE ELEMENT UPDATE

General Plan Text Amendment – Update Safety Services & Infrastructure Element (Safety Element) to address the risk of fire for land classified as state responsibility areas and land classified as very high fire hazard severity zones and incorporate Local Hazard Mitigation Plan consistent with Gov. Code, § 65302, subd. (g)(3). <Pending>

#### GPA2024-0004: NATURAL RESOURCES & ENVIRONMENT ELEMENT UPDATE

General Plan Text Amendment – Update Natural Resources & Environment Element (Conservation and Open Space Elements) consistent with SB 1425 (Gov. Code Section 65565.5). 1. Access to open space for all residents in a manner that considers social, economic, and racial equity, correlated with the environmental justice element or environmental justice policies in the general plan, as applicable. 2. Climate resilience and other cobenefits of open space, correlated with the safety element. 3. Rewilding opportunities, correlated with the land use element. <Pending>

## 4. General Plan Full Buildout

The Morgan Hill 2035 General Plan EIR evaluated the projected development that could occur under the General Plan through its horizon year of 2035. Pursuant to the Morgan Hill 2035 General Plan EIR, the “full buildout” of the General Plan would be the development of underutilized and vacant parcels at the mid-point of the maximum allowed density under the General Plan, based on the past and projected development patterns in Morgan Hill. The horizon-year projection is based on an estimate of the amount of development that would occur by 2035 as evaluated in the Morgan Hill 2035 General Plan EIR.

The table below shows the net growth of Morgan Hill from the 2015 base year of the General Plan through June 30, 2024, as well as the total horizon year projection and the total full buildout of the General Plan as evaluated in the Morgan Hill 2035 General Plan EIR. As indicated in the table below, Morgan Hill has seen faster growth within the Industrial sector and slower growth within the Retail & Service and Office sectors than expected within the Morgan Hill 2035 General Plan EIR. However, all of the sectors are well below the Total Full Buildout of the General Plan.

**Table 1: General Plan Full Buildout Progress**

| Categories                            | GP Existing Development 2015 | Existing Development June 30, 2024 <sup>1</sup> | Total Horizon Year 2035 Projection | Total Full Buildout Projection |
|---------------------------------------|------------------------------|---|------------------------------------|--------------------------------|
| <b>Housing Units</b>                  |                              |   |                                    |                                |
| <b>Residential Units</b>              | 14,969                       | 16,735  | 22,400                             | 22,400                         |
| <b>Population</b>                     | 45,171                       | 48,532 <sup>2</sup>                             | 68,057 <sup>3</sup>                | 68,057                         |
| <b>Non-Residential Square Footage</b> |                              |   |                                    |                                |
| <b>Retail &amp; Service</b>           | 2,729,825                    | 2,909,944                                       | 3,902,930                          | 4,805,214                      |
| <b>Office</b>                         | 521,788                      | 533,133   | 1,150,486                          | 2,141,804                      |
| <b>Industrial</b>                     | 5,935,000                    | 7,705,513                                       | 7,712,385                          | 12,126,643                     |
| <b>Public Facilities</b>              | 463,000                      | 548,685   | 750,377                            | 774,377                        |

- Notes:
1. Numbers based on yearly VTA Congestion Management reporting.
  2. A population of 48,532 is a projection/estimate based on the California Department of Finance (DOF) estimate of 2.90 residents per household. The DOF 2024 population estimate for Morgan Hill is 46,384.
  3. General Plan policy CNF-3.4 called for a 2035 population of 58,200 residents, however, the General Plan EIR studied the buildout projection as the Horizon Year.