



MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT

*"To Provide Responsive Service to our Growing Community
that Exceeds Expectations at a Fair Value"*

STAFF REPORT

AGENDA TITLE: General Manager Update on District Activities

MEETING DATE: May 13, 2020

PREPARED BY: Steven J. Pinkerton, General Manager

COVID -19 Response

Utility billing and collection continues to be impacted by Governor Newsom's Executive Order temporarily suspending water shutoffs during the COVID-19 health emergency. We are suspending late fees and shut offs for non-payment of utility bills and we are not placing liens at this time. The amounts owed are not being forgiven; therefore we anticipate a large number of requests for payment plan options.

We have suspended facility and field rentals and canceled recreation events through July 4. Angel Lamb, Recreation/Communications Coordinator, has requested that residents provide pictures from past Independence Day picnics, parades and gatherings. She will post a montage on our website and other social media celebrating Mountain House families and community.

We continue to investigate and implement procedures to protect workers, including notices to staff concerning the use of face coverings and the need to maintain social distancing and frequent hand-washing. Teleconferencing with fellow staff and consultants is working well. To the extent practicable, staff is working remotely in order to limit exposure. San Joaquin County Public Health and County Office of Emergency Services (OES) are holding regular tele-briefings regarding the ongoing Pandemic. I am participating in these calls and coordinating with the pertinent staff as necessary.

The Town Hall and Library will remain closed to the public until we receive further guidance from the County. In addition, we have closed all public restrooms in our Parks and are discouraging any gatherings or use of play equipment. We do anticipate that the County will be modifying the order soon regarding recreational activities.

Staff is uncertain whether we will be able to offer the summer swim program this year. The OES and County Public Health are currently developing social distancing criteria for swimming pools throughout the County. We have also contacted LUSD to learn if they have taken a position on when its facilities might re-open or when school programs will resume. We have not received any updates from LUSD, but staff will attend (virtually) the Facilities Committee meeting scheduled for May 14. We will continue to closely monitor the situation and coordinate closely with LUSD and OES. We are recruiting for the lifeguard positions just in case we are able to offer the program this year.

We continue to update the District website with links to COVID-19 related materials. Besides including District-specific information, you can also access important materials from the County's Public Health Department, the Governor's office, and the pertinent County and State orders related to COVID-19.

Public Safety

The General Manager and its public safety consultant met with representatives of the Sheriff's office on April 30, 2020. The status of the Mountain House Sergeant position was discussed and the District's concern regarding the multiple non-MHCSD responsibilities assigned to the Sergeant. Based on our discussion, the Sheriff will be assigning a new Sergeant to Mountain House. The assignment will be effective in mid-May. The new assignee will be fully dedicated to managing the Mountain House funded officers.

Code Enforcement

Staff received training on new hand-held devices that we will use to issue code enforcement warnings and notices. The devices are now programmed with information on District ordinances and master restrictions. The new citation software is operational and we are ready to begin enforcement with this tool in conjunction with the ordinance that was finalized at the April 15, 2020 Board of Directors meeting. As you know, ordinances are effective thirty days after final approval. Thus, we will begin enforcing the new ordinance on May 15, 2020.

More Than Talk, LLC developed educational materials and a video on code enforcement entitled "Are You a Good Neighbor?" The videos will be posted on our website next week.

Town Hall and Library Grand Opening

We are looking forward to celebrating the long-overdue grand opening of our new facilities. I have retained the services of Port City Marketing Solutions to assist the District with a Grand Opening Celebration for the Town Hall and Library. We are coordinating the Grand Opening event with our partners at Stockton/San Joaquin Library.

Once the current COVID-19 restrictions are relaxed and we can ensure the safety of our residents in a large gathering, we will be scheduling a date for the Grand Opening.

Municipal Incorporation

The Board of Directors approved the scope of work with Berkson Associates for the Initial Financial Analysis (IFA) at the February Board meeting.

Staff continues to meet with the lead consultant to compile all the necessary information for the study. We also held a teleconference meeting with the LAFCo Executive Director to discuss the future steps in the process.

In addition, staff has retained the services of a consultant who specializes in assessing the potential for near-term and mid-term commercial development. This consultant will determine the revenue potential for commercial development in Mountain House under alternative scenarios. One will assume municipal incorporation and an active economic development function. The second scenario assumes that the District will remain unincorporated and rely on the County for attracting businesses to the community.

DISCUSSION ITEM 10.2

Preparing a detailed analysis of potential commercial development revenue is a key component to determining whether or not incorporation is financially feasible.

Our website includes a link to all the previous work done on Incorporation.
<http://mountainhousecsd.org/about-mountain-house/incorporation>

Town Center Shopping Center

Shea Commercial has officially submitted plans to the San Joaquin County Community Development Department for the construction of the shopping center at the corner of Byron Road and Mountain House Parkway. The shopping center plan includes a 55,000 square foot grocery store, fuel station, and an additional 20,000 square feet of retail that will include a coffee shop and restaurant, among other uses.

The County is expediting the plan review process, with review of the project's signage plan going to the Planning Commission for review in the near future.

Work continues to widen Byron Road and Mountain House Parkway to support the shopping center project. These roadway projects should be complete in late 2020. The shopping center construction is expected to start in summer 2020 and be completed in mid-2021.

Shea Homes Litigation

Consistent with the Settlement Agreement approved at the March 23, 2020 Board of Directors Meeting, Shea Homes filed a request for dismissal with the Superior Court. The executed dismissal is attached. Final acceptance was delayed for a month due to the COVID-19 protocols for the Superior Court requiring parties to leave filings in the Court's drop box.

Utility Systems Revenue Bonds

The District has significant cash flow available in its utility funds to issue additional bonded debt in 2020. At the March 18, 2020 Meeting, the Board of Directors authorized an agreement with Kosmont Transaction Services (KTS) to initiate the work to put together a Bond Issuance for later this year. Staff recently held a kickoff tele-meeting with KTS. KTS is in the process of soliciting proposals from potential underwriters and putting together the balance of the financing team. The request for qualifications is available for viewing on our website at the following link:
<http://mountainhousecsd.org/images/documents/UWRFQ29APR2020.pdf>

Staff will be working with Kosmont and other members of the financing team to determine the appropriate size of the issue and to strengthen our credit rating.

Interest rates have steadily dropped over the past year down to near historic lows. We expect this favorable interest rate environment will continue.

Bergamo Development

Staff is proceeding to finalize the Final Map for Bergamo Development. Bergamo is a Shea Homes property, which is located west of Central Parkway and bounded by Bryon Road, De Anza Boulevard, and Andalusia Way.

This area is part of the previously approved Neighborhood H – Questa Final Map, and Shea Homes will subdivide this property into 137 single-family homes, zoned R-MH. The master developer for

this subdivision is Mountain House Developers. They have the overall obligation for Neighborhood H Final Map conditions.

Shea will be executing a Subdivision Improvement Agreement and will post the appropriate bonds for the project. The Final Map and the Subdivision Improvement Agreement will be executed by the General Manager, through the authority already granted to the General Manager by the Board.

Parks, Recreation, and Leisure Plan Update

The Parks, Recreation, and Leisure Plan update project was kicked-off last month. The project consultant, MIG, will be updating this report for the District and the developers. MIG organized a meeting between the Consultant Team, the District, County staff, Mountain House Investors, and Mountain House Developers to solicit stakeholder's input. MIG will also be coordinating with the Delta College to better understand their plans and requirements. Currently, MIG is working to develop an inventory of the parks and recreational facilities. The update will specifically review these facilities for the North of Byron development and SPIII area, which is generally located south of Grant Line Road. The developers are funding this effort as part of their development requirements.

Recreation Strategic Plan

With the completion of the Town Hall Library and the anticipated construction of the Central Park expansion, the District's recreational opportunities will be increasing exponentially. The District will be faced with a number of critical decisions regarding the scope and delivery of recreational services.

The District has requested a proposal from MIG to prepare a strategic recreation plan for major community recreation facilities, including our parks, amphitheater, pool, recreation facilities, the community center(s), and the senior center. This strategic plan will identify the District's approach to providing recreation services that are cost-effective and sustainable in the long term. The goal is to develop a forward-looking plan for recreation services, including roles, service provision niches, strategic focus, and financial framework. We will update the District as this project moves forward.

Bicycle and Pedestrian Master Plan

Since the development and adoption of the original Mountain House Master Plan, there have been significant changes to the way people use multi-modal facilities, such as bicycle lanes, bike paths, and pedestrian walkways. To create a more livable community, the staff has identified the need to develop a bicycle and pedestrian master plan to incorporate these concepts into the overall Mountain House Master Plan.

The District has requested a proposal from Alta Consulting to develop a master plan for bicycle and pedestrian facilities in Mountain House. Alta is currently preparing San Joaquin County's Bicycle Master Plan.

District staff is coordinating with the County Planning Department for this effort. We will update the District as this project moves forward.

Budget Schedule

Staff distributed the proposed fiscal year 2020-2021 budget on April 29, 2020 and presented it at the budget workshop on May 6, 2020. We will incorporate Board comments and direction into the budget that will be submitted for approval on June 10, 2020. An interactive version of the proposed budget is available online via our OpenGov web portal at the following address: <https://stories.opengov.com/mountainhousecsdca/published/VicJy1t8o>

Population Data

On May 1, the State of California issued their annual estimate of population for all cities and counties in California.

California added 87,494 residents to bring the state's estimated total population to 39,782,870 people as of January 1st, 2020, according to new population estimates and housing data released today by the California Department of Finance.

San Joaquin County added over 8,000 residents, with a total population of 773,632. This represents an increase of over 88,000 residents since 2010.

Here is a breakdown by City of the county-wide growth over the past ten years:

	<u>2010</u>	<u>2020</u>	<u>Growth Rate</u>
Escalon	7,132	7,478	4.9%
Lathrop	18,023	26,833	48.9%
Lodi	62,134	67,930	9.3%
Manteca	67,096	84,800	26.4%
Ripon	14,297	15,930	11.4%
Stockton	291,707	318,522	9.2%
Tracy	82,922	95,931	15.7%
Mountain House	9,675	20,912*	116.1%
Balance of County	132,320	135,296	2.2%
Total:	685,306	773,632	12.9%

*I've estimated 2020 Mountain House population based on household size data provided by the State and number of units completed since 2010. I will be working with the State to get more detailed population estimates for the past ten years.

Key findings of the state report include:

- California's population grew by only 0.2 percent, continuing a historically slow growth trend since the Great Recession.

DISCUSSION ITEM 10.2

- Growth remains strong in the interior counties of the Central Valley and the Inland Empire, while remaining modest in the Bay Area, and slowing to near zero and even negative in most of the coastal counties.
- Los Angeles County, the state's most populous county, has now lost population the last two years, dropping 0.3 percent in 2018 and 0.1 percent in 2019. Rural counties in the mountain regions of the state and counties impacted by wildfires experienced the most population loss
- Seven counties had growth rates over 1.0 percent. These counties include: Glenn (2.5 percent), Yuba (2.0 percent), Placer (2.0 percent), El Dorado (1.7 percent), San Benito (1.4 percent), San Joaquin (1.1 percent), and Kern (1.0 percent). San Benito County was the notable Bay Area exception gaining over 1.0 percent due to increased housing construction.
- Changes in population rankings for cities reinforce the movement towards inland counties; Modesto is now the 17th largest city passing Santa Clarita. Elk Grove is now the 27th largest city passing Rancho Cucamonga, Garden Grove, and Santa Rosa. Roseville is now the 40th largest city passing Pasadena.
- For population growth from housing production not related to wildfires, the top five cities include: Colma (14.1 percent) in San Mateo County, Calimesa (5.7 percent) in Riverside County, Lathrop (5.6 percent) in San Joaquin County, Wasco (5.5 percent) in Kern County, and Rio Vista (4.1 percent) in Solano County.
- California's statewide housing growth, as measured by net unit growth in completed housing units for 2019, was 94,662 units making 2019 the first time the state has added more housing units than people. Total housing in California reached 14,329,863 units, a 0.7 percent increase.

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5/13

CIV-110

ATTORNEY OR PARTY WITHOUT ATTORNEY: STATE BAR NO: 112997 NAME: Geoffrey L. Robinson FIRM NAME: Perkins Coie, LLP STREET ADDRESS: 505 Howard St., 10th Floor CITY: San Francisco STATE: CA ZIP CODE: 94105 TELEPHONE NO.: 415.344.7000 FAX NO.: 415.344.7056 E-MAIL ADDRESS: grobinson@perkinscoie.com ATTORNEY FOR (Name): Petitioner Shea Homes Limited Partnership SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN JOAQUIN STREET ADDRESS: 180 E. Weber Ave. MAILING ADDRESS: CITY AND ZIP CODE: Stockton, CA 95202 BRANCH NAME:		FOR COURT USE ONLY Filed <u>APR 20, 2020</u> By <u>BRANDON E. RILEY, CLERK</u> <u>[Signature]</u> DEPUTY
Plaintiff/Petitioner: Shea Homes Limited Partnership Defendant/Respondent: Mountain House Community Services District		
REQUEST FOR DISMISSAL		
CASE NUMBER: STK-CV-UWM-2019-6700		
A conformed copy will not be returned by the clerk unless a method of return is provided with the document.		
This form may not be used for dismissal of a derivative action or a class action or of any party or cause of action in a class action. (Cal. Rules of Court, rules 3.760 and 3.770.)		

1. TO THE CLERK: Please dismiss this action as follows:

a. (1) ☒ With prejudice (2) ☐ Without prejudiceb. (1) ☒ Complaint (2) ☒ Petition(3) ☐ Cross-complaint filed by (name):

on (date):

(4) ☐ Cross-complaint filed by (name):

on (date):

(5) ☒ Entire action of all parties and all causes of action(6) ☐ Other (specify):*

2. (Complete in all cases except family law cases.)

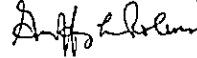
The court ☐ did ☒ did not waive court fees and costs for a party in this case. (This information may be obtained from the clerk. If court fees and costs were waived, the declaration on the back of this form must be completed).

Date: April 1, 2020

GEOFFREY L. ROBINSON

(TYPE OR PRINT NAME OF ☒ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)

*If dismissal requested is of specified parties only of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.


 (SIGNATURE)

Attorney or party without attorney for:


☒ Plaintiff/Petitioner ☐ Defendant/Respondent
☐ Cross Complainant

3. TO THE CLERK: Consent to the above dismissal is hereby given.**

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)

** If a cross-complaint – or Response (Family Law) seeking affirmative relief – is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581 (i) or (j).


 (SIGNATURE)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner ☐ Defendant/Respondent
☐ Cross Complainant

(To be completed by clerk)

4. ☒ Dismissal entered as requested on (date): 4/20/205. ☐ Dismissal entered on (date):

as to only (name):

6. ☐ Dismissal not entered as requested for the following reasons (specify):7. a. ☒ Attorney or party without attorney notified on (date): 4/20/20b. ☐ Attorney or party without attorney not notified. Filing party failed to provide☐ a copy to be conformed ☐ means to return conformed copyDate: 4/20/20, Deputy

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BRANDON E. RILEY

REQUEST FOR DISMISSAL

BY FAX

CIV-110

Plaintiff/Petitioner: Shea Homes Limited Partnership
 Defendant/Respondent: Mountain House Community Services District

CASE NUMBER:
 STK-CV-UWM-2019-6700

COURT'S RECOVERY OF WAIVED COURT FEES AND COSTS

If a party whose court fees and costs were initially waived has recovered or will recover \$10,000 or more in value by way of settlement, compromise, arbitration award, mediation settlement, or other means, the court has a statutory lien on that recovery. The court may refuse to dismiss the case until the lien is satisfied. (Gov. Code, § 68637.)

Declaration Concerning Waived Court Fees

1. The court waived court fees and costs in this action for *(name)*:
2. The person named in item 1 is *(check one below)*:
 - a. ☐ not recovering anything of value by this action.
 - b. ☐ recovering less than \$10,000 in value by this action.
 - c. ☐ recovering \$10,000 or more in value by this action. *(If item 2c is checked, item 3 must be completed.)*
3. ☐ All court fees and court costs that were waived in this action have been paid to the court *(check one)*: Yes No

I declare under penalty of perjury under the laws of the State of California that the information above is true and correct.

Date: _____

 (TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY MAKING DECLARATION)

 (SIGNATURE)

BY FAX

PROOF OF SERVICE BY MAIL.

I am a citizen of the United States and employed in San Francisco County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is 505 Howard Street, Suite 1000, San Francisco, California 94105-3204. I am readily familiar with this firm's practice for collection and processing of correspondence for mailing with the United States Postal Service. On April 1, 2020, I placed with this firm at the above address for deposit with the United States Postal Service a true and correct copy of the within document(s):

REQUEST FOR DISMISSAL

in a sealed envelope, postage fully paid, addressed as follows:

John Bakker
Meyers Nave
555 12th Street, 15th Floor
Oakland, CA 94607

Steven A. Herum
Herum Crabtree & Suntag
5757 Pacific Avenue, Suite 222
Stockton, CA 95207

Attorneys for Mountain House Community
Services District

Attorneys for Trimark Communities, LLC

Following ordinary business practices, the envelope was sealed and placed for collection and mailing on this date, and would, in the ordinary course of business, be deposited with the United States Postal Service on this date.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 1, 2020, at Vallejo, California.

/s/ Catherine L. Berte
Catherine L. Berte

BY FAX