



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

Alternate Commissioners

Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner

Executive Officer

Neelima Palacherla

REGULAR MEETING

Board of Supervisors' Chambers, 70 West Hedding Street, First Floor, San Jose

AUGUST 2, 2023 ▪ 1:15 PM

AGENDA

Chairperson: Russ Melton ▪ Vice-Chairperson: Sylvia Arenas

PUBLIC ACCESS AND PARTICIPATION

This meeting will be held in person at the location listed above. As a courtesy, and technology permitting, members of the public may also attend by virtual teleconference. However, LAFCO cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option. To attend the meeting by virtual teleconference, access the meeting at <https://sccgov-org.zoom.us/j/99092038126> or by dialing **(669) 900-6833** and entering **Meeting ID 990 9203 8126#** when prompted.

PUBLIC COMMENT INSTRUCTIONS

Written Public Comments may be submitted by email to LAFCO@ceo.sccgov.org. Written comments will be distributed to the Commission and posted to the agenda on the LAFCO website as quickly as possible, but may take up to 24 hours.

Spoken public comments may be provided in-person at the meeting. Persons who wish to address the Commission on an item are requested to complete a Request to Speak Form and place it in the designated tray near the dais. Request to Speak Forms must be submitted prior to the start of public comment for the desired item. For items on the Consent Calendar or items added to the Consent Calendar, Request to Speak Forms must be submitted prior to the call for public comment on the Consent Calendar. Individual speakers will be called to speak in turn. Speakers are requested to limit their comments to the time limit allotted.

Spoken public comments may also be provided through the teleconference meeting. To address the Commission virtually, click on the link <https://sccgov-org.zoom.us/j/99092038126> to access the meeting and follow the instructions below:

- You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you when it is your turn to speak.
- When the Chairperson calls for the item on which you wish to speak, click on "raise hand" icon. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak. Call-in attendees press *9 to request to speak, and *6 to unmute when prompted.
- When called to speak, please limit your remarks to the time limit allotted.

NOTICE TO THE PUBLIC

- Pursuant to Government Code §84308, no LAFCO commissioner shall accept, solicit, or direct a contribution of more than \$250 from any party, or his/her agent; or any participant or his /or her agent, while a LAFCO proceeding is pending, and for three months following the date a final decision is rendered by LAFCO. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than \$250 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days of knowing about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than \$250 within the preceding 12 months by the party, or his or her agent, to a LAFCO commissioner. For forms, visit the LAFCO website at www.santaclaralafco.org. No party, or his or her agent and no participant, or his or her agent, shall make a contribution of more than \$250 to any LAFCO commissioner during the proceeding or for 3 months following the date a final decision is rendered by LAFCO.
- Pursuant to Government Code Sections 56100.1, 56300, 56700.1, 57009 and 81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of \$1,000 or more or expend(s) a total of \$1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act (See also, Section 84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275- 3772).
- Pursuant to Government Code §56300(c), LAFCO adopted lobbying disclosure requirements which require that any person or entity lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. Additionally, every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. For forms, visit the LAFCO website at www.santaclaralafco.org.
- Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commissioners less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office, 777 North First Street, Suite 410, San Jose, California, during normal business hours. (Government Code §54957.5.)
- In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to meeting at (408) 993- 4705.

1. ROLL CALL

2. PUBLIC COMMENTS

This portion of the meeting provides an opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off- agenda items unless authorized by law. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

3. APPROVE CONSENT CALENDAR

The Consent Calendar includes Agenda Items marked with an asterisk (*). The Commission may add to or remove agenda items from the Consent Calendar.

All items that remain on the Consent Calendar are voted on in one motion. If an item is approved on the Consent Calendar, the specific action recommended by staff is adopted. Members of the public who wish to address the Commission on Consent Calendar items should comment under this item.

***4. APPROVE MINUTES OF JUNE 7, 2023 LAFCO MEETING**

PUBLIC HEARINGS

5. GILROY URBAN SERVICE AREA AMENDMENT 2021 (WREN INVESTORS & HEWELL)¹

Proposal to expand Gilroy’s urban service area to include two areas: Area A, approximately 50.3 acres, is located west of Wren Avenue and south of Vickery Avenue and includes 13 parcels (APNs 790- 09- 006, 008, 009, 010, 011; 790- 17- 001, 004, 005, 006, 007, 008, 009 and 010); and Area B, approximately 5.36 acres, is located northeast of Vickery Lane and Kern Avenue and includes two parcels (APNs 790-06-017 and 018).

Option 1 – Staff Recommendation:

- 1a. Deny the proposed City of Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell).
- 1b. Denial of the project does not require a CEQA Action.

Option 2 – Other Option for Commission Consideration:

- 2a. Approve the proposed City of Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell).
- 2b. In order to approve the project, LAFCO as a Responsible Agency under CEQA, must take the following actions regarding the Mitigated Negative Declaration for this project:

¹ Section 2.6 of LAFCO Bylaws requires commissioners to disclose their ex parte communications pertaining to this item prior to a final decision on the item.

- Find that the Initial Study and Mitigated Negative Declaration approved by the City of Gilroy on January 27, 2021 were completed in compliance with CEQA and are an adequate discussion of the environmental impacts of the project.
- Find that prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as outlined in the Initial Study and Mitigated Negative Declaration.
- Find that the City of Gilroy submitted a mitigation monitoring program and that the monitoring program ensures compliance with the mitigation measures identified in the Mitigated Negative Declaration that would eliminate or reduce significant adverse environmental effects to less than significant levels, associated with the Urban Service Area expansion over which LAFCO has responsibility.

6. COUNTYWIDE FIRE SERVICE REVIEW – PUBLIC REVIEW DRAFT REPORT

Recommended Action:

1. Receive a presentation on the Countywide Fire Service Review – Public Review Draft Report
2. Accept public comments.
3. Direct staff to revise the Report as necessary to address comments received through August 2, 2023.

ITEMS FOR ACTION / INFORMATION

7. CALAFCO RELATED ACTIVITIES

7.1 Designate Voting Delegate and Alternate for 2023 CALAFCO Board of Directors Election

Recommended Action: Appoint voting delegate and alternate voting delegate.

***8. EXECUTIVE OFFICER'S REPORT**

Recommended Action: Accept report and provide direction, as necessary.

8.1 Update on LAFCO Clerk Recruitment

8.2 Meeting with County Planning Office Staff on Annexation of Unincorporated Islands / Parcels

8.3 Meeting with Midpeninsula Regional Open Space District Staff on LAFCO Annexation Process

8.4 Meeting with University of California Researchers on Water System Consolidations

9. COMMISSIONER REPORTS

10. NEWSPAPER ARTICLES / NEWSLETTERS

11. WRITTEN CORRESPONDENCE

12. ADJOURN

Adjourn to the regular LAFCO meeting on October 4, 2023 at 1:15 PM in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.



**Local Agency
Formation Commission
of Santa Clara County**
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

**LAFCO MEETING MINUTES
WEDNESDAY, JUNE 7, 2023**

CALL TO ORDER

The meeting was called to order at 1:15 p.m.

1. ROLL CALL

The following commissioners were present:

- Chairperson Russ Melton
- Vice Chairperson Sylvia Arenas
- Commissioner Jim Beall
- Commissioner Rosemary Kamei
- Commissioner Yoriko Kishimoto
- Commissioner Otto Lee
- Commissioner Terry Trumbull
- Alternate Commissioner Helen Chapman
- Alternate Commissioner Teresa O'Neill
- Alternate Commissioner Mark Turner (left at 3:00 p.m.)

The following commissioners was absent:

- Alternate Commissioner Domingo Candelas
- Alternate Commissioner Cindy Chavez

The following staff members were present:

- Neelima Palacherla, LAFCO Executive Officer
- Dunia Noel, LAFCO Assistant Executive Officer
- Emmanuel Abello, Associate LAFCO Analyst
- Mala Subramanian, LAFCO Counsel

2. LAFCO MEMBERSHIP CHANGES

Chairperson Melton announced the appointment of Terry Trumbull as the public member and Teresa O'Neill as the alternate public member.

3. PRESENTATION OF RESOLUTIONS OF COMMENDATION TO FORMER LAFCO COMMISSIONER SUSAN VICKLUND WILSON

Commissioner Trumbull informed that even though he served on LAFCO as the alternate public member for the last 20 years, he rarely got an opportunity to vote

because of former Commissioner Susan Vicklund Wilson's dedication and reliability. He recalled her work on the California Association of LAFCOs (CALAFCO) board of directors and legislative committee and expressed his respect and admiration for her work.

Ms. Palacherla stated that Commissioner Wilson's tenure on LAFCO predates staff and noted that staff has benefitted from her institutional knowledge and professional connections. She noted that she has served as a bridge between the past and present, and between Santa Clara LAFCO and other LAFCOs across the state. Ms. Palacherla expressed gratitude to her for helping build a sense of camaraderie with the LAFCO team, for her kindness, and for her numerous contributions to LAFCO.

Commissioner Arenas noted that 28 years of service on LAFCO illustrates Ms. Vicklund Wilson's passion for public service and her dedication to LAFCO. She stated that Ms. Vicklund Wilson has also served her community through her work with the American Association of University Women, Morgan Hill Chamber of Commerce and the Morgan Hill Downtown Revitalization Program, among others. She expressed interest in Ms. Vicklund Wilson's continued engagement in an evolving role, and in future partnerships. She informed that the community appreciates Ms. Vicklund Wilson's contributions in creating open space, and livable and walkable communities in Santa Clara County.

Commissioner Lee agreed and expressed his appreciation to Ms. Vicklund Wilson for her service to the county and that LAFCO is fortunate to have appointed her public member.

Commissioner Lee and **Commissioner Arenas** then presented the Santa Clara County Board of Supervisors Resolution of Commendation to Ms. Vicklund Wilson.

Ms. Vicklund Wilson expressed her appreciation to the Santa Clara County Board of Supervisors for the commendation, and she indicated that her achievements were the result of collaborative efforts and were only possible with the support and confidence of LAFCO commissioners and staff.

Commissioner Kamei expressed her gratitude for Ms. Vicklund Wilson's tireless public service and noted that she has made a tremendous difference in the landscape for the benefit of present and future generations in the county. She then presented to Ms. Vicklund Wilson a Resolution of Commendation by the San Jose City Council.

Angela Nguyen, on behalf of Congresswoman Zoe Lofgren, presented a Congressional Resolution to Ms. Vicklund Wilson, recognizing her commitment to uphold LAFCO policies, and recognizing her achievements at CALAFCO, and her 28 years of outstanding service to LAFCO.

Celeste Walker, on behalf of Assemblymember Ash Kalra and State Senator Dave Cortese, presented a joint California Senate and Assembly Certificate of Recognition to Ms. Vicklund Wilson, for her 28 years of service on LAFCO, expressing the State legislature's gratitude for her commitment to promoting sustainable growth and good governance in the county, and for her talent in finding consensus-based solutions to complex problems.

Chairperson Melton noted that the first time he saw Ms. Vicklund Wilson was at a LAFCO public hearing on El Camino Hospital District Service Review Report. He recalled her level-headed approach focused on the law, policy and public interest. He thanked her for her service on LAFCO and her active participation on CALAFCO and noted that she has served the state and county with dedication.

Chairperson Melton led the rest of the Commission in presenting Santa Clara LAFCO's Resolution of Commendation to Ms. Vicklund Wilson, acknowledging her many years of service on the Commission.

4. PUBLIC COMMENTS

Chairperson Melton determined that there are no members of the public who would like to speak on the item.

5. APPROVE CONSENT CALENDAR

The Commission approved the consent calendar.

Motion: Lee

Second: Trumbull

AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Melton, Trumbull

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED

***6. CONSENT ITEM: APPROVE MINUTES OF APRIL 5, 2023 LAFCO MEETING**

The Commission approved the minutes of April 5, 2023 meeting.

7. GILROY URBAN SERVICE AREA AMENDMENT 2021 (WREN INVESTORS & HEWELL)

Ms. Palacherla provided the staff report.

Chairperson Melton requested commissioners to disclose any ex parte communications on the application. He disclosed that he met with MJ Frankel and representatives of Wren Investors in Morgan Hill on March 16, had a phone conversation with Alice Kaufman of Green Foothills earlier in the week, and he acknowledged receipt of numerous emails from the public. **Commissioner Trumbull** informed that he received over 300 emails from the public urging denial of the application, that he received a request for a meeting from the proponents but was unable to meet with them, and that he had read a San Jose Mercury News editorial suggesting denial of the project. **Commissioner Lee** disclosed that he had met with representatives of Dividend Homes on June 1. **Commissioner Beall** disclosed that he had met with the applicants' representative at the proposal site.

In response to an inquiry by **Commissioner Arenas**, Ms. Subramanian advised that Section 2.6 of the LAFCO Bylaws requires members to disclose ex parte communications on proposals that require public hearings.

Commissioner Arenas disclosed that she had a phone conversation with Gilroy Mayor Marie Blankley, and that her staff met with Alice Kaufman of Green Foothills and the applicant. **Commissioner Kamei** disclosed that she received numerous emails and met on Zoom with Gloria Ballard of MH Engineering, Mark Hewell and Dick Oliver from Dividend Homes on June 5.

In response to an inquiry by **Chairperson Melton**, Ms. Palacherla advised that the Commission may approve one area or the other; however, staff has analyzed the two areas as one due to their close proximity.

In response to **Commissioner Arenas' question**, Ms. Palacherla informed that on May 31 Gilroy submitted additional support documents that are included in the packet. She noted that it is unusual to receive a new vacant lands inventory at this stage in the process, and the City has submitted 3 inventories, and this is the 4th. She stated that based on a high-level review by staff, the City has used a different methodology and excluded underutilized lands from the inventory which is contrary to the purpose of the inventory to evaluate if the city has used lands within its boundaries to its fullest potential before seeking expansion. Ms. Palacherla advised that in terms of service concerns, while the City has adopted new master plans for sewer, water and storm drain services, the table does not provide specific information on how current service deficiencies will be addressed or how services will be provided and funded to the proposal area. She cited, as examples, the joint Morgan Hill and Gilroy trunk line which has no information on the date of completion or funding source; and the lack of information on the potential impact of proposed development on the Gilroy Unified School District or how those impacts will be addressed. She noted that as a result, there is no change in staff recommendation.

Commissioner Arenas noted that there should be an official response to the City's information so that the commission can consider all the information provided by the City.

Alternate Commissioner Turner disclosed that he met with the Gilroy Mayor and City Manager. He inquired about the definition of farmland. In response, Ms. Palacherla informed that the CKH Act includes a definition of prime farmland which is analyzed in the staff report and noted that there are other definitions of farmlands by state and federal agencies. In response to a follow-up inquiry by **Alternate Commissioner Turner**, Ms. Palacherla indicated that the proposal area is not being farmed but the CKH Act defines farmland based on the quality of soil whether farmed or not. **Alternate Commissioner Turner** informed that it is challenging to farm such a small land area and suggested that be considered. In response to another inquiry from him, Ms. Palacherla informed that LAFCO staff has had multiple conversations with City staff and reviewed their information. In response to another inquiry by him, Ms. Palacherla informed that LAFCO staff does not do an independent analysis of vacant lands in the City but requests the City to prepare the inventories based on LAFCO methodology which LAFCO staff reviews and includes the calculations in a transparent manner in the staff report.

Alternate Commissioner O'Neill disclosed that she had spoken with Gilroy Mayor who had sent her photographs of the proposal area. In response to her inquiry, Ms. Palacherla informed that it is unusual to receive new documents from the city a week before the public hearing and noted that LAFCO staff has conducted a high-level review of the submission and determined that the staff recommendation remains the same. **Chairperson Melton** noted that LAFCO does not have a written policy with regard to what to do with late breaking information by the applicant or others.

In response to an inquiry by **Commissioner Arenas**, Ms. Palacherla informed that there have been no USA amendment applications from Gilroy in the last 10 years and upon further inquiry, noted there was a project for service extension for which the City exempted themselves from LAFCO approval. **Commissioner Arenas** stated that it is important to recognize that the applicant has gone through the process and that all information submitted is considered even if staff continues to have the same recommendation. She indicated that the Commission must be able to understand the matrix provided by Gilroy along with staff's written response so LAFCO can make a meaningful and thoughtful decision. She noted that it is important for decision makers to be able to process the information and proposed that the public hearing be continued. She expressed concern that LAFCO does not have all the information at this time and requested staff to analyze the new information and to report back. In response to an inquiry by **Commissioner Arenas**, Ms. Palacherla advised that the staff report and the PowerPoint presentation outline the factors that LAFCO must take into consideration in evaluating an USA amendment, consistent with LAFCO policies and the state law. She noted that the analysis is unlike a building permit checklist, which are strict standards. She provided the example of police services and indicated that the City must identify the impact of new development on services and must demonstrate its ability to fund and provide services to the area. **Commissioner Arenas** stated that she would like a written response from staff that is distributed to the commissioners.

Commissioner Kishimoto noted that she made a decision to not have any ex parte discussions and noted that she read the letters and the report.

Chairperson Melton indicated the possibility of the hearing being continued and **Chairperson Arenas** expressed agreement.

Alternate Commission Turner informed that the construction of the sewer trunk line will begin next year and be completed in 2025, and that there are funds to complete the project.

Chairperson Melton opened the public hearing.

Cindy McCormick, Project Manager for the proposal, City of Gilroy, informed that she supports the continuance of the public hearing. She then provided a PowerPoint presentation in support of the application.

Chairperson Melton noted that the timing of Gilroy's response may have been impacted by other major work efforts at the city. In response to another inquiry by **Chairperson Melton**, Ms. McCormick confirmed the reason for the timing of the response and informed that Gilroy has adopted and submitted to the state its housing

element which required the identification of vacant and underutilized lands. She indicated that the methodology is different from LAFCO's vacant land inventory. She also indicated the amount of vacant land has been changing because the City is issuing building permits daily. In response to a follow-up inquiry by **Chairperson Melton**, Ms. McCormick informed that Gilroy could fulfill its Regional Housing Needs Allocation (RHNA) requirements without expanding its USA boundary.

Chairperson Melton suggested that if a continuance was approved, then Gilroy should plan to provide any subsequent forthcoming responses to LAFCO well in advance of the next public hearing for good government reasons and Ms. McCormick expressed agreement.

Commissioner Kamei inquired if the City of Gilroy could consider analyses to remove lands that are underutilized or impractical for development as one way to reduce the City's inventory of vacant lands and Ms. McCormick informed that the Gilroy City Council would have to decide on the matter.

In response to **Commissioner Trumbull**, Ms. McCormick informed that the Initial Study is sufficient for the USA amendment, and Gilroy will prepare the environmental impact report as part of the annexation process. In response to another inquiry from **Commissioner Trumbull**, Ms. Subramanian informed that LAFCO is the responsible agency in this case and Gilroy is the lead agency. She stated that LAFCO made comments on the City's Mitigated Negative Declaration but since LAFCO did not challenge the City's CEQA, it would have to rely on the City's CEQA documents.

In response to **Commissioner Arenas'** question on how the projects in the sewer, water and storm drain master plans would be funded, Darrel Jordan, Gilroy Public Works Director, informed that master plans for water, sewer and storm drains have been completed, and that the consultant and city staff have determined that the project can be serviced today without further work on the system. He reported that a \$222 million capital investment program and the funds were approved by the Council to make the maintenance projects and improvements needed throughout the system over the next 5 years. In response to a follow-up inquiry by **Commissioner Arenas**, Mr. Jordan indicated that the developer would install the infrastructure and connect to the City system when it is complete. In response to a follow-up inquiry by **Commissioner Arenas**, Mr. Jordan indicated that the City is going through a rate study now and the residents would pay certain rates determined by the City.

In response to **Commissioner Arenas'** inquiries, Jim Wyatt, Gilroy Fire Chief, informed that the City is working to install an interim fire station and the permanent station is not ready because the agreed-upon number of permits has not been reached by the developer. He indicated that the City is preparing a site over the summer and building a modular fire station that they expect will be able to house a full fire crew by October 2023 and the City is working on getting the necessary staff. He indicated that the nearest fire station has a response time of one to five minutes to the project area, within the seven-minute response approved by the City's

standards of cover in 2019. He added that the new station would be built south of the area to provide better service citywide.

In response to inquiries by **Commissioner Kishimoto** regarding infrastructure costs, budgeted amounts, and impact fees and /or service fees per unit, Mr. Jordan informed that a utility rate study and an impact fee update is underway and will be completed next year. **Commissioner Kishimoto** observed that there are large costs to fund and more specific information would be useful.

Commissioner Lee noted that lands east of Monterey Road near Las Animas Avenue which are already within Gilroy's USA boundary are undeveloped and inquired if there are instances where a city could redraw the line and detach such lands in order to add other lands. In response to **Commissioner Lee**, Ms. Palacherla informed that she is unaware of instances where such swapping of lands has taken place and noted that there is a process to detach lands that are already within city limits which requires the consent of the property owner. She noted that the resultant boundaries must be orderly and logical, among other considerations, and that it would be up to a city to propose such changes. In response to **Commissioner Lee**, Ms. McCormick indicated that the property owners of lands near Monterey Road and Las Animas Avenue do not want to be annexed by Gilroy, and while there are some inquiries for development, it will require the City to make some public improvements.

Commissioner Lee indicated that he has not decided how to vote on the issue and noted that there is a need for housing but that he would not support urban sprawl which is why he inquired about the potential removal of areas where there would be no growth. Ms. McCormick indicated that Las Animas is zoned for industrial use while the proposal area is for residential use.

Chairperson Melton noted that there are three unincorporated parcels south of Tatum Avenue that are on well water and septic; and inquired if those parcels would be hooked to the city sewer and water lines if they were added to the city's USA. Mr. Jordan indicated that the City encourages connection to sewer and water where possible; and the City would require the developer to run a main and put stubs out to the sites to connect to city services.

Dick Oliver, Dividend Homes, Inc., expressed support for approval of the proposal.

Mark Hewell, Hewell and Sheedy Construction, expressed support for approval of the proposal.

Alice Kaufman, Green Foothills, urged denial of the proposal.

Jordan Grimes, Greenbelt Alliance, urged denial of the proposal.

Raja Aluri, property owner in the proposal area, expressed support for the proposal.

Doug Muirhead, resident of Morgan Hill, expressed his opposition to continuation of the public hearing.

Marie Blankley, Mayor of Gilroy, expressed support for the proposal.

Sharon Luna, San Martin Neighborhood Association, expressed concern about potential spillage of the sewer trunkline in their community and requested that the trunkline upgrades be completed prior to approval.

Chairperson Melton determined that there are no members of the public who would like to speak on the item and declared the public hearing closed.

Commissioner Arenas expressed appreciation to the residents and advocates for or against the proposal and noted that it is important for LAFCO to have all the information. She indicated that while the consideration of the application has already been deferred many times, she would like to continue the hearing to receive additional information from Gilroy's Public Works Director and the Fire Chief before making the final decision. **Commissioner Arenas** moved to continue the hearing with direction to staff to provide analysis of the additional documents provided by the City to understand how well equipped the city is to support the proposed development. **Commissioner Lee** seconded.

Ms. Subramanian advised that the public hearing be continued to a date certain August 2, 2023. **Commissioner Arenas** and **Commissioner Lee** expressed agreement to amend the motion for continuation of the hearing to date certain August 2.

Commissioner Arenas noted that while she has voted to protect open space in her previous role and would not promote urban sprawl, she wants to be fair to all parties and ensure the Commission has complete information before making a well-informed decision.

Commissioner Kishimoto expressed her concerns regarding the proposal and noted that she would be ready to vote on the proposal today.

Commissioner Lee noted the conflicting data on multiple vacant land inventories provided. He noted that while RHNA and ABAG promote more housing, there are concerns about building low density housing and building at higher densities is preferable for cost purposes and to better use lands; and requested more information. In response to **Commissioner Lee**, Ms. Palacherla advised that all the information provided by Gilroy will be forwarded to the Commission. **Commissioner Kamei** indicated that LAFCO's definition for vacant lands should be used to develop the inventory and she expressed support for the motion to continue. She stated that if LAFCO does not currently have a policy for a cut-off for receiving new information before the hearing, then LAFCO should develop such a policy.

Commissioner Beall agreed that there should be a deadline for new information and expressed interest in recycled water and conservation programs by Morgan Hill and Gilroy, and information on the impact of the proposal on water. He also inquired about how Gilroy is coordinating with Santa Clara Valley Open Space District regarding open space and preservation of agricultural lands. Additionally, he inquired about the impact of the proposed development on the existing regional transportation system and whether the existing infrastructure is adequate. He inquired about the city's investment in housing and in addressing homelessness.

At the request of **Chairperson Melton**, Ms. Palacherla summarized that the Commission would like staff to prepare written response of the additional information provided by the City on May 31st. She recommended that if the City were to provide any further information in response to the issues raised today by the commissioners, they do so within the next two weeks.

Commissioner Arenas expressed agreement and indicated that development of a policy on timeliness of follow-up information by applicants needs to be added on LAFCO's work plan. She indicated that her motion includes direction to the City to provide all information requested today within two weeks, including Commissioner Lee's request for clarification on multiple vacant lands inventories, and Commissioner Beall's request for information on the impact of the project on water and transportation infrastructure in Gilroy, how the city coordinates with Santa Clara Valley Open Space Authority, and public investment in the City's affordable housing development and to address homelessness. **Chairperson Melton** reiterated that city staff provide all the information requested in two weeks.

Alternate Commissioner Chapman stated that Gilroy is not within the Open Space Authority and that she looked forward to further discussions regarding adding Gilroy within the Open Space Authority boundaries. She recalled that infrastructure costs were a major concern for development during the Coyote Valley task force discussions and cautioned that there may be similar concerns with this proposal.

The Commission continued the public hearing to August 2, 2023, directed staff to provide analysis on the responses submitted by Gilroy on May 31st, and for Gilroy to provide any additional information within two weeks.

Motion: Arenas

Second: Lee

AYES: Arenas, Beall, Kamei, Lee, Melton, Trumbull

NOES: Kishimoto

ABSTAIN: None

ABSENT: None

MOTION PASSED

8. FINAL BUDGET FOR FY 2024

Chairperson Melton opened the public hearing, determined that there are no speakers from the public, and declared the public hearing closed.

The Commission:

1. Adopted the Final Budget for Fiscal Year 2023-2024.
2. Found that the Final Budget for Fiscal Year 2024 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorized staff to transmit the Final Budget adopted by the Commission including the estimated agency costs to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.

4. Directed the County Auditor-Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

Motion: Lee

Second: Arenas

AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Melton, Trumbull

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED

9. UPDATE ON COUNTYWIDE FIRE SERVICE REVIEW

Ms. Noel provided a brief report.

Chairperson Melton determined that there are no speakers from the public who would speak on the item.

Motion: Kishimoto

Second: Arenas

AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Melton, Trumbull

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED

10. CALAFCO RELATED ACTIVITIES

The Commission noted the report.

***10.1 *Consent Item:* Report on the 2023 CALAFCO Annual Staff Workshop**

***10.2 *Consent Item:* 2023 CALAFCO Annual Conference (October 18-20)**

The Commission authorized commissioners and staff to attend the Annual Conference and directed that associated travel expenses be funded by the LAFCO Budget for Fiscal Year 2024.

10.3 Nominations to the CALAFCO Board of Directors

***11. *CONSENT ITEM:* LEGISLATIVE REPORT**

The Commission:

1. Accepted report.
2. Took a support position on AB 1753 and authorized staff to send a letter of support.

***12. *CONSENT ITEM:* EXECUTIVE OFFICER'S REPORT**

***12.1 Update on LAFCO Clerk Recruitment**

***12.2 Inter-Jurisdictional GIS Working Group Meeting**

13. COMMISSIONER REPORTS

14. NEWSPAPER ARTICLES / NEWSLETTERS

15. WRITTEN CORRESPONDENCE

16. ADJOURN

The Commission adjourned at 4:42 p.m., to the next regular LAFCO meeting on August 2, 2023, at 1:15 p.m., in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.

Approved on August 2, 2023.

Russ Melton, Chairperson
Local Agency Formation Commission of Santa Clara County

By: _____
Emmanuel Abello, Associate Analyst



**Local Agency
Formation Commission
of Santa Clara County**
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 5

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

LAFCO MEETING: AUGUST 2, 2023

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer
Emmanuel Abello, Associate Analyst**

**SUBJECT: GILROY URBAN SERVICE AREA AMENDMENT 2021
(WREN INVESTORS & HEWELL)**

On June 7, 2023, LAFCO held a public hearing on the Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell). At the public hearing, the Commission received an oral report from LAFCO staff concerning staff's recommendation, received a presentation from City of Gilroy staff on the proposal, received public comments from affected landowners and other interested parties. After much discussion, the Commission voted in favor of continuing the public hearing to the August 2, 2023 LAFCO hearing and directed LAFCO staff to prepare a written response to the information submitted by the City on May 31, 2023. Further, the Commission requested City staff to provide a written response to the Commission's questions and any further information for Commission consideration within the next two weeks.

Accordingly, on June 21, 2023, the City of Gilroy provided by email (**Attachment F**), a table to LAFCO that includes a summary of the Commission's questions/comments and the City's response to said questions/comments.

LAFCO staff has carefully reviewed the City's responses received separately on May 31, 2023, and on June 21, 2023. LAFCO staff has prepared two tables (**Attachment A & Attachment B**) for the Commission's consideration that include the following information:

- Column 1: LAFCO staff comments or Commissioner questions/comments
- Column 2: City of Gilroy's Response to comments/questions in Column 1
- Column 3: LAFCO staff's response to City's information in Column 2

Please see **Attachments A & B** for LAFCO staff's specific responses to City's information provided on May 31, 2023 and provided on June 21, 2023.

LAFCO has received additional comment letters (**Attachment E**) on the proposal since the June 7, 2023 LAFCO meeting. On July 28, 2023, LAFCO received a comment letter from Mark Hewell, a property owner in the proposal area. Please see **Attachment G** for Mr. Hewell's letter.

Plan for Providing Services Remains Inadequate

As noted in **Attachments A & B**, LAFCO staff acknowledges that the City's Master Plans were updated on April 3, 2023. The City provided this information to LAFCO on May 31, 2023. Updating their master plans is an important step for the City, as the previous master plans were from 2004 and did not reflect the current General Plan adopted by the City in November 2020.

However, Master Plans, as city level planning documents, do not meet the requirements of a Plan for Services which requires information that is much more detailed and specific to the proposed development.

Please see **Attachment C** for LAFCO's guide to preparing a Plan for Services. This information is available on the LAFCO website and was referenced at the March 18, 2021 pre-application meeting that LAFCO staff held with City staff for the Wren and Hewell USA amendment application.

The City has submitted a Plan for Services as part of its original application submittal. However, it lacks the details required under LAFCO application filing requirements, as noted on pages 16, 17, 19, and 21 of the LAFCO staff report under the section on "City's Ability to Provide Services." As noted in **Attachments A & B**, the information regarding a plan for services remains missing. LAFCO staff's specific responses to the additional information provided by the City regarding services to the proposal area is included in **Attachments A & B**.

City's New Vacant Land Inventory is Inconsistent with LAFCO Definition & Methodology

As noted in **Attachments A & B**, LAFCO staff has provided a definition for vacant land and explained the methodology for preparing a vacant lands inventory (VLI) to City staff. This definition and methodology which is consistent with LAFCO's current and past practice has been used for the last 15 years, including by the City of Gilroy to prepare VLIs for LAFCO applications.

The first two VLIs submitted by the City as part of this application were mostly consistent with LAFCO's definition of vacant land. However, the City prepared a third and a fourth VLI based on a different methodology and are now asking LAFCO to use the City's methodology rather than LAFCO's methodology.

As discussed in the LAFCO staff report, the City has more than 5 years (i.e., over 8 years) of vacant or underutilized lands within its existing USA to meet its growth needs.

Conclusion

For the abovementioned reasons and for reasons presented in the full LAFCO staff report for the proposal (**Attachment D**), the LAFCO staff recommendation remains the same. As noted on Page 26 of the staff report, the proposal area is a logical future growth area for the City. Once the City has resolved its service and infrastructure issues and reduced its inventory of existing vacant and underutilized lands, the City will be in a better position to establish a need for expanding its USA, prepare a clearer Plan for Services and establish a means to fund said services.

ATTACHMENTS

- Attachment A: City of Gilroy's Response to LAFCO Staff Report (Received on May 31, 2023) & LAFCO Staff Response
- Attachment B: City of Gilroy's Response to Commissioner Comment/Questions at June 7, 2023 LAFCO Meeting (Received on June 21, 2023) & LAFCO Staff Response
- Attachment C: LAFCO's Guide for Preparing a Plan for Services
- Attachment D: LAFCO Staff Report for Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell) & Supplemental Information Provided to Commission from March 10, 2023 through June 7, 2023
- Attachment E: Additional Comment Letters Received on the Proposal Since the June 7, 2023 LAFCO meeting
- Attachment F: Information Submitted by the City of Gilroy on June 21, 2023
- Attachment G: Letter from Mark Hewell, a property owner in the proposal area, (received July 28, 2023)

ITEM # 5
Attachment A

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
1.	It appears the City is still in the process of updating its Zoning Ordinance consistent with its current General Plan and is yet to update its master plans for critical services such as fire, water, sewer, stormwater drainage.	<p>The City's Zoning Ordinance is anticipated to be adopted by the end of the 2023 calendar year. The USA amendment is not affected by any proposed changes to the Zoning Ordinance. The Zoning Ordinance will be consistent with the 2040 General Plan. The USA Amendment is consistent with the 2040 General Plan, so the timing of the zoning ordinance adoption should have no bearing on the LAFCO decision.</p> <p>The City Council adopted updated comprehensive Master Plans for the City's sewer system, water system, and storm drainage system on April 3, 2023, to reflect current land use conditions. Each of these Master Plans are consistent with the Gilroy 2040 General Plan.</p>	<p>Pre zoning is a requirement for annexation. An USA amendment application is the only opportunity for LAFCO to review whether the City has applied an appropriate pre-zoning designation to the proposal area because once the lands are located within a city's USA, LAFCO approval is not required for annexing the land to the city.</p> <p>Noted. The Master Plans were updated on April 3, 2023 The City provided this information to LAFCO on May 31, 2023.</p> <p>The City has not offered any information on the status of the City's Fire Master Plan in terms of its adoption by the Council.</p>
2.	Furthermore, the conceptual nature of this proposal and the lack of details on service provision limits a full review of the proposal by LAFCO at this stage. The USA amendment process is the only opportunity for LAFCO to evaluate whether it is appropriate to include the land for urbanization because once the land is included in the City's USA, LAFCO approval is not required for annexing the land to the city. Therefore, if sufficient details are not available at the time of CEQA analysis and USA amendment application, it hinders	<p>The City of Gilroy submitted a Plan for Services that includes LAFCOs written submittal requirements for the Plan for Services in compliance with the Cortese Knox Act (Government Code Section 56653).</p> <p>In addition, this response matrix provides a response to LAFCO's staff report comments about the City's provision of services. The 2022 Master Plans for the City's sewer, water, and storm drainage systems have been thoroughly analyzed to address comments raised in the LAFCO staff report.</p>	<p>The City has submitted a Plan for Services. However, it lacks the detail required under LAFCO application filing requirements, as specifically noted in the LAFCO staff report on pages 16, 17, 19 and 21. The City's response indicates that several City Master Plans have been updated Updating the Master Plans is an important step for the City as the previous master plans were from 2004 and did not reflect the current general plan adopted in November 2020. However, Master Plans, as city level planning documents, do not meet the requirements of a Plan for Service which is much more detailed and specific to the proposed development.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	LAFCO's ability to properly analyze the application.	This response matrix provides the LAFCO Commissioners with the information needed to determine that the City has adequately planned for the provision of services to these parcels. Furthermore, there is nothing in the updated Master Plans that change the outcome of the City's determination that potentially significant impacts from adding these parcels to the City's USA can be mitigated to a less than significant level.	
3.	<p>The amount of vacant land already within the USA and the amount of future growth the land could support is therefore of vital importance in determining whether the addition of more land for urban uses is necessary or premature. Historically and by past practice, the analysis to determine this involves the following three steps:</p> <ul style="list-style-type: none"> • Preparation of an inventory of all vacant or underutilized land (i.e., lands that have no active building permit and are undeveloped and/or underutilized) designated for the proposed uses within the city. • Determination of the number of units that could potentially be built on the land based on the maximum potential 	<p>Availability of Vacant Lands within Existing Boundaries. Unlike LAFCO's written details for submitting a Plan for Services, there is very little information on the Santa Clara County LAFCO website or within its documents regarding Vacant Land Inventories. According to LAFCO's application submittal requirements, "<i>USA amendment proposals must include a Vacant Lands Inventory identifying vacant lands within the city limits and its urban service area for specific land use designations, and the rate of absorption of vacant lands. If the amount of vacant land exceeds a five-year supply, explanation is required for why the expansion is necessary and how an orderly and efficient growth pattern will be maintained.</i>"</p> <p>The Santa Clara County LAFCO does not define "vacant land" on their</p>	<p>At the pre-application meeting for this proposal in March 2021, LAFCO staff discussed the preparation of a VLI with City staff including the City's Community Development Director. LAFCO staff has provided a definition for vacant land and explained the methodology for preparing a vacant lands inventory (VLI) to City staff which is consistent with current and past practice. This definition and methodology have been used for the last 15 years by cities including the City of Gilroy, to prepare VLIs for LAFCO applications.</p> <p>The first two VLIs submitted by the City as part of this application to LAFCO, were mostly consistent with LAFCO's definition of vacant land. However, the City prepared a third and now a fourth VLI based on a different methodology and are asking LAFCO to use the City's methodology rather than LAFCO's methodology.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	<p>buildout</p> <ul style="list-style-type: none"> permitted by the city's land use and zoning designations for the land. Calculation of the rate of absorption of the vacant land or years of supply based on a 10-year average of the city's building permit activity. (vacant acreage divided by number of units per year equals years of supply) 	<p>website, or within their adopted policies, or within its application submittal requirements. This lack of a codified definition was identified in the 2016-2017 Santa Clara County Civil Grand Jury Report titled <i>LAFCO Denials: A High School Caught In The Middle</i>.</p> <p>Recommendation 1a of the Civil Grand Jury Report states that <i>the Local Agency Formation Commission should amend its Urban Service Area Policies to define "vacant land," "premature conversion of agricultural lands," and "adequacy of urban services."</i></p> <p>On August 16, 2017, LAFCO staff provided a response to the Civil Grand Jury, stating that <i>"This recommendation requires further analysis and will be considered during LAFCO's comprehensive review of its policies which is anticipated to begin within the next six months. LAFCO's current work plan calls for a comprehensive review and update of its policies with the intent of strengthening them to enable LAFCO to better meet its legislative mandate; and to further clarify alignment and consistency of the policies with state law, long-standing countywide growth management policy framework, and regional plans and goals."</i></p> <p>LAFCO's response to the Grand Jury</p>	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>Report was written well over five years ago. To date, these definitions have not been adopted or even provided on the LAFCO website.</p> <p>In lieu of a LAFCO definition for "vacant" land, the City of Gilroy turns to the California Department of Housing and Community Development (HCD), whose approval is required before a local government can adopt its Housing Element as part of its overall General Plan. (see next section)</p> <p>Furthermore, while LAFCO staff has requested that the City include "underutilized land" in Gilroy's Vacant Land Inventory, there is no LAFCO definition for "underutilized land" and there is no reference to underutilized land in LAFCOs USA Policies or within its application submittal requirements.</p> <p>Similarly, there is nothing in LAFCO's policies or submittal requirements that dictate the methodology that should be used to determine the number of units that could be developed on vacant land. While the LAFCO staff report indicates that the City of Gilroy should use the maximum potential buildout for making this determination, this is not consistent with actual development in the City of Gilroy. Furthermore, as defined in the Gilroy General Plan, "net acreage" of land available to accommodate residential</p>	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>uses is “normally 20 to 25 percent less for a given area than gross acreage”, after accommodating streets, public right-of-ways, non-residential land uses and other public facilities. Therefore, it is unrealistic to multiply the “gross acreage” of a site by the maximum density allowed under the Gilroy General Plan.</p> <p>Likewise, the use of a 10-year average of the city’s building permit activity is not provided in any LAFCO policy or submittal requirement, even though the LAFCO staff report refers to such an average.</p> <p>Given the lack of a codified definition within LAFCOs policies or within its application submittal requirements, and given LAFCO’s policy to not undermine regional housing needs (policy #11), the City of Gilroy requests that the LAFCO Commissioners consider only vacant land capacity in determining whether to approve the requested USA amendment.</p> <p>The attached and updated Vacant Land Inventory illustrates that the existing Gilroy USA can accommodate approximately 4.2 years of residential growth on vacant land, assuming an average of 326 permits are issued per year (8-year average) or approximately 4.5 years of residential growth on vacant land,</p>	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)

	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		assuming an average of 306 permits are issued per year (ten-year average).	
4.	<p>In response to LAFCO staff's request for information on acreages of the vacant land identified in the second inventory, the City submitted an entirely new third inventory dated 10/18/22. While the first two inventories were generally in accordance with LAFCO's methodology for inventorying vacant land and used LAFCO's definition for vacant land, the third inventory excluded underutilized land, thus significantly reducing the inventory.</p> <p>The City has indicated that it removed underutilized properties from its 10/18/22 vacant land inventory consistent with the California Department of Housing and Community Development's (HCD) definition of vacant land. However, this is inconsistent with LAFCO's methodology for inventorying vacant land which LAFCO has used historically, and that the City itself has used in its first two inventories. The reason LAFCO's definition of vacant land includes underutilized land is to promote more efficient use of such land within the city's current boundaries prior to adding more lands to the city's boundaries, which is different from HCD's intent and</p>	<p>There is no written LAFCO "methodology" for inventorying vacant land or for determining the rate of absorption of vacant lands within LAFCOs USA Policies or within its application submittal requirements.</p> <p>However, LAFCOs USA Policies do state that "LAFCO will discourage proposals that undermine regional housing needs plans, reduce affordable housing stock, or propose additional urbanization without attention to affordable housing needs." LAFCO's policy also states that "LAFCO will consider whether the proposal creates conditions that promote local and regional policies and programs intended to remove or minimize impediments to fair housing including city/ county general plan housing elements, Analysis of Impediments to Fair Housing or Consolidated Plans for Housing and Community Development and ABAG's regional housing needs assessment and related policies."</p> <p>The City is currently undergoing an update of its Housing Element to accommodate the City's Regional Housing Needs Allocation (RHNA) for the 2023-2031 planning cycle. As part of that effort, the City and their housing</p>	Please see response provided above concerning vacant land definition and methodology for preparing a Vacant Lands Inventory.

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	requirements.	<p>consultants reviewed vacant residential land that could be included in the City's Housing Element RHNA Sites Inventory. To help in this effort, the California Department of Housing and Community Development (HCD) prepared a Housing Element Site Inventory Guidebook for developing "an inventory of land suitable and available for residential development to meet the locality's regional housing need." The Guidebook defines a vacant site as "a site without any houses, offices, buildings, or other significant improvements on it.</p> <p>Improvements are generally defined as development of the land (such as a paved parking lot, or income production improvements such as crops, high voltage power lines, oil-wells, etc.) or structures on a property that are permanent and add significantly to the value of the property." Furthermore, page 24 of the HCD Guidebook states that "underutilized sites are not vacant sites".</p> <p>Given the lack of a codified definition within LAFCOs policies or within its application submittal requirements, and given LAFCO's policy to not undermine regional housing needs (policy #11), the City of Gilroy requests that the LAFCO Commissioners consider only vacant land capacity in determining whether to approve the requested USA amendment.</p>	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		As provided in the attached Vacant Land Inventory, the City has approximately 4.2 to 4.5 years of vacant land capacity using an 8 to 10-year permit history.	
5.	The South Santa Clara County Fire Protection District (which contracts with Cal Fire) currently provides fire protection services to the subject area. Upon USA amendment and annexation to the City of Gilroy, the City would provide fire protection services to the subject area.	Fire Service: The City has an Auto Aid Agreement in place and already services the Wren/Hewell area on behalf of South Santa Clara County Fire Department since fire response times in the County (7-11 minutes) are significantly slower than the City of Gilroy's response times (5 to 7 minutes). Additionally, the Wren/Hewell area has a higher level of response coverage due to the underutilization of the Sunrise Fire Station.	Noted. The response does not provide information on how adding over a 1,000 residents and commercial development in the proposal area could impact the already slow response times citywide and how that would be addressed.
6.	The City has not established level of service/response time goals for fire service Provision. However, according to the Gilroy Fire Department 2019 Master Plan Update (11/14/19), "overall first due call-to-arrival performance is significantly slower than best practice standards to achieve desired outcomes to keep small fires small and to provide lifesaving care in serious medical emergencies"	The City has been working diligently to address fire service needs throughout Gilroy and the challenges identified in the 2019 Standards of Coverage (SOC) Assessment and the 2019 Master Plan. The City recently hired five (5) firefighters that will begin actively staffing fire companies by October 2023. This brings current staffing level to 37 line personnel. Three (3) additional candidates are anticipated to fill the remaining vacancies in January 2024 for a total staffing level of 40 line personnel. The City also recently received 2 new Type 1 engines to replace aging front	Noted. The City's plans for increased staffing continue to change and target dates for increased staffing and apparatus, continue to be extended.

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>line apparatus. As a result, all three (3) permanent fire stations now have brand new or nearly new Type 1 engines for emergency response.</p> <p>Additionally, an order was recently made to replace the aging Type 3 wildland engine. The City is also planning the replacement of all four (4) command staff vehicles by 2024.</p> <p>The recent purchase of two new engines and the planned replacement of additional fleet in 2024 has significantly improved the condition of Gilroy's fleet. Filling the City's staffing vacancies will also significantly improve response times throughout the City.</p>	
7.	<p>The City is currently served by three fire stations and has a development agreement with the Glen Loma Development Group to fund construction of a 4th station in the southwestern part of the City. The City indicates that the timeline for the construction of the 4th station is unpredictable as it is tied to the issuance of the 1,100th Glen Loma building permit. Per the City's vacant land inventory, only 792 Glen Loma building permits have been issued so far.</p> <p>The remaining additional fire station construction costs are estimated at \$6,438,100 for a total cost of over \$9</p>	<p>While the 1,110th permit has not yet been issued, the City has funded an interim location for the fourth fire station. The Santa Teresa Interim Fire Station is located near Christmas Hill Park in the Santa Teresa Fire Response District (southwestern quadrant of City).</p> <p>The Fire Department is currently operating out of the Temporary Environmental Education Center (TEEC) building at Christmas Hill Park until the 1,100th building permit is pulled, funding is fully secured, and the permanent fire station is operational.</p> <p>To address deficiencies at the TEEC building, the 2024-2028 CIP includes</p>	<p>Noted. The City's plans for the interim new modular fire station and the necessary increased staffing continue to change and target dates of completion continue to be extended. The City has not provided information on how this will be funded.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)

	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	<p>M. The 4th fire station remains unfunded in the FY 2021-2025 Capital Improvement Plan and is expected to be funded beyond FY25, when the Glen Loma development agreement provision is triggered.</p> <p>As an interim means of providing services, the City has indicated that since mid-2020, it has been operating a part-time fire company with 2- person staffing out of a City facility (TEEC Building) located at Christmas Hill Park.</p> <p>However, this facility lacks the necessary amenities to house a full-time fire crew and the location is not ideal for emergency response. To better meet service demand, on October 17, 2022, the City Council approved a contract in the amount of \$204,908 to fund the construction, installation and a 3-year lease of an interim fire station modular building which is anticipated to be set up by late February or early March 2023. The funding for construction of this temporary station is from the Glen Loma Development which agreed to forgo the construction of McCutchin Park within the Glen Loma Development and transfer what it would cost to construct the park (\$2.3M) to the City's Capital Projects Fund. The City would use that</p>	<p>\$444,580 towards construction of a modular building adjacent to the TEEC building. The recent removal of the park's speed bumps has also improved response times out of this interim station location. Furthermore, the pilot study for the 4th fire station showed a 35 second response improvement with only partial staffing.</p> <p>Once three (3) full time staff are employed at the end of 2023, the City will meet its response goals.</p> <p>The modular fire station will be fully operational in Oct/Nov 2023 and will include sleeping, shower, and kitchen facilities. The adjacent area next to the TEEC building has sufficient electrical infrastructure to meet the power needs of the TEEC building as well as the modular building, the site's lighting, an automatic gate, and the apparatus bay. The site also has sufficient existing water and sewer infrastructure to support the modular building.</p> <p>The TEEC building is currently operating with a part-time crew (2 staff) from 8:00 AM to 8:00 PM each day. A study of demand by hour shows that 71% of all incidents happen between 8:00 a.m. and 8:00 p.m. This is typical for many fire agencies since this is the time when most people are awake. However, with the recent new hires and training to be</p>	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	amount to fund the interim fire station and partially fund the future permanent fire station. The City has not provided information on how it plans to fund staffing and station operations at the fire station.	completed in the next few months, operating with a partial crew (2 staff) 24 hours a day / 7 days is scheduled to begin by October 2023. Furthermore, the City will be able to fully staff (3 staff) the Santa Teresa interim modular building 24 hours a day / 7 days per week by the end of the 2023 calendar year.	
8.	Additionally, as noted in the City's CIP, a 2016 Needs Assessment Report indicated the Las Animas Fire Station and the Chestnut Fire Station both require a significant seismic retrofit/remodel and numerous upgrades to be compliant with the Essential Services Buildings Seismic Safety Act (ESBSSA) these remain unfunded in the City's CIP.	These upgrades remain unfunded; however as noted above, the City continues to work diligently to make improvements related to fire prevention. Furthermore, these fire stations remain operational despite not being seismically upgraded in case of an earthquake.	Per City's response, seismic upgrades remain unfunded in the City's CIP.
9.	The proposed USA amendment, annexation and future development would result in an increase in call volume within the City's service area. The City has not prepared analysis on the potential impacts of the anticipated development on fire service provision (such as impact on response times, the need for new or additional facilities, apparatus, and staffing) and has not adequately demonstrated its ability to provide and fund fire protection services to the subject	The proposed USA amendment area is served by the Las Animas and Sunrise fire stations, which serve the northeastern and northwestern quadrants of the City, respectively. The Sunrise station was built for the purpose of adding fire protection services in the northern half of the City and is currently underutilized. Thus, the City is able to provide excellent response times to the northern portion of the City which includes the Wren/Hewell properties. The third fire station (Chestnut) provides services in	Please see original LAFCO staff comment which was not responded to, i.e., the City has not provided information on potential impacts of the anticipated development on fire service provision. And has not provided information on the potential costs and how they would be funded.

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	<p>area without reducing service levels to residents within its current boundaries.</p> <p>The City's Plan for Service noted that the future development on the site would be subject to a development impact fee to fund infrastructure improvements but did not provide any further specifics.</p> <p>The Plan for Service only notes that future staffing of the fire department would be derived from the City's General Fund.</p>	<p>the southeastern quadrant of the City, near the 10th Street interchange with Highway 101.</p> <p>The City also has an Auto Aid Agreement in place and already services the Wren/Hewell area on behalf of South Santa Clara County Fire Department since fire response times in the County (7-9 minutes) are significantly slower than the City of Gilroy's response times (5-7 minutes).</p> <p>As noted earlier, the City recently hired five (5) firefighters that will begin actively working in October 2023. Three (3) additional candidates are anticipated to fill all budgeted positions by January 2024.</p>	
10.	<p>Capacity at SCRWA. In order to meet anticipated flows, efforts to expand SCRWA's treatment plant began in 2021 to increase the plant's capacity to 11 mgd average daily wastewater flow.</p> <p>According to the City, the expansion is approximately 37% to 42% complete. The City of Gilroy's 2021-2025 Capital Improvement Program (CIP) states that the total cost of the expansion is estimated at \$69.9 Million, with the City of Gilroy responsible for \$38.4 Million of the total cost and the City of Morgan Hill funding the remaining \$31.5 Million.</p>	<p>This SCRWA expansion project is included in the 2022 Sewer System Master Plan.</p> <p>The 2024-2028 Capital Improvement Program includes \$35,900,000 in funding to expand the capacity of the existing plant to meet the demands associated with future growth in the area. In addition to expanding the plant's treatment capacity, this CIP funded project would also implement new standards for wastewater treatment to comply with State Water Resources Control Board requirements. The SCRWA expansion project is anticipated to be complete in 2026. The ongoing operational costs necessary to manage the increased capacity due to the</p>	Noted.

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	The City, as owner of the new sewer infrastructure, would be responsible for costs associated with future maintenance.	City's growth will be offset by the increased fees associated with the growth.	
11.	<p>Collection Infrastructure. According to the City's Plan for Services, future development on the project site would connect directly to existing City of Gilroy infrastructure immediately adjacent to the project site, specifically the Joint Morgan Hill-Gilroy Trunk which runs along the eastern boundary of the project site. However, according to the City's 2004 Sewer Master Plan, modeling of the system shows that during wet weather flow conditions, the Trunk becomes deficient when current Morgan Hill flows are introduced. This represents a major existing deficiency in both cities' wastewater treatment service.</p> <p>The City of Gilroy's ability to provide the necessary wastewater services to future development in the proposal area remains uncertain, until construction of the relief trunkline between Highland Avenue and Renz Avenue is complete.</p>	<p>The City of Morgan Hill completed a Joint Trunk Pipeline Condition Assessment Report in January 2021. Improvements within the City of Gilroy's planning boundaries were extracted from the Report and documented in the City's 2022 Sewer System Master Plan.</p> <p>The 2024-2028 Capital Improvement Program includes recommended Joint Trunk Sewer Improvements that include 8 projects in the Joint Trunk Pipeline between the Cities of Gilroy and Morgan Hill to mitigate existing deficiencies in the City's sewer system joint trunk pipeline.</p> <p>The projects include Emergency/Immediate Pipeline Repairs (5 Projects at various locations), Emergency/ Immediate Manhole Repairs (40 Projects at various locations) and Intermediate Pipeline Repairs (various locations).</p> <p>The 2024-2028 Capital Improvement Program also includes the Sewer System Master Plan Project including 16 individual projects in 6 system areas throughout the City intended to mitigate existing deficiencies in the City's sewer</p>	<p>Please see original LAFCO staff comment noting that the relief trunkline between Highland Avenue and Renz Avenue is incomplete. The City has not provided a specific date or timeline for completion of this section of the relief trunkline.</p> <p>The City seems to have completed studies identifying sewer collection infrastructure deficiencies beyond what LAFCO noted and has plans to address these deficiencies in the next 5 years.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		system and implement improvements to service anticipated future growth throughout the City. The projects include pipeline replacements as well as new pipeline improvements.	
12.	Collection Infrastructure. The City has not provided any specifics on the extent of the off- site improvements that would be required to support the anticipated development, including the estimated number of miles, sizes, and locations of the new pipes.	<p>The 2022 Sewer System Master Plan looked at existing capacity and General Plan buildout. Sewer pipelines are recommended to serve future growth inside the City and increase the reliability of the sewer collection system as well. The proposed improvements are listed in the Master Plan and include alignment descriptions, location, pipe size, and pipe length.</p> <p>Furthermore, as with any future development, impacts from a particular development are considered at the time of application, given potential changes in state law, state and regional agency policies, and City of Gilroy policies. Among other things, the City will consider:</p> <ul style="list-style-type: none"> • Information on existing sanitary sewer mains within or abutting project site. • Size and slope of sanitary sewer pipes. Invert elevations at manholes, at connection points and at the nearest manholes. <p>Location and size of sanitary sewer system and its design parameters.</p>	<p>This response does not provide sufficient level of detail, as required in the Plan for Service.</p> <p>A Master Plan is not a substitute for a Plan for Service that includes the required information.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)

	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
13.	<p>Stormwater Drainage. The current 5-year CIP funding includes only a few (total cost approximately \$800,000) of the identified storm drain improvement projects; the majority are assigned a low priority within the current 5-year CIP and are unfunded.</p>	<p>The 2024-2028 Capital Improvement Program includes the Storm Drain Master Plan Project which includes 43 individual projects in 6 hydrologic drainage areas throughout the City, intended to mitigate existing deficiencies in the City's storm drain system and implement improvements to service anticipated future growth throughout the City. The projects include pipeline replacements as well as new pipeline improvements.</p>	<p>The response notes several projects but does not tell LAFCO how much of the cost is covered or funded .</p>
14.	<p>Stormwater Drainage. No detailed information is provided on the estimated increase in runoff to establish the impact on the City's existing infrastructure or need for additional capacity.</p>	<p>As with any future development, impacts from a particular development are considered at the time of application, given potential changes in state law, state and regional agency policies, and City of Gilroy policies. Among other things, the City will consider:</p> <ul style="list-style-type: none"> • Information on existing storm drain pipes, inlets, natural swales, creeks, etc. • Size, slope of existing pipes and inverts of existing inlets, manholes, etc. • Invert elevation of connection to treatment control measures, swales, creeks, ponds, etc. • Approximate boundaries of any areas with a history of flooding. 	<p>The City is deferring this and has not provided the requested information (i.e. an estimated increase in run-off as a result of the proposed development, its impact on the City's infrastructure and need for additional capacity), and how it will be funded.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<ul style="list-style-type: none"> • Contours of adjacent property to show drainage conditions that may affect the subdivision. • Locations and sizes of storm drain system and its design parameters. • Proposed ground slopes, elevations, directions of ditch, swale and pipe flows. • Sufficient grades or contours are shown to indicate the ultimate drainage of the property. • Hydraulic grade line (HGL) or water surface elevation (WSE) at discharge location(s). <p>The City will also require a stormwater control plan that contains the following information:</p> <ul style="list-style-type: none"> • Drainage boundaries clearly defined and labeled. • Location, size, and identification (including description), of types of water quality treatment control measures such as swales, detention basins, bioretention, infiltration 	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>trenches, flow-thru planter boxes, etc.</p> <ul style="list-style-type: none"> • Location, size and identification of proposed landscaping/plant material. • Specify Soil Type(s) of the project site. • All existing and proposed topographic contours with drainage management areas (DMA) identified, and proposed structural control measures. • For each drainage area, specify types of impervious area (roof, plaza, sidewalk, streets, parking, etc.) and surface area of each. • Specify depth to groundwater. • Preliminary (planning level) numeric sizing calculations based on the Stormwater Control Plan by a qualified civil engineer, used to determine runoff quantity and to design/select the post- construction treatment control measures. Design level calculations will be provided at the final 	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>design phase.</p> <ul style="list-style-type: none"> Identify pollutants and pollutant source areas, including loading docks, food service areas, refuse areas, outdoor processes and storage, vehicle cleaning, repair or maintenance, fuel dispensing. 	
15.	<p>Water Supply. The water supply from the Llagas Subbasin will exceed (by a small margin) the average combined demands of Gilroy, Morgan Hill, and other users through 2045. Groundwater supplies are adequate to meet the City's projected demand needs into the future, regardless of hydrologic conditions.</p> <p>Although by 2035, demand is expected to exceed 50 percent of the assumed groundwater supplies available to the City under normal conditions and exceed 60 percent of the assumed groundwater supplies available to the City under single dry year and multiple dry years conditions.</p>	<p>The 2024-2028 Capital Improvement Program includes the Water System Master Plan Project which includes 26 individual projects throughout the City intended to mitigate existing deficiencies in the City's water system and implement improvements to service anticipated future growth throughout the City. The projects include pipeline replacements, new pipeline improvements, groundwater well improvements, and storage reservoir improvements.</p> <p>See next section.</p>	Noted.
16.	<p>Water Infrastructure. The City has not provided any specifics on the extent and costs of the offsite improvements that would be required to support the anticipated development, including the</p>	<p>On April 3, 2023, the City of Gilroy adopted the 2022 Water System Master Plan. The Master Plan identified numerous projects that the City should complete to meet 2040 General Plan build-out requirements. The City has</p>	<p>The City is deferring this and has not provided the requested information (i.e., any specifics on the extent, costs, and funding sources of the offsite improvements that would be required to support the anticipated development, including the</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)

	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	<p>estimated number of miles, sizes, and locations of the new pipes.</p>	<p>also accumulated significant fund balances to pay for water supply infrastructure. The City's 2024-2028 Capital Improvement Program identified \$21,225,056 from the water fund and \$36,292,928 from the water development impact fund to pay for the \$57,517,985 Water System Master Plan Project. This Project includes 13 pipeline replacements, nine (9) new pipeline improvements, three (3) groundwater well improvements, and storage reservoir improvements. These 26 projects would mitigate existing deficiencies in the City's water system and implement improvements to service anticipated future growth throughout the City. The \$57,517,985 Water System Master Plan Project also includes \$11,503,600 for design work and \$575,187 for CEQA compliance.</p> <p>As with any future development, impacts from a particular development are considered at the time of application, given potential changes in state law, state and regional agency policies, and City of Gilroy policies. Among other things, the City will consider information on:</p> <ul style="list-style-type: none"> • existing water mains • location of existing and proposed water hydrants and water meters. 	<p>estimated number of miles, sizes, and locations of the new pipes).</p> <p>A Master Plan is not a substitute for a Plan for Service that includes the required information.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<ul style="list-style-type: none"> • Location and size of water system and its design parameters. • Location and size of proposed water main. 	
17.	<p>Schools. The City's plan for Service does not indicate whether the school district would require new facilities and staffing to accommodate and serve the increased student population but notes that developers of the new residential development would be responsible for the payment of school impact fees to accommodate the increased number of students. The City's Fiscal Impact Analysis does not include an analysis of potential fiscal impacts on the school district. The City has not adequately demonstrated the school district's capacity to serve the anticipated increase in student population.</p>	<p>In addition to requiring developers to pay school impact fees (further described below), the City of Gilroy works collaboratively with the Gilroy Unified School District to ensure they are aware of any new development in the City. Each week, the City holds a Technical Advisory Committee meeting with staff from Planning, Engineering, Building, Fire, Public Works, and a staff member from the Gilroy Unified School District. The purpose of the meeting is to discuss projects proposed for development in the City and any potential impacts associated with those projects. As part of this review, plans are routed to the School District along with a description of the Project including the number of new homes proposed.</p> <p>Education Code Section 17620 allows school districts to assess fees on new residential and commercial construction within their respective boundaries. These fees can be collected without special city or county approval, to fund the construction of new school facilities necessitated by the impact of residential</p>	<p>The City did not respond to the question of fiscal impacts on the school district.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		and commercial development activity. In addition, these fees can also be used to fund the reconstruction of school facilities to accommodate students generated from new development projects. Fees are collected immediately prior to the time of the issuance of a building permit by the city or the County. The impact of new developments result in the need for either additional or modernization of school facilities to house the students generated. Furthermore, Government Code Section 65995 provides for an inflationary increase in the fees every two years based on the changes in the Class B construction index.	
18.	<p>Roads. The City's Plan for Service states that new streets, additional lanes on existing streets and new signal lights would be necessary to accommodate new traffic that would be generated by future development upon USA amendment and annexation of the subject site. According to the City's Plan for Services, these improvements are planned for in the City's 2004 Traffic Circulation Master Plan (TCMP) and are included in the City's Traffic Impact Fee (TIF) Program. Thus, the developer will be required to pay the applicable TIF fee as a fair-share contribution toward improvements</p>	<p>On March 20, 2023, the Gilroy City Council approved funding to update the Traffic Circulation Master Plan and the City's Transportation Impact Fee (TIF) Program. The update will evaluate all new or updated traffic segments, intersections, and bridges that are needed to support the 2040 General Plan growth expectations, including development of the Wren/Hewell properties. The traffic analysis will include a review of intersection operations, opportunities for needed improvements, and sufficient conceptual design to identify project challenges, project right-of-way needs, and preliminary cost estimates.</p>	<p>There remain significant unfunded street improvements, as identified in the City's Capital Improvement Plan for FY 2021-2025.</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)

	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	<p>at these intersections.</p> <p>The City's current Capital Improvement Plan for FY 2021-2025 (CIP) identifies various roads, streets, bridges, traffic signals and related maintenance and improvement projects within the city, many of which are recommended in or support the City's TCMP. The estimated costs of these projects identified in the City's CIP totals approximately \$118M, a small fraction of which (approximately \$25M) are funded in the current CIP; the remaining are unfunded.</p>	<p>Additional improvements to be considered for funding in the updated. Transportation Impact Fee (TIF) policy may include bicycle, pedestrian, and traffic calming improvements, and the cost for future model updates.</p> <p>The 2024-2028 Capital Improvement Program identifies \$68,114,786 in funding for street improvements, representing 32% of the overall CIP projects for the next five years. The identified projects include the Tenth Street and Uvas Creek Bridge, Tenth Street/Hwy 101 Bridge widening, annual citywide pavement rehabilitation, annual pavement markings, annual shared-cost sidewalk replacement program, annual safe routes to schools, traffic calming, annual citywide curb ramp projects, annual signal/street light maintenance, and several traffic signals.</p>	
19.	<p>Fiscal Impact to the City of Gilroy and Affected Agencies. The City has indicated that it would require the establishment of a Community Facilities District to mitigate the impact of providing services to the project site. In response to LAFCO staff's request for more details about the CFD, the City has indicated that the cost of all services (except landscaping and lighting) such as</p>	<p>Recognizing the importance of planning, developing, and financing system facilities to provide reliable service to existing customers and for servicing anticipated growth within the Gilroy Urban Growth Boundary, the City adopted updated comprehensive Master Plans for the City's sewer system, water system, and storm drainage system on April 3, 2023, to reflect current land use conditions. While each of these reports is</p>	<p>The City did not provide the information requested and instead provided general information on how the CFD process works. The City is in the process of doing a rate study for its various impact fees, and has not provided information on the feasibility of anticipated CFD rates and the feasibility of those rates in light of the other impact fees and concerns about affordability. .</p>

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)

	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
	<p>fire/police facilities and infrastructure, water and sewer system improvements, streets and park facilities would be covered by the CFD. However, the City has not provided an anticipated cost of service provision, or an estimate for revenues to be collected through the CFD. The City anticipates that the property owner/ developer would agree to participate in the CFD prior to selling individual parcels/ housing units.</p> <p>Given the lack of specific information about service needs and the anticipated costs that would be covered by the CFD, it is not possible to evaluate its financial feasibility.</p>	<p>published as a standalone document, the analysis in each document has been cross referenced and coordinated for consistency with the Gilroy 2040 General Plan.</p> <p>Each Master Plan summarizes the City's system facilities, updates system performance criteria, documents growth planning assumptions and known future developments, evaluates existing facilities to address capacity requirements from existing and projected developments, performs a cost allocation analysis for cost sharing purposes, and recommends a capital improvement program (CIP) with an opinion of probable construction costs.</p> <p>The City is also undergoing a rate study for user fees and will consider the projects contemplated in this Master Plans and the CIP to help determine the rate proposals.</p> <p>Staff will continue to review and update impact fees as part of the bi-annual departmental workplan.</p> <p>Community Facilities District. In 1982, the Mello-Roos Community Facilities Act of 1982 (Government Code 53311-53368.3) was created to provide an alternative method of financing needed improvements and services. A Mello-Roos Community Facilities District ("CFD") allows for the financing of</p>	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>public services and improvements such as streets, sewer systems, water systems, police protection, fire protection, and much more. A CFD is usually created in undeveloped areas slated for future development, or older areas to finance improvements and rehabilitation when other sources of funds are not available. Once approved by the property owners within the proposed boundary, a special tax lien is placed against each property in the CFD. Existing/ future property owners then pay a Special Tax each year. If the project cost is high, municipal bonds will be sold by the CFD to provide the large amount of money initially needed to build the improvements or fund the services.</p> <p>The following process is anticipated for development of the CFD in Gilroy:</p> <ul style="list-style-type: none"> • At the time of final design, a CFD design professional will prepare a CFD plan that includes a scope of work for items to be included in the CFD, yearly maintenance costs, and a cost breakdown of management costs. • A petition to form a CFD is submitted to the City Council by the owner or by the owner legally authorized representative (developer). This document describes the work to be financed (the public facilities and 	

CITY OF GILROY'S RESPONSE TO LAFCO STAFF REPORT (RECEIVED on MAY 31, 2023)			
	LAFCO Staff Report published on March 10, 2023	City of Gilroy's Response provided on May 31, 2023	LAFCO Staff Response
		<p>services), and the rate and method of expenses and revenues for the Special Tax formation (CFD formation).</p> <ul style="list-style-type: none"> • City Council holds a public meeting to hear the owners petition to form a CFD, approve intent of the rate and method of expenses and revenues for the special tax formation (CFD formation), directs the appropriate staff to prepare a CFD report, and sets a subsequent public hearing on the question of establishing a CFD. • At the second council hearing, Council hears any protest to the formation of the CFD. Council also passes a resolution approving the CFD report which summarizes the services to be financed and their initial costs. Council also passes a resolution calling for special elections by the residents of the CFD to approve the levy of the special taxes on the proposed CFD and the appropriations limit on the CFD. • A Unanimous Approval document, approved by all future CFD users, is recorded in the office of the County Recorder. 	

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)		
Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
<p>1. What is the LAFCO policy regarding vacant and underutilized land?</p>	<p>LAFCO does not define vacant land or underutilized land in its USA Policies or its application submittal requirements. Similarly, there is no adopted methodology for developing a Vacant Land Inventory.</p>	<p>LAFCO has used a specific definition and methodology for preparing a Vacant Lands Inventory (VLI) for over 15 years, as part of the USA application process, although it is not within the USA Policies. At LAFCO's request, cities in Santa Clara County, including the City of Gilroy, have prepared VLIs generally consistent with the practice. In fact, the first two VLIs provided by the City, as part of this application to LAFCO, were mostly consistent with LAFCO's practice. However, the City has prepared a third and fourth VLI based on a different methodology and are asking LAFCO to use the City's methodology now, which is substantially different than LAFCO's.</p>
<p>2. Why does the City of Gilroy have a different calculation for its vacant land inventory than shown in LAFCO staff's June 7th presentation?</p>	<p>Given the lack of an adopted LAFCO methodology, the City of Gilroy requests that the Commission accept the City of Gilroy's most recent Vacant Land Inventory, which reflects findings from a significant recent undertaking to identify sites capable of accommodating housing throughout Gilroy City limits.</p> <p>Vacant Land Capacity: Based on Gilroy's thorough review (further described below) of the entire City, there is approximately 4.2 to 4.5 years of vacant land capacity and approximately 1.2 to 1.5 years of underutilized land capacity, using an 8 to 10-year permit history.</p> <p>The City issues building permits daily, which continues to reduce our vacant land capacity.</p>	<p>The City still has not complied with LAFCO's definition of vacant lands and LAFCO's methodology for vacant lands analysis.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>Grading permits have been issued for 72 units in the Hecker Pass Specific Plan area (Site SP-2) and 19 units at 9130 Kern Avenue (Site M-1) which is immediately adjacent to the proposed amendment area. Another 93 permits are being applied for in the Glen Loma Ranch Specific Plan area (Site SP-1). Gilroy anticipates issuing building permits for these 184 units within the next 2 – 9 months, bringing our Vacant Land Inventory down to 1,184 units or approximately 3.6 to 3.9 years of vacant land capacity, using an 8 to 10-year permit history.</p> <p>LAFCO staff's report was based on an inventory from 2021 that doesn't consider the fact that the City permitted an additional 178 permits between December 2021 and May 2023 in the Glen Loma Ranch subdivision in addition to dozens of building permits issued in the hillside, low-, medium-, and high- density residential neighborhoods. (This is in addition to the 184 units noted above).</p> <p>Furthermore, as part of the recent update to the City's Housing Element, the City thoroughly re-evaluated the number of units that could realistically be accommodated on both vacant and underutilized parcels in the Downtown area and the new First Street Mixed Use Corridor. Sites with historic buildings that cannot be demolished were removed from the 2021 Inventory. Similarly, sites with thriving commercial businesses</p>	<p>Additionally, LAFCO's vacant lands analysis methodology is based on what lands have current building permits and not based on what lands the City anticipates will have building permits in the future, which is too speculative.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>were also removed since these sites are unlikely to be redeveloped in the next 5 to 8 years. This analysis is reflected on page 3-2 of the May 25th Vacant Land Inventory, finding that 289 units can be accommodated on underutilized sites within the Downtown Specific Plan area, while only 32 units can be accommodated on underutilized sites within the First Street Mixed Use Corridor.</p> <p>By the time the Wren Investors/Hewell development completes its lengthy entitlement process (~ 5 years), the City's vacant land capacity will be significantly reduced, making it more challenging to meet regional and local housing needs.</p> <p>According to LAFCO's application submittal requirements, <i>"If the amount of vacant land exceeds a five-year supply, explanation is required for why the expansion is necessary and how an orderly and efficient growth pattern will be maintained."</i></p> <p>Master Plan updates: Updates to the City's Master Plans for water, sewer, and storm drainage demonstrate that existing and planned City infrastructure can accommodate the increased demand for services for this development. The City's significant investment in the Capital Improvement Program for the 2024-2028 fiscal years illustrates Gilroy's commitment to funding master plan projects as described in previous correspondence.</p>	<p>Noted.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>Orderly Growth: The required Specific Plan will ensure orderly growth in compliance with the City's Neighborhood District Policy, which provides guidance on the provision of utilities, circulation, open space, site and architectural design, and affordable housing. The purpose of the Neighborhood District land use designation is to encourage compact, complete, neighborhood-style development. Development of the property will also bring utility connection access to existing properties that are currently using septic and/or well water.</p> <p>It is also noteworthy that 199 of the 1,368 VLI units (~14.5%) are located in the City's Hillside Residential area. The Hillside Residential area is considered Wildland Urban Interface and has a higher risk for fire. It is safer, less costly, and much more efficient to build housing on the valley floor where there is less risk of fire and erosion, and easier access to utilities, transit, and major roadways.</p> <p>Public Transportation: VTA bus #68 which provides 15-minute headways to the San Jose Diridon station has a stop located at the intersection of Monterey Road and Farrell Avenue, within a 15- 20-minute walk of the proposed development.</p>	
<p>3. What is the impact to Police Services?</p>	<p>The Gilroy Police Department currently services areas adjacent to the proposed amendment area and will be able to serve the</p>	<p>The City has not done any feasibility analysis for the proposed CFD. The funding of an additional police officer would be another cost borne by</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>additional 1,075 residents associated with the future annexed area (~ 2% increase in Gilroy's overall population).</p> <p>The Gilroy Police Department is housed in a single building located at 7301 Hanna St in Gilroy and would not need additional facility space to service the annexed area. The Police Department would anticipate adding one (1) additional Police Officer, which would be funded through the development's Community Facilities District. Impact fees would cover most of the additional equipment that would be needed to police the annexed area.</p>	<p>the CFD and ultimately property owners, raising concerns about a potential overburden and adverse impact on the anticipated housing affordability.</p>
<p>4. What are the Fire Service Response times to the proposed amendment area?</p>	<p>As mentioned in previous correspondence, the Gilroy Fire Department already services the proposed amendment area through an Auto Aid Agreement on behalf of South Santa Clara County Fire Department. Primary response to the proposed amendment area comes from the Las Animas Station, which currently has a response time of six (6) minutes. The Sunrise Station also serves this area with a response time of seven (7) minutes.</p>	<p>Noted.</p>
<p>5. How does the City intend to fund the \$24 million Water Master Plan Projects?</p>	<p>Approximately \$23.7 million in funds is needed for CIP projects related to serving future users through General Plan buildout in 2040. The proposed amendment area is a small percentage of the total City build-out projected under the 2040 Gilroy General Plan. The Water Impact fund (which funds costs related to future users) has a projected FY23 ending fund balance of \$3.8 million. While this</p>	<p>Noted. However, the City has not yet conducted a rate study based on the current City Master Plans that were adopted in April 2023 and the City has not provided information on rates and impacts at this time.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>current funding represents ~16% of the total funds needed for these master plan projects, the \$23.7 million in CIP costs is not intended to be financed by a single year alone (e.g., FY23), but rather through General Plan buildout in 2040. Each fiscal year (e.g., FY24, 25, etc. through 2040), the City will continue to collect funds to pay for improvements related to future users. Each CIP cycle, the City will also select individual projects from the 2022 master plans, as deemed necessary and within the planned budgets.</p> <p>The next step is to retain the services of a financial consultant to review the capital costs identified in the 2022 master plans, perform an updated <i>rate study</i> and <i>impact fee study</i>, and assist City staff with financial options including potential rate increases. The last assessment for water and sewer rates was adopted in 2015 and included annual rate increases through July 1, 2019, however, the 2015 rate study was based on the 2004 master plans. The objective of a new rate study is to revisit and update our cost of service based on the 2022 master plans, and to develop a schedule of rates for the next 5 years, thus mitigating the need for large rate increases to our customers, during the 5-year CIP cycle, and into the future.</p>	
6. What are the City's efforts related to Recycled Water?	The South County Regional Wastewater Authority (SCRWA) is a joint powers authority established to manage the treatment of	Noted.

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
<p>7. How has the City partnered with other agencies (e.g., Valley Water and the City of Morgan Hill) on recycled water?</p>	<p>wastewater for the Cities of Gilroy and Morgan Hill. In partnership with the Santa Clara Valley Water District, the SCRWA also operates a recycled water facility co-located at the treatment plant site. SCRWA serves as the provider, Valley Water as the wholesaler, and Gilroy as a retailer.</p> <p>The SCRWA reliably meets the steadily increasing demand for recycled water to irrigate local parks, golf courses, sports complex, landscape medians, agricultural and industrial uses. In 2022, the Plant produced 917 million gallons of recycled water; about 70 million gallons more than in 2021.</p> <p>The plant's remaining effluent is disposed of in percolation ponds, which allow the water to soak into the soil and eventually add water to the underground aquifer. This is different from many other treatment plants in the Bay Area that discharge effluent directly to the Bay. Discharge to ponds requires a more stringent level of treatment than is required for Bay discharge. The SCRWA produces a superior grade of effluent that consistently meets all State and Federal regulatory requirements. The SCRWA plant has been the recipient of numerous awards in California for excellent facilities and operations.</p>	
<p>8. Where does the City's water come from?</p>	<p>The City currently uses local groundwater as the sole source of water supply and does not purchase or import water from any other water suppliers or entities. As such, the only</p>	<p>Noted.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
<p>9. How does water conservation factor into water usage in Gilroy?</p>	<p>method available to provide additional supply capacity for growing demand is the construction of new wells. The City's 2024-2028 Capital Improvement Program (CIP) includes \$57,517,985 in approved funding towards the Water System Master Plan Project which includes 13 pipeline replacements, nine (9) new pipeline improvements, three (3) groundwater well improvements, and storage reservoir improvements. With the construction of three new wells, the City will meet the future supply requirement under buildout conditions.</p> <p>The City has historically been able to meet water usage reduction targets through its conservation efforts. From 1980 to 2000, the City's per capita consumption rate, expressed as gallons per capita per day (gpcd) was 173. Continued conservation efforts were successful in lowering the water consumption rates to 160 gpcd in 2010, 113 gpcd in 2015, and 130 gpcd in 2020.</p> <p>Currently, the City maintains a tier- rated water billing structure that is designed to support water conservation. The billing structure is based on meter size, use type, and use volume. With the tiered rate structure, higher volume users are billed at an increased rate, while low volume users have a reduced rate.</p> <p>In cooperation with Valley Water, the City also has multiple programs in place to reduce</p>	

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	water consumption by raising public awareness of water conservation. These programs are outlined in the City's 2020 Urban Water Management Plan.	
10. How does climate factor into water supplies?	Groundwater levels in the Llagas subbasin are highly dependent on rainfall levels, which produce fluctuations in water levels during years of high or low rainfall. Inconsistent water levels due to drought have the potential to impact the supply availability for the City. Valley Water, along with the City and other member agencies, have multiple measures in place to minimize the potential supply impact due to drought and other climatic factors on the water supply. These preventative measures are summarized in the City's Urban Water Management Plan (UWMP). Additional impacts to the City's water supply and demand due to climate change are also discussed in the 2020 UWMP.	Noted.
11. What is the status of the Joint Trunk Line?	The 2024-2028 CIP includes approved funding for the Joint Morgan Hill- Gilroy Trunk Line Repairs (project #SW2402). The Cities of Gilroy and Morgan Hill will each contribute \$11,988,165 towards the \$23,976,330 project. This project is anticipated to be complete within 5 years.	Noted. We understand there is a need for constructing the remaining reach of a new trunk line which has not been referenced in this response. This response relates only to repairs to the existing trunk line.
12. What are the transportation impacts of the project on US Highway 101?	In addition to six (6) signalized intersections and 19 unsignalized intersections, the City's Traffic Impact Analysis (2017) analyzed the US 101 northbound and southbound ramps at Leavesley Road (SR 152) and Masten Avenue during the weekday AM and PM peak hours of	Noted.

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>traffic, during the times that most congested traffic conditions occur on an average day. The traffic impact analysis also evaluated intersection safety and operations, on-site circulation, and parking.</p> <p>The traffic impact analysis determined that the project would not cause a significant increase in traffic on the freeway segments in the study area, and therefore, a freeway level of service analysis was not required.</p>	
<p>13. Why does development look different in the Las Animas Avenue area?</p>	<p>None of the parcels along Las Animas Avenue are designated for residential uses. Properties along Las Animas Avenue on the west side of US 101 are zoned for industrial uses, while parcels located just east of US 101 are zoned for industrial, commercial, and park / public facility uses. Most of the parcels located on either side of Las Animas Avenue are currently within the Gilroy City limits. There are a few parcels further east that are currently outside City limits and the urban service area with a General Plan land use designation of Rural County.</p>	<p>The City has not answered why these areas have not been annexed to the City after so many years.</p> <p>These lands are located within the City's Urban Service Area and are islands. The intent of including lands within a city's USA is that the city annexes these lands within the next 5 years and provide them with urban services to facilitate development.</p> <p>Irrespective of the City's Zoning designation, the lands should be annexed and used to meet the City's development needs.</p>
<p>14. Why hasn't Gilroy annexed the Urban Islands for residential development?</p>	<p>There are five unincorporated islands within Gilroy's USA:</p> <p>1: <i>Employment Center</i> (76.5 acres) 2: <i>Open Space</i> (12.5 acres) 3: <i>Neighborhood District</i> (16.5 acres) 4: <i>Low Density Residential</i> (1 acre) 5: <i>Industrial</i> (0.1 acres)</p>	<p>Noted. See comment above.</p> <p>The City has no plans to annex its unincorporated islands before seeking to expand its USA.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>Of the 106.6 acres, 89.1 acres are designated for non-residential uses. Only 17.5 acres are designated for residential uses; however the 1-acre low density parcel is already developed with a home. The 16.5- acre neighborhood district site is highly constrained by a riparian corridor and a 150-foot Uvas Creek riparian setback requirement, significantly reducing the development potential unless combined with the parcels to the south of the urban island, which are currently outside the City's Urban Service Area.</p>	
<p>15. What is Gilroy's policy on open space?</p>	<p>The Urban Growth Boundary and the Gilroy 2040 General Plan place a high value on the protection of open space. The City's Open Space (OS) land use designation is intended to preserve and protect lands that are generally unsuitable for development, including natural resource areas such as the Uvas Creek and Llagas Creek corridors and the southwestern foothills and hazardous areas such as fault zones and floodways. While some limited activities and structures may be allowed, these are subject to site- specific environmental review and must be limited in scope to ensure preservation of natural resources and protection of public health and safety.</p> <p>Open space areas also protect scenic resources within and surrounding the community. Open space areas throughout the Gilroy 2040 General Plan Planning Area/Sphere of Influence preserve regionally important</p>	<p>Noted.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>biological resources. Such areas include riparian forests and adjacent habitats along Uvas Creek and Llagas Creek, the Eagle Ridge open space area located southwest of the developed Eagle Ridge golf community and Santa Teresa Boulevard, habitat preservation areas located within the Glen Loma Ranch Specific Plan area, and agricultural areas within the Hecker Pass Specific Plan area.</p> <p>Other designated open space areas within the 2040 Gilroy General Plan Planning Area/Sphere of Influence, and outside the Urban Growth Boundary, include: an area south of the Gilroy Sports Park and west of Monterey Road; areas to the south, east, and west of the South County Regional Wastewater Treatment Plant; an area north of Pacheco Pass Highway and east of the Gilroy Premium Outlets; and an area east of Santa Teresa Boulevard and west of Center Avenue.</p> <p>General Plan Policies NCR 1.1 through 1.4 protect natural communities, important plant and wildlife habitats, including streams and riparian habitats, wildlife movement corridors, heavily vegetated hillside areas, unique ecosystems (such as oak woodlands and serpentine substrates), and significant nesting/denning sites for native wildlife. These policies also require compliance with the Santa Clara Valley Habitat Plan.</p> <p>Policy NCR 1.5 encourages the management</p>	

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	<p>and maintenance of public and private open space areas in a manner that ensures habitat protection, provides for public access, addresses public safety concerns, and meets low-impact recreation needs, also in concert with the requirements of the Habitat Plan. Policy NCR 1.6 calls for development and application of a variety of preservation tools to protect open space areas in and around the city (such as through dedication of open space easements), and recommends that methodologies emphasize minimizing public cost and liability exposure, encouraging private ownership and responsibility for long-term management and maintenance issues, consideration of public access issues, and ensuring preservation in perpetuity.</p> <p>While open space plays an ancillary role in meeting recreational needs, land designated as Open Space is not considered part of the city's parks and recreation system. General Plan Policy 16.01 sets forth the city's parkland provision requirements of five acres for every 1,000 persons. Therefore, the project will be required to provide park amenities for residents and visitors.</p>	
<p>16. What is Gilroy's association with the Open Space Authority?</p>	<p>In January 1993, the Gilroy City Council determined that inclusion in the Open Space Authority (OSA) was in the public interest of the residents and adopted Resolution No. 93-2 joining the OSA. In November 1993, the City Council referred the issue to the voters to</p>	<p>Noted.</p>

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)		
Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
	determine the degree of citizen support for membership in the OSA. However, a majority of Gilroy's voters indicated that they did not support membership in the OSA. In consideration of the ballot results, the City Council subsequently rescinded Resolution No. 93- 2 and adopted a resolution to detach from the OSA. On February 9, 1994, LAFCO approved Gilroy's detachment from the OSA.	
17. How is the City investing in affordable housing?	The City of Gilroy has recently partnered with the Santa Clara County Office of Supportive Housing, regarding development of a 100% affordable housing project on County property located within City limits. The City will contribute to the project by waiving impact fees through a memorandum of understanding approved by the Gilroy City Council and the County Board of Supervisors in September 2022.	Noted.
18. What is the City's fair share contribution towards RHNA? (2015-2023)	Gilroy had excellent housing production in all income categories through the 2015-2023 cycle, including the very low and low- income categories. Between 2015 and the end of 2022, Gilroy produced approximately 92% of its very low- income allocation, over four times (455%) the low-income allocation, and approximately 46% of its moderate- income allocation. The City also exceeded its above-moderate income category by 328%. Annual progress report data for all cities can be downloaded from HCD.	Noted.

CITY OF GILROY'S RESPONSE TO Commissioner COMMENTS/QUESTIONS at the June 7, 2023 LAFCO Meeting , (RECEIVED on JUNE 21, 2023)

Commissioner Question/Comment	City of Gilroy's Response	LAFCO Staff Response
<p>19. What is the City's fair share contribution towards RHNA? (2023-2031)</p>	<p>Gilroy's RHNA for the 2023-2031 planning cycle includes an "equity adjustment factor" that requires the City to produce a higher percentage of very-low and low income units relative to other cities in Santa Clara County. and many other cities throughout the state. This is illustrated in the following table for Santa Clara County.</p>	<p>Noted.</p>

PLAN FOR PROVIDING SERVICES

The plan for providing services must contain the following information:

1. An enumeration and description of how services (including but not limited to water, sewer, storm drainage, solid waste collection/ disposal, fire, police, lighting, library services, roads and schools) will be provided and who will provide the services to the affected territory
2. The level and range of those services including detailed information on the extent, size, location and capacity of existing infrastructure. Capacity analysis should include:
 - The total capacity / service units of the system
 - Number of service units already allocated
 - Number of service units within current boundaries anticipating future service
 - Number of service units within the system available after providing service to areas within current boundaries that anticipate future service
 - Number of service units required to serve the proposed project
 - Number of service units proposed to be added to meet the demand

In the event there are not enough service units available to serve the proposed project, the applicant shall provide a plan for obtaining the capacity necessary to provide service which must include the following information:

- A description of any required facility or infrastructure expansions or other necessary capital improvements
 - The likely schedule for completion of the expanded capacity project, the viability of the needed project, and the relation of the subject project to the overall project and project time line
 - A list of required administrative and legislated processes, such as CEQA review or State Water Resources Board allocation permits, including assessment of likelihood of approval of any permits and existence of pending or threatened legal or administrative challenges if known
 - The planned total additional capacity
 - The size and location of needed capital improvements
 - The proposed project cost, financing plan and financing mechanisms including a description of the persons or properties who will be expected to bear project costs
 - Any proposed alternative projects if the preferred project cannot be completed.
3. The estimated time frame for service delivery

4. A statement indicating any capital improvements, or upgrading of structures, roads, sewer or water facilities or other conditions the agency would impose or require within the affected territory prior to providing service if proposal is approved
5. A description of how the services will be financed
6. Agency's general statement of intent to provide services to the affected territory, indicating the agency's capability of providing the necessary services in a timely manner to the affected territory while being able to serve all areas within its current boundaries and without lowering the level of service provided to areas currently being served by the agency.

ITEM # 5
Attachment D

STAFF REPORT (MARCH 10, 2023) AND
SUPPLEMENTAL INFORMATION #1 THRU #5 (JUNE 7, 2023)

ITEM # 5
Attachment E

From: tinabaine@everyactioncustom.com on behalf of [Tina Baine](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Thursday, June 15, 2023 7:36:24 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Tina Baine
566 Carr Ave Aromas, CA 95004-9660
tinabaine@gmail.com

From: r_m_ortiz@everyactioncustom.com on behalf of [Ricardo Ortiz](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Thursday, June 15, 2023 7:15:32 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Ricardo Ortiz
1120 Ayer Dr Gilroy, CA 95020-5424
r_m_ortiz@yahoo.com

From: r_m_ortiz@everyactioncustom.com on behalf of [Macaela Ortiz](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Thursday, June 15, 2023 7:14:44 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Macaela Ortiz
1120 Ayer Dr Gilroy, CA 95020-5424
r_m_ortiz@yahoo.com

From: kimberly.d.ortiz.2022@everyactioncustom.com on behalf of [Kim Ortiz](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Thursday, June 15, 2023 6:58:44 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Kim Ortiz
1120 Ayer Dr Gilroy, CA 95020-5424
kimberly.d.ortiz.2022@gmail.com

From: junkspott@everyactioncustom.com on behalf of [jean hyland](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Thursday, June 15, 2023 6:33:16 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
jean hyland
7661 Dowdy St Gilroy, CA 95020-5009
junkspott@gmail.com

From: lindamberti@everyactioncustom.com on behalf of [Linda Berti](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Thursday, June 15, 2023 5:46:09 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Linda Berti
7620 Gilroy, CA 95020
lindamberti@hotmail.com

From: catch_rin@everyactioncustom.com on behalf of [Cat Anderson](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Tuesday, June 13, 2023 10:16:59 PM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Cat Anderson
6409 Paysar Ln Gilroy, CA 95020-5943
catch_rin@yahoo.com

From: SALVADOR.SALAZAR77@everyactioncustom.com on behalf of [SALVADOR SALAZAR](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Tuesday, June 13, 2023 10:52:09 AM

Dear LAFCO Commissioners,

Please vote to deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of unwise sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
SALVADOR SALAZAR
183 W Las Animas Ave Gilroy, CA 95020-7232
SALVADOR.SALAZAR77@GMAIL.COM

From: absolutelychris@everyactioncustom.com on behalf of [Chris Hyland](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please deny Gilroy Urban Service Area amendment
Date: Friday, June 16, 2023 6:10:03 AM

Dear LAFCO Commissioners,

Honorable Committee Members, The city of Gilroy has already passed an urban growth boundary to prevent just this sort of development. Please deny the Gilroy Urban Service Area amendment proposal. This proposal is a textbook example of sprawl development. In an era of climate change, cities should be focusing new residential growth in urban infill areas, not sprawling beyond city limits onto open space and farmland. With the vast majority of Santa Clara Valley's historic farmland already lost, we need to preserve what remains.

Please deny the Gilroy Urban Service Area amendment!

Sincerely,
Chris Hyland
1120 Ayer Dr Gilroy, CA 95020-5424
absolutelychris@gmx.com

ITEM # 5
Attachment F

From: [Cindy McCormick](#)
To: [Palacherla, Neelima](#); [Noel, Dunia](#); [LAFCO](#); [MeltonCouncil](#); [Arenas, Sylvia](#); ["JBeall@valleywater.org"](#); ["rosemary.kamei@sanjoseca.gov"](#); [Yoriko Kishimoto](#); [Supervisor.Lee](#); ["terrytrumbull1011@gmail.com"](#); [District8](#); [district3](#); [Chavez, Cindy](#); ["teresa.oneillSC@gmail.com"](#); ["mark.turner@morganhill.ca.gov"](#)
Cc: [Sharon Goei](#)
Subject: [EXTERNAL] Gilroy USA Expansion Q&A
Date: Wednesday, June 21, 2023 3:02:54 PM
Attachments: [image001.png](#)
[email re June 7 packet deadline.pdf](#)
[Gilroy Vacant Land Inventory, 05-25-23.pdf](#)
[LAFCO Commission letter, 5-31-23.pdf](#)
[Staff Report Response Matrix, 05-31-23.pdf](#)
[USA Policy Consistency Memo, 05-31-23.pdf](#)
[LAFCO Commission Response letter, 6-21-23.pdf](#)

Dear LAFCO staff and Commissioners,

Thank you for taking the time to review the attached response letter to questions raised at the June 7th LAFCO public hearing. I have also reattached our May 31st cover letter, LAFCO USA Policies Consistency memo, LAFCO Staff Report Response Matrix, and the May 25, 2023 City of Gilroy Vacant Land Inventory.

Please feel free to reach out with any follow-up questions.

Respectfully,

CINDY MCCORMICK
CUSTOMER SERVICE MANAGER
Direct 408.846.0253 | Cindy.McCormick@cityofgilroy.org
Main 408.846.0440 | www.cityofgilroy.org/planning
7351 Rosanna Street | Gilroy | CA 95020



From: Noel, Dunia <Dunia.Noel@ceo.sccgov.org>

Sent: Friday, May 19, 2023 5:30 PM

To: Cindy McCormick <Cindy.McCormick@ci.gilroy.ca.us>

Cc: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>

Subject: RE: EXTERNAL - Supplemental Information No. 2 (Agenda Item # 6) - April 3, 2023 LAFCO Meeting / Request for Continuance

Hi Cindy,

We hope that you are doing well. We are starting to prepare for the June 7th LAFCO meeting, particularly putting together items for the LAFCO Meeting Packet. It occurred to us, that the City and/or representatives of Wren Investors/Hewell may want to provide further written information to LAFCO in the Meeting Packet. If so, we would appreciate receiving it by Wednesday, May 31st. Thank you.

-Dunia

Dunia Noel, AICP

Assistant Executive Officer

Local Agency Formation Commission of Santa Clara County (LAFCO)

408.993.4704

777 North First Street, Suite 410

San Jose, CA 95112

Twitter: [@SantaClaraLAFCO](https://twitter.com/SantaClaraLAFCO)

www.SantaClaraLAFCO.org

NOTICE: This email message and/or its attachments may contain information that is confidential or restricted. It is intended only for the individuals named as recipients in the message. If you are NOT an authorized recipient, you are prohibited from using, delivering, distributing, printing, copying, or disclosing the message or its content to others and must delete the message from your computer. If you have received this message in error, please notify the sender by return email.

Revised

City of Gilroy Residential Vacant Land Inventory

May 25, 2023

**Prepared by
City of Gilroy and
EMC Planning Group**

REVISED

CITY OF GILROY

RESIDENTIAL VACANT LAND INVENTORY

PREPARED BY

City of Gilroy Community Development Department

Cindy McCormick, Customer Service Manager

7351 Rosanna Street

Gilroy, CA 95020

Tel 408.846.0253

EMC Planning Group Inc.

Teri Wissler Adam, Senior Principal

601 Abrego Street

Monterey, CA 93940

Tel 831.649.1799

Fax 831.649.8399

www.emcplanning.com

May 25, 2023

This document was produced on recycled paper.



Table of Contents

1.0 PURPOSE AND NEED	1-1
2.0 VACANT RESIDENTIAL LAND	2-1
2.1 Vacant Land Definition	2-1
2.2 Vacant Residential Land Supply	2-2
3.0 UNDERUTILIZED RESIDENTIAL LAND	3-1
3.1 Underutilized Land Definition	3-1
3.2 Underutilized Residential Land Supply	3-2
4.0 RESIDENTIAL GROWTH PROJECTIONS AND RATE OF ABSORPTION.....	4-1
4.1 Regional Housing Needs Allocation.....	4-1
4.2 Permit History.....	4-1
4.3 Rate of Absorption (Vacant Land)	4-2
4.4 Rate of Absorption (Vacant and Underutilized Land).....	4-2
5.0 REFERENCES.....	5-1

Appendices

Appendix A Building Permit Documentation (September 10, 2022 through May 22, 2023)

Tables

Table 2-1	Building Density Targets for Quantifying Residential Capacity	2-2
Table 2-2	As-Built Residential Densities within Gilroy Downtown.....	2-3
Table 2-3	Vacant Residential Land Inventory.....	2-3
Table 3-1	Underutilized Residential Land Inventory	3-3

Figures

Figure 2-1	Northern Area Vacant and Underutilized Residential Land	2-9
Figure 2-2	Southern Area Vacant and Underutilized Residential Land.....	2-11

1.0 Purpose and Need

The City of Gilroy City Council approved an application to amend the City’s Urban Service Area (USA) boundary with the addition of the 50.3-acre Wren Investors project site, located north and west of the Gilroy city limit and USA and the 5.36-acre Hewell site, located just outside the northern city limits northeast of the intersection of Vickery Lane and Kern Avenue.

In Santa Clara County, requests for jurisdictional boundary changes, including USA amendments, are reviewed and acted upon by the Santa Clara County Local Agency Formation Commission (LAFCO). A city’s USA is defined by LAFCO as that area to which the city provides urban services such as water and sewer, or expects to provide these services within five years of inclusion within the USA boundary. Therefore, the USA is expected to accommodate approximately five years of urban development.

Pursuant to LAFCO’s adopted USA policy, “when a city with a substantial supply of vacant land within its Urban Service Area applies for an Urban Service Area expansion, LAFCO will require an explanation of why the expansion is necessary, why infill development is not undertaken first, and how an orderly, efficient growth pattern, consistent with LAFCO mandates, will be maintained.”

In acting upon a USA amendment request, LAFCO’s filing requirements for USA amendments requires a Plan for Services, a Fiscal Impacts Report, the preparation of environmental documentation to comply with the California Environmental Quality Act (CEQA) such as a Negative Declaration/ Mitigated Negative Declaration, and a “Vacant Lands Inventory identifying vacant lands within the city limits and its urban service area for specific land use designations, and the rate of absorption of vacant lands”.

This vacant land inventory focuses on the current supply of vacant land within the City’s existing USA with a residential General Plan land use designation of Hillside Residential, Low Density Residential, Medium Density Residential, High Density Residential, Mixed-Use, Neighborhood District, and Specific Plans - Hecker Pass, Glen Loma Ranch, and Downtown. At the request of LAFCO staff, this analysis also includes a section on underutilized land in the City’s USA. This analysis considers residential land available for primary dwellings but does not include accessory dwelling units because they do not count towards land use density. Some of the vacant and underutilized land identified in this inventory has approved entitlements that make the land more

readily developable (e.g., residential subdivision maps and/or architectural and site approvals). Once a building permit is granted for development, the units are removed from the Inventory.

The City of Gilroy has prepared this update to the October 11, 2022 vacant land inventory by removing any land that has been issued a building permit through May 22, 2023, and making additional adjustments for consistency with the City's 6th Cycle Housing Element Update.

2.0 Vacant Residential Land

2.1 Vacant Land Definition

The Santa Clara County LAFCO does not define “vacant land” on their website, or within their adopted policies, or within its application submittal requirements. However, LAFCO’s policies do state that “when a city with a substantial supply of vacant land within its Urban Service Area applies for an Urban Service Area expansion, LAFCO will require an explanation of why the expansion is necessary, why infill development is not undertaken first, and how an orderly, efficient growth pattern, consistent with LAFCO mandates, will be maintained.”

Furthermore, pursuant to LAFCO policies, “LAFCO will discourage proposals that undermine regional housing needs plans, reduce affordable housing stock, or propose additional urbanization without attention to affordable housing needs.”

In lieu of a LAFCO definition for “vacant” land, the City of Gilroy turns to the California Department of Housing and Community Development (HCD), whose approval is required before a local government can adopt its Housing Element as part of its overall General Plan. The City is currently undergoing an update of its Housing Element to accommodate the City’s Regional Housing Needs Allocation (RHNA) for the 2023-2031 planning cycle. As part of that effort, the City and their housing consultants reviewed vacant residential land that could be included in the City’s Housing Element RHNA Sites Inventory. To help in this effort, the California Department of Housing and Community Development (HCD) prepared a Housing Element Site Inventory Guidebook for developing “an inventory of land suitable and available for residential development to meet the locality’s regional housing need.” The Guidebook defines a vacant site as “a site without any houses, offices, buildings, or other significant improvements on it. Improvements are generally defined as development of the land (such as a paved parking lot, or income production improvements such as crops, high voltage power lines, oil-wells, etc.) or structures on a property that are permanent and add significantly to the value of the property.” Furthermore, page 24 of the HCD Sites Inventory Guidebook states that “underutilized sites are not vacant sites”.

Given the lack of a codified definition within LAFCO’s policies or within its application submittal requirements, and given LAFCO’s policy to not undermine regional housing needs (policy #11), this vacant land inventory has been prepared to include vacant property that conforms to the HCD definition of “vacant land” and exclude properties that the HCD Guidebook further defines as “not vacant” including “underutilized sites,” “sites with blighted improvements,” and “sites with

abandoned or unoccupied uses” (California Department of Housing and Community Development 2020).

2.2 Vacant Residential Land Supply

Density Target Assumptions

Quantifying the existing supply of residentially-designated vacant land within the Gilroy USA involved mapping residentially-designated vacant land, and then eliminating those parcels for which building permits have been obtained. For areas with an approved final subdivision map, potential for development is based on the number of subdivided lots, equating to one dwelling unit per lot. In areas without an approved final subdivision map, including land in the Medium- and High-Density designations, the build-out is assumed to follow the density requirements of the General Plan. Table 2-1, *Building Density Targets for Quantifying Residential Capacity*, presents density targets for each applicable land use designation. Furthermore, page LU-4 of the City’s General Plan Land Use Element acknowledges that the “net acreage” of land available to accommodate residential uses is “normally 20 to 25 percent less for a given area than gross acreage”, after accommodating streets, public rights-of-way, non-residential land uses and other public facilities. Therefore, it is unrealistic to multiply the “gross acreage” of a site by the maximum density allowed under the General Plan. The number of dwelling units estimated on a given site takes this into consideration. The City has also provided average as-built densities for several projects within the City of Gilroy to provide a more realistic capacity of vacant land in Gilroy.

Table 2-1 Building Density Targets for Quantifying Residential Capacity

General Plan Designation	Density Target
Hillside Residential	<1 - 4 units/acre
Low Density Residential	3 - 8 units/acre
Medium Density Residential	8 - 20 units/acre
High Density Residential	20 + units/acre
Mixed-Use District	20 to 30 units/acre

Source: City of Gilroy 2021

The *Downtown Gilroy Specific Plan* was adopted by the City Council in 2005. Table 2-2, *Downtown Residential Projects*, presents an overview of high-density residential projects built within the last five (5) years, including their average density.

Table 2-2 As-Built Residential Densities within Gilroy Downtown

Name, Location, and Density	Units	Density (Units/Acre)
The Cannery Apartments	104	21.1
Cantera Commons Mixed-Use Apartments	10	34.5
Alexander Station Apartments	263	38.7
Monterey/Gilroy Gateway Apartments	75	40.3
Average Density		33.65

Source: Downtown Gilroy Specific Plan 2005, Development information provided by the City of Gilroy 2021, 2022

Vacant Residential Land Inventory

Table 2-3, Vacant Residential Land Inventory, provides a list of estimated developable lots within each land use designation, including Assessor’s parcel numbers and gross acreage. For properties that have not yet been subdivided, the number of estimated units takes into account that “net acreage” of land available to accommodate residential uses is “normally 20 to 25 percent less for a given area than “gross acreage”, after accommodating streets, public rights-of-way, non-residential land uses and other public facilities. Approximately 1,368 residential units could be developed on vacant land with the Gilroy USA.

Figure 2-1, Northern Area Vacant and Underutilized Residential Land, and Figure 2-2, Southern Area Vacant and Underutilized Residential Land, show the location of residential parcels determined to be vacant or underutilized. These figures are presented after the following table.

Table 2-3 Vacant Residential Land Inventory

Location	Address	APN	Acreage	Potential Lots/Units
Hillside Residential - <1 – 4.0 dwelling units/acre (H) (average 2 units/acre)				
H-1 Eagle Ridge Subdivision – Berwick Avenue	2894 Berwick Ave	81067049	0.75	12
	2890 Berwick Ave	81067060	1.05	
	2884 Berwick Ave	81067050	0.57	
	2880 Berwick Ave	81067051	0.53	
	2874 Berwick Ave	81067052	0.55	
	2960 Berwick Ave	81067053	0.54	
	2870 Berwick Ave	81067054	0.39	
	2850 Berwick Ave	81067055	0.91	
	2830 Berwick Ave	81067057	0.35	
	2820 Berwick Ave	81067058	0.43	
	2840 Berwick Ave	81067056	1.15	
	2810 Berwick Ave	81067059	0.82	
	Berwick Subtotal		8.04	

Location	Address	APN	Acreage	Potential Lots/Units
H-2 Miller Avenue – Babbs Canyon (California Tiger Salamander Breeding Habitat – Development Constrained)		81023005	37.54	53 ¹
H-3 Eagle Ridge Subdivision – Eagle Ridge Court	6505 Eagle Ridge Court 6515 Eagle Ridge Court 6525 Eagle Ridge Court 6535 Eagle Ridge Court 6595 Eagle Ridge Court 6605 Eagle Ridge Court 6685 Eagle Ridge Court 6695 Eagle Ridge Court 6699 Eagle Ridge Court 6694 Eagle Ridge Court Eagle Ridge Court Subtotal	81072018 81072019 81072020 81072021 81072027 81072028 81060019 81060020 81060026 81060021	0.26 0.26 0.27 0.28 0.54 0.67 0.29 0.29 0.63 0.46 3.95	10
H-4 Eagle Ridge Subdivision - Portrush Lane and Southerland Court	1501 Portrush Lane 1511 Portrush Lane 1521 Portrush Lane 1531 Portrush Lane 1541 Portrush Lane 1551 Portrush Lane 1561 Portrush Lane 6461 Southerland Court 6451 Southerland Court 6441 Southerland Court 6431 Southerland Court 6421 Southerland Court 6411 Southerland Court Portrush/Sutherland Subtotal	81074001 81074002 81074003 81074004 81074005 81074006 81074007 81074008 81074009 81074010 81074011 81074012 81074013	0.36 0.25 0.29 0.36 0.37 0.35 0.31 0.22 0.27 0.27 0.23 0.33 0.38 3.99	11
H-5 Miller Avenue	6385 Miller Avenue	81023008	1.54	1
H-6 Eagle Ridge Subdivision - Walton Heath Court	No Addresses	81075003 81075005 81075006 81075002 81075004 81075007 81075001	8.65	7
H-7 Rancho Hills Estates Subdivision	No Addresses	78375082, 78321065	22.13	2
H-8 Country Estates Subdivision (Phase II)	2273 Banyan Court 2293 Banyan Street 2333 Banyan Street 2263 Banyan Street 9120 Gunnera Lane 9121 Gunnera Lane 2311 Hoya Lane 2331 Hoya Lane 2361 Hoya Lane 2391 Mantelli Drive Country Estates Subdivision (Phase II) Subtotal	78372051 78364028 78364032 78364029 78365027 78365024 78364021 78364022 78364024 78364001	0.55 0.50 0.79 0.69 0.93 0.83 0.50 0.44 0.49 0.70 6.42	10

Location	Address	APN	Acreage	Potential Lots/Units
H-9 Country Estates Subdivision (Phase III)	2204 Banyan Court	78372039	0.97	23
	2209 Banyan Court	78372040	0.61	
	2281 Banyan Court	78372054	3.24	
	2283 Banyan Court	78372052	0.67	
	2373 Banyan Street	78364035	0.47	
	2291 Banyan Court	78372053	1.86	
	2244 Banyan Court	78372044	1.03	
	1810 Carob Court	78372018	0.87	
	1881 Carob Court	78372011	1.44	
	2262 Columbine Court	78372057	1.45	
	2162 Columbine Court	78372063	0.92	
	2282 Gunnera Court	78372055	0.82	
	9211 Mahogany Court	78372049	0.88	
	9250 Mahogany Court	78372047	1.45	
	9210 Mahogany Court	78372045	0.63	
	8983 Mimosa Court	78372037	0.59	
	8970 Tea Tree Way	78372032	0.89	
	9030 Tea Tree Way	78372026	0.72	
	8981 Tea Tree Way	78372031	0.89	
	8962 Tea Tree Way	78372030	0.64	
	9045 Tea Tree Way	78372023	0.80	
9035 Tea Tree Way	78372025	0.51		
8951 Tea Tree Way	78372034	0.87		
	Country Estates Subdivision (Phase III) Subtotal		23.22	
H-10 Country Estates (Phase IV)	Sunflower Circle	78347003	87.27	61 ²
	Hollyhock Lane	78345044 (Partial)	32.10	
	Country Estates Phase IV Subtotal		119.37	
H-11 Carriage Hills Subdivision	8760 Wild Iris Drive	78352020	0.66	4
	8745 Wild Iris Drive	78352032	0.29	
	1920 Lavender Way	78352023	0.43	
	1986 Lavender Way	78352039	0.41	
	Carriage Hills Subdivision Subtotal		1.79	
H-12 Hollyhock Hills Subdivision	8530 Shooting Star Court	78370003	0.74	3
	2160 Hollyhock Court	78370013	1.68	
	2150 Hollyhock Court	78370014	1.01	
	Hollyhock Hills Subtotal		3.43	
H-13 South of Mantelli Dr	2225 Country Drive	78346017	3.25	2
	2280 Coral Bell Court	78346026	2.63	
	South of Mantelli Subtotal		5.88	
	Hillside Residential Subtotal		245.95	199
Low Density Residential - 3.0 – 8.0 dwelling units/acre (L) (average 5.5 units per acre)				
L-1 Sunrise Drive	820 Sunrise Drive	78320049	3.75	20

Location	Address	APN	Acreage	Potential Lots/Units
L-2 Christopher Subdivision (Wildflower Court)	925 Wildflower Court	81028026	0.39	12 ³
	935 Wildflower Court	81028027	0.43	
	945 Wildflower Court	81028028	0.47	
	955 Wildflower Court	81028029	0.56	
	965 Wildflower Court	81028030	1.24	
	960 Wildflower Court	81028031	0.38	
	950 Wildflower Court	81028032	0.45	
	940 Wildflower Court	81028033	0.49	
	930 Wildflower Court	81028034	0.53	
	920 Wildflower Court	81028035	0.56	
	910 Wildflower Court	81028036	0.55	
	900 Wildflower Court	81028037	0.45	
	Christopher Subdivision Subtotal		6.50	
L-3 Thomas Road	6151 Thomas Road	80839066	6.22	31
L-4 Chappel-Sargenti Property	San Justo Road	81028039	3.32	14
L-5 Presbyterian Church Property	6000 Miller Road	81023007	7.20	33
L-6 Greenfield Drive Subdivision	Thomas Lane	80820008	8.00	10 ⁴
	Low Density Residential Subtotal		35.0	120
Medium Density Residential – 8.0 – 20.0 dwelling units/ac. (M) (average 14 units per acre)				
M-1 Cottages at Kern Avenue	9130 Kern Ave.	79017002	2.53	19 ⁵
M-3 Gurries Drive	No Address	79035053	0.23	4 ⁶
	265 Gurries Drive	79035054	0.04	
	275 Gurries Drive	79035039	0.07	
	285 Gurries Drive	79035038	0.07	
			0.42	
M-4 Royal Way/Thomas Road	No Addresses	79944095 79944109 79944093 79944098 79944096 79944097 79944094	3.23	45 ⁷
ND-1 West of Monterey Highway (Mixed-Use)	108 Chickadee Lane	79066057	0.84	12 ⁸
	Medium Density Residential Subtotal		7.02	80
High Density Residential – 20+ dwelling units/ac. (HD) ⁹				
HD-1 East of Santa Teresa Boulevard	Ponderosa Drive	80801024	7.21	144
HD-2 Southeast Corner of Santa Teresa Boulevard/ First Street	7890 Santa Teresa Blvd	80801022	1.40	202 ¹⁰
	1490 1 st Street	80801023	1.25	
	1410 1 st Street	80801021	7.60	

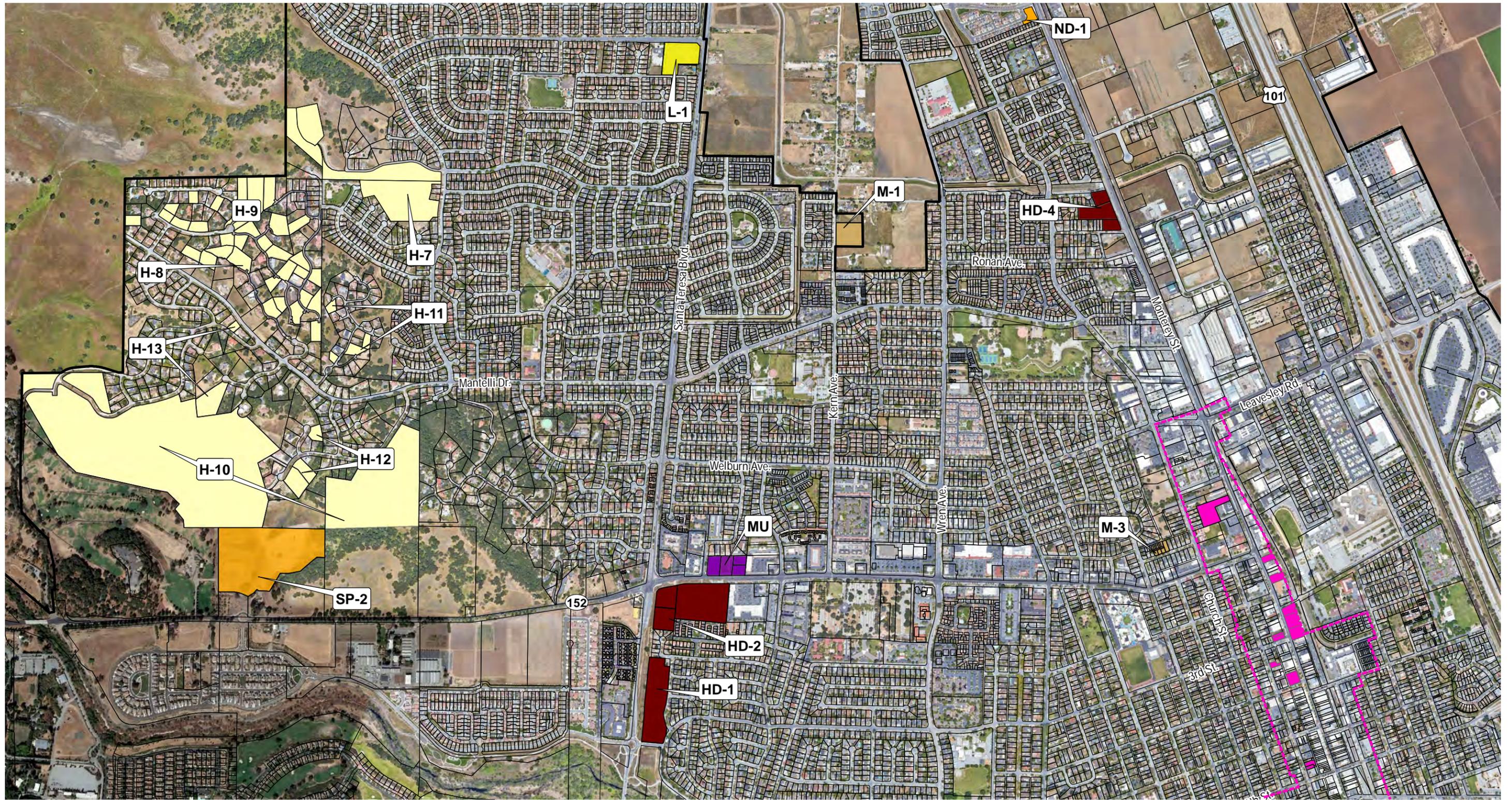
Location	Address	APN	Acreage	Potential Lots/Units
	STB/1st Street Subtotal		10.25	
High Density Residential Subtotal			17.46	346
First Street Mixed Use District (MU) - 20 – 30.0 dwelling units/ac. ¹¹				
	1375 First Street	79039019	0.97	24
	1335 First Street	79039030	0.49	12
Mixed-Use District Subtotal			1.46	36
Specific Plans (SP)				
SP-1 Glen Loma Ranch Specific Plan	No Addresses	80843010 80818031 80818032 80858005 Glen Loma Ranch Subtotal	11.32 31.08 4.34 37.01 83.75	305 ¹²
SP-2 Hecker Pass Specific Plan (North of Hecker Pass)	Autumn Drive Meadow Wood Court Homestead Court Little Barn Lane Haybale Street	72 addresses and APNs	22.34	72 ¹³
SP-3 Downtown Specific Plan	7888 Monterey Street 7733 Monterey Street 7711 Monterey Street 7601 Monterey Street 7660 Egleberry Street Egleberry Street (east side) 80 W. Tenth Street 7840 Monterey Road Alexander St. (west side) DTSP Subtotal	84102009 79903054 79903055 79904008 79904016 79910042 79934036 84102058 84113022	0.29 0.10 0.20 0.51 0.17 0.16 0.85 0.41 3.52 6.21	12 ¹⁴ 3 7 17 6 5 28 14 116 210
Specific Plan Subtotal			112.30	587
TOTALS			419.23	1,368

Source: Santa Clara County GIS 2023, Google Earth 2023, Property information provided by the City of Gilroy for building permits through May 22, 2023 (Appendix A)

Notes:

1. Site H-2 – RenFu Planning entitlement request for a 53-unit subdivision was submitted in March 2022. Currently undergoing environmental and planning review. The number of units proposed may be reduced due to significant environmental constraints on the property.
2. Site H-10 – Country Estates - Previous subdivision application denied. No application currently on file. Significant access constraints.
3. Site L-2 – Christopher Subdivision - 12-lot Subdivision Approved. No grading or building permits issued as of April 17, 2023.
4. Site L-6 Greenfield Subdivision Approved TM 16-02. Four building permits issued 12/22/22.
5. Site M-1 – Cottages at Kern - The City has approved a project for a 29-lot subdivision at 9130/9160 Kern (Cottages at Kern) 10 building permits issued as of March 17, 2023.
6. Site M-3 – Gurries Subdivision (Two Projects). (1) The City has approved a project for a 4-lot subdivision at 265/275/285 Gurries Dr. and (2) duets and ADUs at 305 Gurries. Building permits requested, but not yet issued as of April 27, 2023.
7. Site M-4 – Royal Way. 45 townhomes approved on 11/21/22. No building permits as of April 17, 2023.
8. Site HD-3 – Submitted to Planning May 24, 2022, 12 units.

9. High Density Residential (HDR) Assumes 20 units per acre
 10. Site HD-2 – Eagle Garden Approved Tentative Map TM 13-11 extended to June 2024.
 11. Site MU General Plan density for the new mixed-use land designation is 20-30 du/net acre.
 12. Site SP-1 – Glen Loma Ranch Specific Plan. Based upon review of the specific plan, residential building permits issued, and Google Earth.
 13. Site SP-2 – Hecker Pass Specific Plan. Grading permits issued. As of May 22, 2023, building permits had not been issued.
 14. Site SP-3 – Downtown Specific Plan. Includes 12 units waiting for building permits (9-22-21). Average density of 27 dwelling units per acre.
-



Source: City of Gilroy 2014, Google Earth 2023

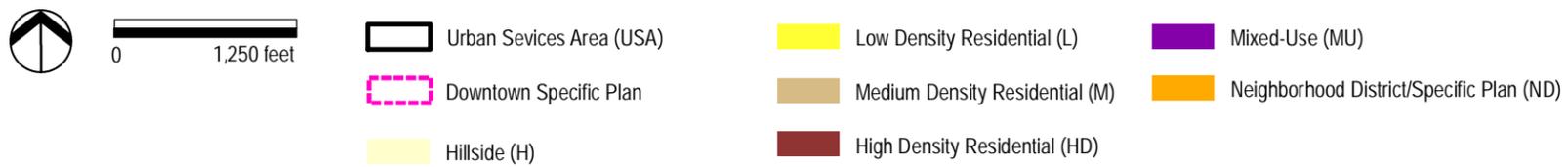
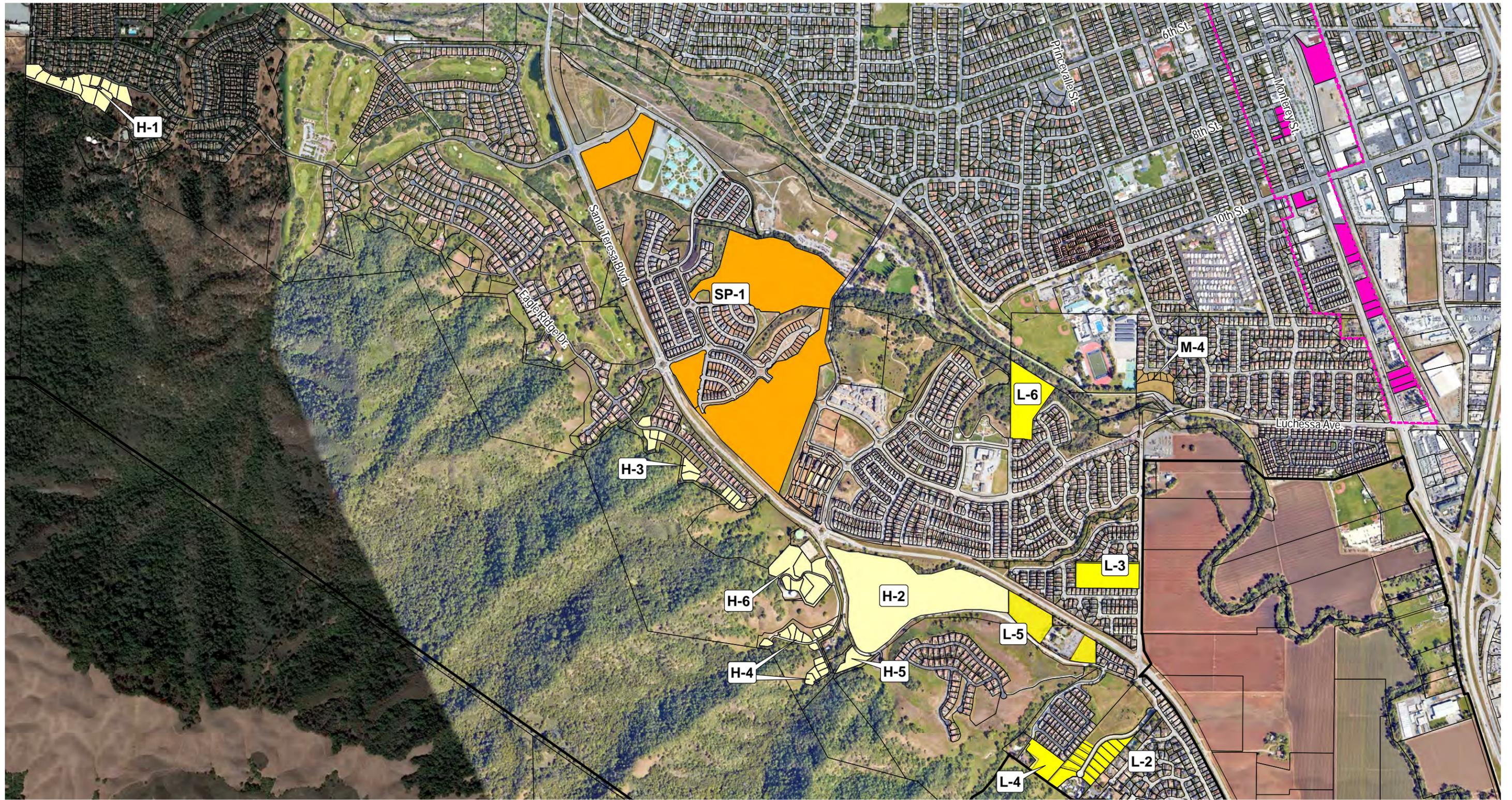


Figure 1
Northern Area Vacant and Underutilized Residential Land
 City of Gilroy Residential Vacant and Underutilized Land Inventory

This side intentionally left blank.



Source: City of Gilroy 2014, Google Earth 2023



Figure 2

Southern Area Vacant and Underutilized Residential Land

City of Gilroy Residential Vacant and Underutilized Land Inventory



This side intentionally left blank.

3.0 Underutilized Residential Land

3.1 Underutilized Land Definition

While LAFCO staff has requested that the City include “underutilized land” in this Vacant Land Inventory, there is no LAFCO definition for “underutilized land” and there is no reference to underutilized land in LAFCOs policies or within its application submittal requirements.

Furthermore, the filing requirements for USA amendments on the Santa Clara County LAFCO website specify that USA amendment proposals must include a “Vacant Lands Inventory identifying *vacant* lands within the city limits and its urban service area for specific land use designations, and the rate of absorption of *vacant* lands. If the amount of *vacant* land exceeds a five-year supply, explanation is required for why the expansion is necessary and how an orderly and efficient growth pattern will be maintained.” (emphasis added).

Given the lack of a codified definition within LAFCO s policies or its application submittal requirements, and LAFCO’s policy to not undermine regional housing needs (policy #11), the City of Gilroy once again looks to California Department of Housing and Community Development guidance on developing “an inventory of land suitable and available for residential development to meet the locality’s regional housing need.” Pursuant to HCD’s guidance, “Local governments with limited vacant land resources or with infill and reuse goals may rely on the potential for new residential development on nonvacant sites, including underutilized sites, to accommodate their RHNA. Examples include:

- Sites with obsolete uses that have the potential for redevelopment, such as a vacant restaurant;
- Nonvacant publicly owned surplus or excess land; portions of blighted areas with abandoned or vacant buildings;
- Existing high opportunity developed areas with mixed-used potential;
- Nonvacant substandard or irregular lots that could be consolidated; and
- Any other suitable underutilized land.”

3.2 Underutilized Residential Land Supply

The underutilized sites identified in this supplemental section of the Vacant Land Inventory are consistent with the underutilized sites identified in the City's 2023-2031 Housing Element.

The Downtown Specific Plan area contains underutilized land, buildings, and/or structures that have the potential for redevelopment, such as sites with obsolete uses or vacant buildings. Consistent with the City's RHNA Sites Inventory, the following analysis includes 289 units on underutilized sites within the Downtown Specific Plan area.

In November 2020, the Gilroy 2040 General Plan created a new mixed-use land use designation along the First Street corridor from Santa Teresa Boulevard to Church Street. However, most of the First Street corridor is currently developed with thriving commercial and retail businesses that are unlikely to be converted into mixed-use buildings within the next five years. Consistent with the City's RHNA Sites Inventory, the following analysis includes 32 dwelling units on underutilized sites within the First Street Mixed Use Corridor.

Table 3-1, Underutilized Residential Land Inventory, includes a list approximately 391 residential units that could be developed on underutilized land within the Gilroy USA.

Table 3-1 Underutilized Residential Land Inventory

Location	Address	APN	Acreage	Potential Lots/Units
Downtown Specific Plan¹				
	7191 Monterey Street	79910033	0.33	10
	7161 Monterey Street	79910034	0.33	10
	7121 Monterey Street	79910049	0.36	11
	7700 Monterey Street	84104018	0.61	11
	7760 Monterey Street	84104019	0.70	13
	7780 Monterey Street	84104020	0.44	13
	Monterey St. (west side)	79910048	0.30	9
	Monterey St, south of Ninth	84114001	0.55	16
	6790 Monterey Road	84114006	0.38	9
	6320 Monterey Road	84114015	0.55	7
	6470 Monterey Road	84114036	0.74	11
	6380 Monterey Road	84114037	0.79	11
	6620 Monterey Road	84114081	0.53	13
	6920 Monterey Road	84114083	1.64	51
	6630/6680 Monterey Road	84114009 84114008	0.48/1.40	94 ²
Downtown Specific Plan Subtotal			10.13	289
Mixed-Use Corridor (Along First Street SR 152)³				
	1395 First Street	79039020	0.97	20
	1335 First Street	79039029	0.55	12
Mixed Use Corridor Subtotal			1.52	32
HD-4 Monterey Road⁴				
HD-4	8985 Monterey Road	79014091	0.8	16
	8955 Monterey Road	79014025	2.0	40
	8915 Monterey Road	79014075	0.7	14
HD-4 Subtotal			3.5	70
TOTALS			15.15	391

SOURCE: City of Gilroy

NOTES:

1. The underutilized Downtown Specific Plan area sites are currently developed with a variety of commercial and industrial uses.
2. This 94-unit affordable housing project at 6630-6680 Monterey Street (approx. 2 acres) was submitted to Planning on December 7, 2022.
3. The First Street Mixed-Use sites are currently development with operating offices, banks, and clinics.
4. HD-4 is currently developed with the following operating businesses: Tiny Tots Preschool and Daycare; Casa de Fe Church and Gilroy Unidos; and Campbell Used Auto Sales and Finance.

This side intentionally left blank.

4.0 Residential Growth Projections and Rate of Absorption

4.1 Regional Housing Needs Allocation

The housing growth target established by the Association of Bay Area Governments (ABAG) for the City of Gilroy is approximately 222 residential units per year based on the Regional Housing Needs Assessment (RHNA) total for Gilroy for the 2023-2031 planning period (1,773 units / by 8 years).

4.2 Permit History

While LAFCO staff has requested that the City include a 10-year building permit history, there are no requirements related to permit history in LAFCO's policies or within its application submittal requirements. Given this lack of direction and transparency with LAFCO's policies, the City once again looks to the California Department of Housing and Community Development. The Regional Housing Needs Allocation (RNHA) cycle is updated every eight (8) years. The 5th RHNA cycle covers the period from January 2015 through December 2022.

The 2022 *Gilroy Housing Element Annual Element Progress Report* shows that 2,605 housing units were constructed over the eight-year period (2015 to 2022). Therefore, based upon this permit history, the City of Gilroy could expect to issue an average of 326 permits per year (2,605 units / 8 years) over the next five years.

If the City were to include data from the 2013 and 2014 *Housing Element Annual Element Progress Reports*, there were 3,064 building permits issued over the 10-year period from 2012 to 2022. Therefore, based upon a 10-year permit history, the city could expect to issue an average of 306 permits per year (3,064 units / 10 years) over the next five years.

4.3 Rate of Absorption (Vacant Land)

Table 2-3, Vacant Residential Land Inventory, shows a capacity of 1,368 housing units of varying densities that could be developed on vacant land whose general plan land use designation allows residential development in the existing Gilroy USA.

Assuming an average of 326 permits are issued per year (8-year average), the existing Gilroy USA can accommodate approximately 4.2 years of residential growth on vacant land.

Assuming an average of 306 permits are issued per year (ten-year average), the existing Gilroy USA can accommodate approximately 4.5 years of residential growth on vacant land.

4.4 Rate of Absorption (Vacant and Underutilized Land)

Table 3-1, Underutilized Residential Land Inventory, shows a conservatively high capacity of 391 housing units of medium to high density that could be developed on underutilized land whose general plan land use designation allows residential development in the existing Gilroy USA.

Adding these 391 units to the 1,368 units associated with vacant land (total of 1,759), assuming an average of 326 permits are issued per year (eight-year average), the existing Gilroy USA can accommodate approximately 5.4 years of residential growth on vacant and underutilized land.

Adding these 391 units to the 1,368 units associated with vacant land (total of 1,759), assuming an average of 306 permits are issued per year (ten-year average), the existing Gilroy USA can accommodate approximately 5.7 years of residential growth on vacant and underutilized land.

5.0 References

- California Department of Housing and Community Development. 2020, page 4.
www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf
- City of Gilroy. 2020. *City of Gilroy 2040 General Plan*.
<https://www.cityofgilroy.org/274/2040-General-Plan>
- . 2015. *Hecker Pass Specific Plan*.
<https://www.cityofgilroy.org/277/Hecker-Pass-Specific-Plan>
- . 2022-23. Gilroy Building Permit Reports.
- . 2023. *Gilroy Annual Element Progress Report, Housing Element Implementation Reporting Year 2023*.
- . 2023. Gilroy 6th Cycle Housing Element.
- Google Earth. Imagery Date, March 19, 2022.
- Santa Clara County Department of Planning and Development. Interactive Property Profile Map.
Accessed May 2023.
<https://sccplanning.maps.arcgis.com/apps/webappviewer/index.html?id=fb3af8ce73b6407c939e1ac5f092bb30>
- Santa Clara Local Agency Formation Commission (LAFCO) website. Accessed May 1, 2023 at:
<https://santaclaralafco.org>

This side intentionally left blank.

Building Permit Documentation (September 10, 2022
through May 22, 2023)

A
APPENDIX

Building Permits Report

1/1/2022 - 12/31/2022

Permits Submitted: 143

Permit Type	Address	APN	Name	Permit No	Apply Date	Issue Date	Final Date	Units
BNEWCONDO	6441 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100253	10/29/21	3/8/22	9/30/22	1
BNEWCONDO	6440 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100244	10/29/21	3/8/22	9/26/22	1
BNEWCONDO	6432 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100246	10/29/21	3/8/22	9/26/22	1
BNEWCONDO	6425 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100249	10/29/21	3/8/22	9/30/22	1
BNEWCONDO	6437 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100252	10/29/21	3/8/22	9/30/22	1
BNEWCONDO	6433 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100251	10/29/21	3/8/22		1
BNEWCONDO	6429 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100250	10/29/21	3/8/22	9/30/22	1
BNEWCONDO	6424 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100248	10/29/21	3/8/22	9/26/22	1
BNEWCONDO	6428 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100247	10/29/21	3/8/22	9/26/22	1
BNEWCONDO	6436 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21100245	10/29/21	3/8/22	9/26/22	1
BNEWCONDO	1369 ORES WY	TR10472 TOWN	KB HOME SOUTH BAY, I	21110115	11/19/21	6/13/22		6
BNEWCONDO	6422 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21110109	11/19/21	3/8/22	9/26/22	5
BNEWCONDO	6423 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	21110111	11/19/21	3/8/22		5
BNEWCONDO	6400 PAYSAR LN	TR10472 TOWN	KB HOMES SOUTH BAY	22010110	1/14/22	3/8/22	11/8/22	1
BNEWCONDO	6412 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010107	1/14/22	3/8/22	11/2/22	1
BNEWCONDO	6402 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010122	1/14/22	3/8/22		5
BNEWCONDO	6398 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010121	1/14/22	3/8/22		5
BNEWCONDO	6420 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010118	1/14/22	3/8/22		1
BNEWCONDO	6420 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010117	1/14/22	3/8/22		1
BNEWCONDO	6416 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010116	1/14/22	3/8/22	11/2/22	1
BNEWCONDO	6400 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010111	1/14/22	3/8/22		1
BNEWCONDO	6404 PAYSAR LN	TR10472 TOWN	KB HOMES SOUTH BAY	22010098	1/14/22	3/8/22	11/2/22	1
BNEWCONDO	6445 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010109	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6400 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010112	1/14/22	3/8/22		1
BNEWCONDO	6412 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010090	1/14/22	3/8/22		1
BNEWCONDO	6433 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010092	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6421 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010172	1/14/22	3/8/22		1
BNEWCONDO	6441 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010097	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6416 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010099	1/14/22	3/8/22		1
BNEWCONDO	6404 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010100	1/14/22	3/8/22		1
BNEWCONDO	6416 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010101	1/14/22	3/8/22		1
BNEWCONDO	6404 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010102	1/14/22	3/8/22	9/30/22	1
BNEWCONDO	6424 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010144	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6425 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010076	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6408 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010094	1/14/22	3/8/22		1
BNEWCONDO	6417 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010146	1/14/22	3/8/22		1
BNEWCONDO	6421 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010173	1/14/22	3/8/22		1

<i>Permit Type</i>	<i>Address</i>	<i>APN</i>	<i>Name</i>	<i>Permit No</i>	<i>Apply Date</i>	<i>Issue Date</i>	<i>Final Date</i>	<i>Units</i>
BNEWCONDO	6418 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010127	1/14/22	3/8/22		5
BNEWCONDO	6403 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010128	1/14/22	3/8/22		5
BNEWCONDO	6399 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010129	1/14/22	3/8/22		5
BNEWCONDO	6499 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010130	1/14/22	3/8/22		6
BNEWCONDO	6436 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010135	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6405 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010136	1/14/22	3/8/22		1
BNEWCONDO	6405 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010137	1/14/22	3/8/22		1
BNEWCONDO	6401 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010141	1/14/22	3/8/22		1
BNEWCONDO	6432 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010143	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6409 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010162	1/14/22	3/8/22		1
BNEWCONDO	6409 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010145	1/14/22	3/8/22		1
BNEWCONDO	6421 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010171	1/14/22	3/8/22		1
BNEWCONDO	6409 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010147	1/14/22	3/8/22		1
BNEWCONDO	6417 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010148	1/14/22	3/8/22		1
BNEWCONDO	6405 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010149	1/14/22	3/8/22		1
BNEWCONDO	6417 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010150	1/14/22	3/8/22		1
BNEWCONDO	6428 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010159	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6408 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010093	1/14/22	3/8/22		1
BNEWCONDO	6413 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010161	1/14/22	3/8/22		1
BNEWCONDO	6423 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010079	1/14/22	3/8/22		6
BNEWCONDO	6413 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010163	1/14/22	3/8/22		1
BNEWCONDO	6420 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010170	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6413 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010160	1/14/22	3/8/22		1
BNEWCONDO	6398 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010080	1/14/22	3/8/22		5
BNEWCONDO	6384 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010152	1/14/22	6/9/22		1
BNEWCONDO	6388 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010164	1/14/22	6/9/22		1
BNEWCONDO	6393 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010119	1/14/22	6/9/22		1
BNEWCONDO	6389 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010105	1/14/22	6/9/22		1
BNEWCONDO	6381 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010108	1/14/22	6/9/22		1
BNEWCONDO	6385 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010084	1/14/22	6/9/22		1
BNEWCONDO	1374 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010175	1/14/22	8/16/22		1
BNEWCONDO	1372 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010132	1/14/22	8/16/22		6
BNEWCONDO	6392 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010151	1/14/22	6/9/22		1
BNEWCONDO	1390 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010153	1/14/22	8/16/22		1
BNEWCONDO	1378 KOLKOL WY	TR 10472 TOWN	KB HOME SOUTH BAY, I	22010154	1/14/22	8/16/22		1
BNEWCONDO	1386 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010165	1/14/22	8/16/22		1
BNEWCONDO	6412 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010091	1/14/22	3/8/22		1
BNEWCONDO	1350 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010113	1/14/22	8/22/22		1
BNEWCONDO	1348 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010124	1/14/22	8/22/22		6
BNEWCONDO	1354 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010103	1/14/22	8/22/22		1
BNEWCONDO	1358 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010088	1/14/22	8/22/22		1

<i>Permit Type</i>	<i>Address</i>	<i>APN</i>	<i>Name</i>	<i>Permit No</i>	<i>Apply Date</i>	<i>Issue Date</i>	<i>Final Date</i>	<i>Units</i>
BNEWCONDO	1362 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010095	1/14/22	8/22/22		1
BNEWCONDO	1370 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010077	1/14/22	8/22/22		1
BNEWCONDO	1366 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010082	1/14/22	8/22/22		1
BNEWCONDO	1394 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010142	1/14/22	8/16/22		1
BNEWCONDO	6437 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010086	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	1382 KOLKOL WY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010166	1/14/22	8/16/22		1
BNEWCONDO	6380 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010139	1/14/22	6/9/22		1
BNEWCONDO	6429 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010081	1/14/22	3/8/22	10/18/22	1
BNEWCONDO	6408 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010087	1/14/22	3/8/22	11/8/22	1
BNEWCONDO	1349 ORES WAY	TR10472 TOWN	KB HOME SOUTH BAY, I	22010123	1/14/22	4/1/22		5
BNEWCONDO	6396 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010174	1/14/22	6/9/22		1
BNEWCONDO	6376 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010131	1/14/22	6/9/22		5
BNEWCONDO	6379 LAGUNA SECA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010260	1/31/22	6/9/22		4
Count	91	Number of This Permit Type			91	27	27	159
BNEWMFR-AF	1520 HECKER PASS HWY	810 66 012	VILLAGE AT SANTA TER	21060021	6/2/21	4/12/22		20
BNEWMFR-AF	1520 HECKER PASS HWY	810 66 012	VILLAGE AT SANTA TER	21060018	6/2/21	4/12/22		20
BNEWMFR-AF	1520 HECKER PASS HWY	810 66 012	VILLAGE AT SANTA TER	21060017	6/2/21	4/12/22		20
BNEWMFR-AF	1520 HECKER PASS HWY	810 66 012	VILLAGE AT SANTA TER	21060019	6/2/21	4/12/22		20
BNEWMFR-AF	1520 HECKER PASS HWY	810 66 012	VILLAGE AT SANTA TER	21060020	6/2/21	4/12/22		20
Count	5	Number of This Permit Type			5	0	0	100
BNEWRES	2031 PORTMARNOCK WY	810 57 024	GRAGG GARY/CASHME	21100061	10/11/21	8/10/22		1
BNEWRES	8350 WINTER GREEN CT	783 03 074	ALEXANDRE BOURKOV	21110151	11/30/21	10/21/22		1
BNEWRES	8340 WINTER GREEN CT	783 03 073	MARQUES ALBERT	22010069	1/14/22	11/3/22		2
BNEWRES	7081 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020067	2/9/22	3/1/22		1
BNEWRES	7101 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020069	2/9/22	3/1/22		1
BNEWRES	7040 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020064	2/9/22	3/1/22		1
BNEWRES	7050 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020063	2/9/22	3/1/22	8/30/22	1
BNEWRES	7070 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020071	2/9/22	3/1/22		1
BNEWRES	7030 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020065	2/9/22	3/1/22	10/3/22	1
BNEWRES	7051 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020060	2/9/22	3/1/22	10/18/22	1
BNEWRES	7080 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020070	2/9/22	3/1/22		1
BNEWRES	7060 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020072	2/9/22	3/1/22	10/18/22	1
BNEWRES	7071 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020062	2/9/22	3/1/22		1
BNEWRES	7041 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020059	2/9/22	3/1/22	9/13/22	1
BNEWRES	7061 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020061	2/9/22	3/1/22	9/13/22	1
BNEWRES	7091 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020068	2/9/22	3/1/22		1
BNEWRES	7090 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020131	2/15/22	3/1/22	1/18/23	1
BNEWRES	7131 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020128	2/15/22	3/1/22	1/18/23	1
BNEWRES	7111 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020126	2/15/22	3/1/22		1
BNEWRES	7141 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020129	2/15/22	3/1/22	12/1/22	1

<i>Permit Type</i>	<i>Address</i>	<i>APN</i>	<i>Name</i>	<i>Permit No</i>	<i>Apply Date</i>	<i>Issue Date</i>	<i>Final Date</i>	<i>Units</i>
BNEWRES	7100 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020130	2/15/22	3/1/22		1
BNEWRES	7121 VINTNER CT	TR10520 THE G	KB HOME SOUTH BAY, I	22020127	2/15/22	3/1/22	12/1/22	1
BNEWRES	1500 HURKA WY	TR10520 NEBBI	KB HOME SOUTH BAY, I	22020187	2/24/22	3/31/22	9/20/22	1
BNEWRES	1490 HURKA WY	TR10520 NEBBI	KB HOME SOUTH BAY, I	22020186	2/24/22	3/31/22	9/14/22	1
BNEWRES	1535 HURKA WY	TR10520 NEBBI	KB HOME SOUTH BAY, I	22020188	2/24/22	3/31/22	9/14/22	1
BNEWRES	1515 HURKA WY	TR10520 NEBBI	KB HOME SOUTH BAY, I	22020190	2/24/22	3/31/22	9/14/22	1
BNEWRES	1525 HURKA WY	TR10520 NEBBI	KB HOME SOUTH BAY, I	22020189	2/24/22	3/31/22	9/14/22	1
BNEWRES	1505 HURKA WY	TR10520 NEBBI	KB HOME SOUTH BAY, I	22020191	2/24/22	3/31/22	10/10/22	1
BNEWRES	7315 CHESTNUT ST	841 09 010	SINGH/GAHUNIA FAM 2	22040010	4/4/22	6/24/22		2
BNEWRES	6482 GREENFIELD DR	HYD00001414	THE SUNER CORPORAT	22080059	8/8/22	12/22/22		3
BNEWRES	6482 GREENFIELD DR	HYD00001414	THE SUNER CORPORAT	22120072	12/8/22	12/22/22		1
Count	31	Number of This Permit Type			31	16	16	35
BRES2UNIT	6361 RASPBERRY CT	808 40 070	MORTENSEN FAMILY T	21040121	4/26/21	8/10/22		1
BRES2UNIT	6800 GARDEN CT, UNIT B	799 33 027	ZHAO, JOE X H	22010001	1/3/22	1/4/22	6/6/22	0
BRES2UNIT	7317 CHESTNUT ST UNIT	841 09 010	SINGH/GAHUNIA FAM 2	22040009	4/4/22	6/24/22		1
BRES2UNIT	295 LONDON DR	799 42 015	LIM THIRO & NGUYEN A	22040079	4/20/22	8/31/22		
BRES2UNIT	765 W 9 ST	799 37 045	ADRIAN S/ISAAC GUER	22060184	6/20/22	9/27/22		
BRES2UNIT	6482 GREENFIELD DR	HYD00001414	THE SUNER CORPORAT	22120073	12/8/22	12/22/22		1
Count	6	Number of This Permit Type			6	1	1	3
BRESADU	441 EL CERRITO WY UNIT	790 34 017	JOHN A GIANCOLA AND	21020025	2/4/21	2/28/22		0
BRESADU	7595 PRINCEVALLE ST UN	799 24 052	LAWRENCE S & LORI D	21060150	6/22/21	4/18/22		0
BRESADU	1099 WELBURN AVE	790 42 011	TATLA FAMILY TRUST,	21070130	7/28/21	1/13/22	6/27/22	1
BRESADU	816 WELBURN AVE	790 22 045	HUANG JACK H	21090125	9/27/21	2/15/22		1
BRESADU	7150 HARVARD PL	799 37 060	PENALOZA RIGOBERTO	21100031	10/7/21	9/12/22		1
BRESADU	1190 HERSMAN DR	808 17 087	DELEON CATALINA	22010048	1/11/22	10/27/22		1
BRESADU	7256 DOWDY ST UNIT C	799 15 021	SINGH GURPREET	22020104	2/11/22	6/7/22		0
BRESADU	7511 CARMEL ST	799 19 008	MCMAMARA SEAN	22020183	2/24/22	6/23/22		1
BRESADU	8427 WAYLAND LN	790 25 011	VICTOR RANGEL / JESS	22030188	3/22/22	9/23/22		1
BRESADU	4 STRATFORD PL	799 45 061	DAVID SAMUEL GUTIER	22050174	5/26/22	10/3/22		1
Count	10	Number of This Permit Type			10	1	1	7
Total Number of Records: 143				Count	143	143	45	
					<i>Apply</i>	<i>Issued</i>	<i>Finald</i>	

304

Building Permits Report

1/1/2023 - 3/17/2023

Permits Submitted: 45

Permit Type	Address	APN	Name	Permit No	Apply Date	Issue Date	Final Date	Units	Description
BNEWCONDO	6397 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010115	1/14/22	3/1/23		1	TOWN CENTER, BLDG 04 (CRAFTSMAN), UNIT 0404, PLAN 1-ALT-R: NEW 1,178 SQ.FT, 1 STORY CONDO WITH A 262 SQ.FT. GARAGE, 2
BNEWCONDO	6385 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010078	1/14/22	3/1/23		1	TOWN CENTER, BLDG 04 (CRAFTSMAN), UNIT 0401, PLAN 2B: NEW 1,593 SQ.FT, 2 STORY CONDO WITH A 456 SQ.FT. GARAGE, 259 SQ
BNEWCONDO	6381 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010083	1/14/22	2/14/23		1	TOWN CENTER, BLDG 20 (CRAFTSMAN), UNIT 2002, PLAN 4-R: NEW 2,027 SQ.FT, 3 STORY CONDO WITH 496 SQ.FT. GARAGE, 140 SQ.
BNEWCONDO	6389 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010085	1/14/22	3/1/23		1	TOWN CENTER, BLDG 04 (CRAFTSMAN), UNIT 0402, PLAN 4R: NEW 2,027 SQ.FT, 3 STORY CONDO WITH A 496 SQ.FT. GARAGE, 120 S
BNEWCONDO	6389 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010089	1/14/22	2/14/23		1	TOWN CENTER, BLDG 20 (CRAFTSMAN), UNIT 2004, PLAN 3R-ALT: NEW 1,818 SQ.FT, 3 STORY CONDO WITH 463 SQ.FT. GARAGE, 154
BNEWCONDO	6385 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010096	1/14/22	2/14/23		1	TOWN CENTER, BLDG 20 (CRAFTSMAN), UNIT 2003, PLAN 3-R: NEW 1,818 SQ.FT, 3 STORY CONDO WITH 463 SQ.FT. GARAGE, 154 SQ.
BNEWCONDO	6393 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010104	1/14/22	2/14/23		1	TOWN CENTER, BLDG 20 (CRAFTSMAN), UNIT 2005, PLAN 4-ALT: NEW 2,027 SQ.FT, 3 STORY CONDO WITH 496 SQ.FT. GARAGE, 140 S
BNEWCONDO	6377 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010114	1/14/22	2/14/23		1	TOWN CENTER, BLDG 20 (CRAFTSMAN), UNIT 2001, PLAN 1: NEW 1,178 SQ.FT, 1 STORY CONDO WITH 262 SQ.FT. GARAGE, 211 SQ.FT
BNEWCONDO	6397 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010120	1/14/22	2/14/23		1	TOWN CENTER, BLDG 20 (CRAFTSMAN), UNIT 2006, PLAN 2B-ALT-R: NEW 1,593 SQ.FT, 2 STORY CONDO WITH 456 SQ.FT. GARAGE, 25
BNEWCONDO	6373 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010125	1/14/22	2/14/23		0	TOWN CENTER, SHELL BLDG 20 (CRAFTSMAN), 6 UNITS 2001-2006: NEW 10,461 SQ.FT, 1-3 STORY CONDO, TOTALING 2,636 SQ.FT. G
BNEWCONDO	6383 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010126	1/14/22	3/1/23		0	TOWN CENTER, SHELL BLDG 04 (CRAFTSMAN), 4 UNITS 0401-0404: NEW 6,825 SQ.FT, 1-3 STORY CONDO, TOTALING 1,710 SQ.FT. GA
BNEWCONDO	6478 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010133	1/14/22	2/2/23		0	TOWN CENTER, SHELL BLDG 15 (FARMHOUSE), 5 UNITS 1501-1505: NEW 8,578 SQ.FT, 1-3 STORY CONDO, TOTALING 2,173 SQ.FT. GA
BNEWCONDO	6372 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010134	1/14/22	3/15/23		0	TOWN CENTER, SHELL BLDG 21 (FARMHOUSE), 6 UNITS 2101-2106: NEW 10,396 SQ.FT, 1-3 STORY CONDO, TOTALING 2,636 SQ.FT. G
BNEWCONDO	6396 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010138	1/14/22	2/2/23		1	TOWN CENTER, BLDG 15 (FARMHOUSE), UNIT 1501, PLAN 1 ALT: NEW 1,178 SQ.FT, 1 STORY CONDO WITH 262 SQ.FT. GARAGE, 215 S
BNEWCONDO	6392 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010155	1/14/22	2/2/23		1	TOWN CENTER, BLDG 15 (FARMHOUSE), UNIT 1502, PLAN 4-ALT-R: NEW 2,027 SQ.FT, 3 STORY CONDO WITH 496 SQ.FT. GARAGE, 10
BNEWCONDO	6384 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010156	1/14/22	2/2/23		1	TOWN CENTER, BLDG 15 (FARMHOUSE), UNIT 1504, PLAN 4: NEW 2,027 SQ.FT, 3 STORY CONDO WITH 496 SQ.FT. GARAGE, 108 SQ.F
BNEWCONDO	6392 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010157	1/14/22	3/15/23		1	TOWN CENTER, BLDG 21 (FARMHOUSE), UNIT 2102, PLAN 4-ALT-R: NEW 2,027 SQ.FT, 3 STORY CONDO WITH 496 SQ.FT. GARAGE, 10
BNEWCONDO	6380 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010158	1/14/22	3/15/23		1	TOWN CENTER, BLDG 21 (FARMHOUSE), UNIT 2105, PLAN 4: NEW 2,027 SQ.FT, 3 STORY CONDO WITH 496 SQ.FT. GARAGE, 108 SQ.F
BNEWCONDO	6380 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010177	1/14/22	2/2/23		1	TOWN CENTER, BLDG 15 (FARMHOUSE), UNIT 1505, PLAN 2A-R: NEW 1,528 SQ.FT, 2 STORY CONDO WITH 456 SQ.FT. GARAGE, 215 S
BNEWCONDO	6388 TAWHANA LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010167	1/14/22	2/2/23		1	TOWN CENTER, BLDG 15 (FARMHOUSE), UNIT 1503, PLAN 3-ALT-R: NEW 1,818 SQ.FT, 3 STORY CONDO WITH 463 SQ.FT. GARAGE, 12
BNEWCONDO	6388 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010168	1/14/22	3/15/23		1	TOWN CENTER, BLDG 21 (FARMHOUSE), UNIT 2103, PLAN 3-ALT-R: NEW 1,818 SQ.FT, 3 STORY CONDO WITH 463 SQ.FT. GARAGE, 12
BNEWCONDO	6384 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010169	1/14/22	3/15/23		1	TOWN CENTER, BLDG 21 (FARMHOUSE), UNIT 2104, PLAN 3: NEW 1,818 SQ.FT, 3 STORY CONDO WITH 463 SQ.FT. GARAGE, 120 SQ.F
BNEWCONDO	6396 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010176	1/14/22	3/15/23		1	TOWN CENTER, BLDG 21 (FARMHOUSE), UNIT 2101, PLAN 2A-ALT: NEW 1,528 SQ.FT, 2 STORY CONDO WITH 456 SQ.FT. GARAGE, 259
BNEWCONDO	6393 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010106	1/14/22	3/1/23		1	TOWN CENTER, BLDG 04 (CRAFTSMAN), UNIT 0403, PLAN 4: NEW 2,027 SQ.FT, 3 STORY CONDO WITH A 496 SQ.FT. GARAGE, 120 SQ.
BNEWCONDO	6376 PAYSAR LN	TR10472 TOWN	KB HOME SOUTH BAY, I	22010140	1/14/22	3/15/23		1	TOWN CENTER, BLDG 21 (FARMHOUSE), UNIT 2106, PLAN 1-R: NEW 1,178 SQ.FT, 1 STORY CONDO WITH 262 SQ.FT. GARAGE, 215 SQ.
Count	25	Number of This Permit Type			25	0	0	21	
BNEWRES	2202 COLUMBINE CT	783 72 061	KRUPA STANISLAW TRU	21060139	6/21/21	3/13/23		1	NEW 5,440 SQ. FT., TWO STORY SINGLE FAMILY RESIDENCE WITH 720 SQ. FT. ATTACHED THREE CAR GARAGE, 5,765 SQ. FT. OF NE
BNEWRES	1480 WINZER PL	TR10520 MALVA	KB HOME SOUTH BAY, I	22020180	2/24/22	2/14/23		1	MALVASIA, TRACT 10520: NEW 2,252 SQ.FT. SFR WITH 423 SQ.FT. GARAGE, 165 SQ.FT. PORCH, 2 STORY, 5 BEDROOMS, 3 BATHRO
BNEWRES	1450 WINZER PL	TR10520 MALVA	KB HOME SOUTH BAY, I	22020177	2/24/22	2/14/23		1	MALVASIA, TRACT 10520: NEW 1,619 SQ.FT. SFR WITH 422 SQ.FT. GARAGE, 36 SQ.FT. PORCH, 1 STORY, 3 BEDROOMS, 2 BATHROOM
BNEWRES	1475 WINZER PL	TR10520 MALVA	KB HOME SOUTH BAY, I	22020176	2/24/22	2/14/23		1	MALVASIA, TRACT 10520: NEW 1,619 SQ.FT. SFR WITH 422 SQ.FT. GARAGE, 36 SQ.FT. PORCH, 1 STORY, 3 BEDROOMS, 2 BATHROOM
BNEWRES	1460 WINZER PL	TR10520 MALVA	KB HOME SOUTH BAY, I	22020178	2/24/22	2/14/23		1	MALVASIA, TRACT 10520: NEW 1,856 SQ.FT. SFR WITH 431 SQ.FT. GARAGE, 144 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 2.5 BATHRO
BNEWRES	1505 WINZER PL	TR10520 MALV	KB HOME SOUTH BAY, I	22020175	2/24/22	2/14/23		1	MALVASIA, TRACT 10520: NEW 1,619 SQ.FT. SFR WITH 422 SQ.FT. GARAGE, 36 SQ.FT. PORCH, 1 STORY, 3 BEDROOMS, 2 BATHROOM
BNEWRES	1470 WINZER PL	TR10520 MALVA	KB HOME SOUTH BAY, I	22020179	2/24/22	2/14/23		1	MALVASIA, TRACT 10520: NEW 1,619 SQ.FT. SFR WITH 422 SQ.FT. GARAGE, 36 SQ.FT. PORCH, 1 STORY, 3 BEDROOMS, 2 BATHROOM
BNEWRES	7248 CHURCH ST	799 09 045	SANDHU GABANDEEP S	22080155	8/22/22	1/17/23		2	NEW SFR 1,652 SQ. FT. WITH ATTACHED 500 SQ.FT. ADU AND 800 SQ. FT. DETACHED GARAGE. must pay ndo fee prior to issuance per h
BNEWRES	9170 KERN AVE	TR10582 COTTA	DR HORTON BAY INC	22100075	10/12/22	1/30/23		1	COTTAGES AT KERN MODEL, TRACT 10582: PLAN 3-A, NEW 1,906 SQ.FT. SFR WITH 494 SQ.FT. GARAGE, 40 SQ.FT. PORCH, 2 STORY,
BNEWRES	9160 KERN AVE	790 17 003	D R HORTON BAY INC	22100074	10/12/22	1/30/23		1	COTTAGES AT KERN MODEL, TRACT 10582: PLAN 2-B, NEW 1,762 SQ.FT. SFR WITH 400 SQ.FT. GARAGE, 89 SQ.FT. PORCH, 2 STORY,
BNEWRES	670 BARTON WY	TR10582 COTTA	DR HORTON BAY INC	22120085	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,762 SQ.FT. SFR WITH 400 SQ.FT. GARAGE, 89 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 2.5
BNEWRES	685 BARTON WY	TR10582 COTTA	DR HORTON BAY INC	22120086	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,762 SQ.FT. SFR WITH 400 SQ.FT. GARAGE, 89 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 2.5
BNEWRES	9130 KERN AVE	TR10582 COTTA	DR HORTON BAY INC	22120091	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,906 SQ.FT. SFR WITH 394 SQ.FT. GARAGE, 50 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 3 B
BNEWRES	9140 KERN AVE	TR10582 COTTA	DR HORTON BAY INC	22120093	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,762 SQ.FT. SFR WITH 400 SQ.FT. GARAGE, 89 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 2.5
BNEWRES	680 BARTON WY	TR10582 COTTA	DR HORTON BAY INC	22120094	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,762 SQ.FT. SFR WITH 400 SQ.FT. GARAGE, 89 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 2.5
BNEWRES	675 BARTON WY	TR10582 COTTA	DR HORTON BAY INC	22120102	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,762 SQ.FT. SFR WITH 400 SQ.FT. GARAGE, 89 SQ.FT. PORCH, 2 STORY, 4 BEDROOMS, 2.5
BNEWRES	690 BARTON WY	TR10582 COTTA	DR HORTON BAY INC	22120082	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,519 SQ.FT. SFR WITH 404 SQ.FT. GARAGE, 40 SQ.FT. PORCH, 2 STORY, 3 BEDROOMS, 2 B
BNEWRES	695 BARTON WY	TR10582 COTTA	DR HORTON BAY INC	22120099	12/11/22	2/9/23		1	COTTAGES AT KERN, TRACT 10582: NEW 1,519 SQ.FT. SFR WITH 404 SQ.FT. GARAGE, 40 SQ.FT. PORCH, 2 STORY, 3 BEDROOMS, 2 B
Count	18	Number of This Permit Type			18	0	0	19	
BRESADU	7248 CHURCH ST	799 09 045	SANDHU GABANDEEP S	22080156	8/22/22	1/17/23		1	NEW 998 SQ. FT. DETACHED ADU. must pay ndo fee prior to issuance hp 22-16
BRESADU	999 WELBURN AVE	790 42 005	RANDY & RHONDA CHA	22100172	10/27/22	2/21/23		1	CONVERT EXISTING 280 SQ. FT STORAGE SHED AND ADDING 220 SQ. FT. TO TOTAL 500 SQ. FT. DETACHED ADU. 1 BEDROOM, 1 FUL
Count	2	Number of This Permit Type			2	0	0	2	

permit_type	p_adrs	parcel_id	permit_no	apply_date	Issued	Text81
BNEWRES	2354 BANYAN ST	783 65 022	22050116	5/18/22	4/26/23	NEW 3 STORY, 6,382.91 SQ.FT. SFR, WITH 4 BEDROOMS, 4.5 BATHROOMS, BASEMENT, A 631.38 SQ.FT. GARAGE & A 130 SQ.FT. DETACHED ACCESSORY STRU
					1	
BRES2UNIT	655 JOHNSON WY	799 40 037	23010162	1/31/23	5/1/23	NEW ATTACHED 735 SQ. FT. ADU, 2 BEDROOM, 2 BATHROOM WITH KITCHEN. NEW ATTACHED 375 SQ. FT. PATIO.
					1	
BRESADU	435 LEWIS ST	841 03 106	22070137	7/26/22	5/22/23	CONVERT EXISTING 525 SQ. FT. DETACHED GARAGE TO A 2 BEDROOM 1 BATHROOM ADU WITH KITCHEN.
BRESADU	212 LOUPE CT	790 38 069	22090025	9/8/22	3/28/23	NEW 613 SQ.FT. DETACHED ADU TO REAR OF SFR. INCLUDES 1 BEDROOM, 1 FULL BATHROOM, AND KITCHEN WITH TANKLESS WATER HEATER AND MINI SPL
BRESADU	8330 GLENWOOD DR	790 34 023	22120065	12/7/22	3/22/23	NEW 320 SQ. FT. DETACHED ADU WITH KITCHEN, 100 SQ.FT. PORCH. NEW ATTACHED 315 SQ. FT. GARAGE.
BRESADU	7440 HANNA ST	799 18 058	22120061	12/7/22	4/10/23	CONVERT EXISITNG 720 SQ. FT. GARAGE SHOP INTO A DETACHED ADU WITH 2 BEDROOMS, 1 BATHROOM, WASHER DRYER ROOM, FAMILY ROOM AND KITCH
BRESADU	8011 CHURCH ST UNIT C	790 35 006	23020096	2/21/23	5/10/23	LEGALIZE EXISTING 411 SQ. FT. ADU, 1 BEDROOM, 1 BATH, FULL KITCHEN.
BRESADU	8011 CHURCH ST UNIT B	790 35 006	23020095	2/21/23	5/10/23	LEGALIZE EXISTING 409 SQ. FT. ADU, 1 BEDROOM, 1 BATH, KITCHENETTE.
BRESADU	7776 CHURCH ST	799 03 074	23030170	3/21/23	4/12/23	DEMO 169 SQ. FT. OF LIVING SPACE FROM AN EXISTING 1,529 SQ. FT. HOUSE TO ACCOMMODATE NEW DETACHED 915 SQ.FT. ADU. 2 BEDROOMS, 2 BATHROO
					7	
BRESJADU	7691 CHURCH ST STE B	799 49 018	23010037	1/5/23	5/17/23	CONVERT 470 SQ. FT. (E) ATTACHED GARAGE TO JADU UNIT WITH 34 SQ. FT. COVERED PORCH AND 150 SQ. FT. DECK. 1 BEDROOM, 1 BATHROOM.
BRESJADU	760 WELBURN AVE	790 24 025	23030047	3/6/23	5/17/23	CONVERT 328 SQ. FT. OF AN EXISTING GARAGE INTO A 1 BEDROOM, 1 BATHROOM JADU WITH A KITCHENETTE.
					2	
					11	
					11	

ICTURE. SWIMMING POOL AND RETAINING WALLS ON SEPERATE, DEFERRED PERMITS / CONSTRUCTION VALUATION.

.IT OUTDOOR UNIT.

IEN.

OMS. Permit and Impact fees paid on 21030129. Replaces expired permit 21030129 2019 CODES PER B.O.

<i>Permit Type</i>	<i>Address</i>	<i>APN</i>	<i>Name</i>	<i>Permit No</i>	<i>Apply Date</i>	<i>Issue Date</i>	<i>Final Date</i>	<i>Units</i>	<i>Description</i>
Total Number of Records: 45				Count	45	45	0		
		42			<i>Apply</i>	<i>Issued</i>	<i>Finald</i>		



Community Development Department

Sharon Goei
DIRECTOR

7351 Rosanna Street, Gilroy, California 95020-6197
Telephone: (408) 846-0451 Fax: (408) 846-0429
<http://www.cityofgilroy.org>

Dear Commissioners,

Thank you for taking the time to review this letter, the attached LAFCO USA Policies Consistency memo, LAFCO Staff Report Response Matrix, and the revised City of Gilroy Vacant Land Inventory.

Common Goals: The City of Gilroy and LAFCO share many of the same goals and policies with respect to preserving agricultural lands, orderly growth and development, efficient delivery of services, and fiscal sustainability. These policies have been, currently are, and will continue to be considered throughout the development process for the Wren Investors/Hewell property and the entire Neighborhood District High area within which this property is included. Expansion of the urban service area is only the first step in a very long and detail-driven process.

Preserving agricultural lands: The Wren Investors/Hewell property is not designated as Prime Farmland or Farmland of Statewide Importance under the 2016, 2018, or 2020 Farmlands Mapping and Monitoring Program (FMMP) and is not subject to a Williamson Act contract. In 1996, a joint effort between the City, County, and LAFCO was created to “identify ways to ensure the long-term maintenance of agriculture as a viable land use in the area south and east of Gilroy”. This effort resulted in the *Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy*.

These *Strategies* recognized that the City’s 20-year growth boundary “is one tool that the City of Gilroy uses to plan the timing and location of new development in a responsible and sustainable way” and recommended that “*if the City of Gilroy strengthens its 20-year boundary*” ..., “**LAFCO should re-examine its policies regarding requests for expansions to Gilroy’s USA**”.¹ In 2016, a more restrictive Urban Growth Boundary (“UGB”) was approved to protect agriculture and open space, drawing a line between planned urban development and land preservation. Gilroy’s UGB reflects a commitment to prevent development into the agriculturally and environmentally important areas surrounding the City, while allowing development where it makes most sense. The Wren Investors/Hewell properties were included in the UGB, signaling voters support for their development, while protecting viable agricultural land elsewhere in the City’s sphere of influence.

Orderly growth and development: The City respectfully requests that LAFCO honor the intent behind this joint effort to *balance planned growth* and approve the proposed USA expansion which is solely contained within the City’s Urban Growth Boundary. It is apparent, looking at an aerial map, that the Wren/Hewell property is essentially infill development. Surrounding uses include single-family residences, apartment complexes, new housing under construction, and the County Office of Education’s South County Annex. By infilling the abutting development, the Wren/Hewell property can efficiently connect to existing and planned city infrastructure.

¹ *Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy, Page 5 of 12*

Residential uses have been anticipated on these properties for over 30 years and were included in build-out projections for the City's 2020 and 2040 General Plans. Prior to annexation, the City will require the preparation of a **Specific Plan**. The Specific Plan will be developed in compliance with the City's General Plan, Zoning Ordinance, and the **Neighborhood District Policy**, which provide further guidance on the provision of utilities, circulation, open space, site and architectural design, and the provision of affordable housing.

In acting upon a USA amendment request, [LAFCO's filing requirements](#) require the preparation of environmental documentation, such as a Mitigated Negative Declaration (MND), to comply with the California Environmental Quality Act (CEQA). An initial study was prepared to evaluate potentially significant adverse environmental effects of the USA amendment. The associated MND included eight mitigation measures to reduce impacts to a less-than-significant level for air quality, biological resources, cultural resources, and noise. Furthermore prior to annexation, the applicant will be required to develop a Specific Plan along with an Environmental Impact Report (EIR) that analyzes the specific details of a future development.

Given the cost and time involved with preparing the Specific Plan and Environmental Impact Report, these documents would only be drafted if LAFCO approves the Urban Service Area amendment. Otherwise, these documents would go stale waiting for the USA amendment.

Efficient delivery of services: The City has anticipated and planned for development of the Wren Investors/Hewell property and the larger Neighborhood District area. The Wren/Hewell **Plan for Services report** demonstrates that existing and planned City infrastructure is sufficient to accommodate the increased demand for services. Updates to the City's **Master Plans for water, sewer, and storm drainage** were adopted by the Gilroy City Council on April 3, 2023 and support this conclusion.

As discussed in the attached Staff Report Response Matrix, the draft **2024-2028 Capital Improvement Program** identifies millions of dollars in funding for a number of Master Plan projects, including streets, water, and sewer infrastructure improvements throughout the City. Furthermore, the City has been working diligently to address fire service needs throughout Gilroy. The recent purchase of two new fire engines and the planned replacement of additional fleet in 2024 has significantly improved the condition of Gilroy's fire division fleet. The City has also recently hired five (5) firefighters and anticipates three (3) additional candidates to fill vacancies, which will significantly improve fire division response times throughout the City and provide full staffing 24/7 for the interim fire station near Christmas Hill Park.

Vacant Land: As provided in the attached Vacant Land Inventory, the City has approximately 4.2 to 4.5 years of vacant land capacity and approximately 1.2 to 1.5 years of underutilized land capacity, using an 8 to 10-year permit history. The proposed expansion infills property surrounded by other residential uses, can be efficiently connected to existing and planned infrastructure, and is consistent with LAFCO's policies as discussed in the attached consistency memo.

Forward Thinking: It is the responsibility of local leaders to be forward thinking and plan for the needs of the future. Gilroy's Urban Growth Boundary protects open space and agricultural uses where it is most viable, and significantly limits Gilroy's expansion potential. Coupled with the current demand for housing at a local and regional level, staff expects that much of Gilroy's vacant land will have developed before the Wren Investors/Hewell property has completed its lengthy entitlement process. Bringing the Wren Investors/Hewell property into Gilroy's urban service area

now will allow Gilroy to have adequate residential land to meet future residential growth requirements.

As outlined in the attached memo, the proposed Urban Service Area amendment is consistent with LAFCO policies and will provide needed housing for the City of Gilroy's future residents. The City of Gilroy looks forward to your consideration of this much needed request.

Respectfully,

Cindy McCormick
City of Gilroy

Attachments:

LAFCO USA Policy Consistency Memo

LAFCO Staff Report Response Matrix

City of Gilroy Vacant Land Inventory, May 25, 2023

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
<p>It appears the City is still in the process of updating its Zoning Ordinance consistent with its current General Plan and is yet to update its master plans for critical services such as fire, water, sewer, stormwater drainage.</p>	<p>The City’s Zoning Ordinance is anticipated to be adopted by the end of the 2023 calendar year. The USA amendment is not affected by any proposed changes to the Zoning Ordinance. The Zoning Ordinance will be consistent with the 2040 General Plan. The USA Amendment is consistent with the 2040 General Plan, so the timing of the zoning ordinance adoption should have no bearing on the LAFCO decision.</p> <p>The City Council adopted updated comprehensive Master Plans for the City’s sewer system, water system, and storm drainage system on April 3, 2023, to reflect current land use conditions. Each of these Master Plans are consistent with the Gilroy 2040 General Plan.</p>
<p>Furthermore, the conceptual nature of this proposal and the lack of details on service provision limits a full review of the proposal by LAFCO at this stage. The USA amendment process is the only opportunity for LAFCO to evaluate whether it is appropriate to include the land for urbanization because once the land is included in the City’s USA, LAFCO approval is not required for annexing the land to the city. Therefore, if sufficient details are not available at the time of CEQA analysis and USA amendment application, it hinders LAFCO’s ability to properly analyze the application.</p>	<p>The City of Gilroy submitted a Plan for Services that includes LAFCOs written submittal requirements for the Plan for Services in compliance with the Cortese Knox Act (Government Code Section 56653).</p> <p>In addition, this response matrix provides a response to LAFCO’s staff report comments about the City’s provision of services. The 2022 Master Plans for the City’s sewer, water, and storm drainage systems have been thoroughly analyzed to address comments raised in the LAFCO staff report.</p> <p>This response matrix provides the LAFCO Commissioners with the information needed to determine that the City has adequately planned for the provision of services to these parcels. Furthermore, there is nothing in the updated Master Plans that change the outcome of the City’s determination that potentially significant impacts from adding these parcels</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	to the City’s USA can be mitigated to a less than significant level.
<p>The amount of vacant land already within the USA and the amount of future growth the land could support is therefore of vital importance in determining whether the addition of more land for urban uses is necessary or premature. Historically and by past practice, the analysis to determine this involves the following three steps:</p> <ul style="list-style-type: none"> • Preparation of an inventory of all vacant or underutilized land (i.e., lands that have no active building permit and are undeveloped and/or underutilized) designated for the proposed uses within the city. • Determination of the number of units that could potentially be built on the land based on the maximum potential buildout permitted by the city’s land use and zoning designations for the land. • Calculation of the rate of absorption of the vacant land or years of supply based on a 10-year average of the city’s building permit activity. (vacant acreage divided by number of units per year equals years of supply) 	<p>Availability of Vacant Lands within Existing Boundaries. Unlike LAFCO’s written details for submitting a Plan for Services, there is very little information on the Santa Clara County LAFCO website or within its documents regarding Vacant Land Inventories. According to LAFCO’s application submittal requirements, “<i>USA amendment proposals must include a Vacant Lands Inventory identifying vacant lands within the city limits and its urban service area for specific land use designations, and the rate of absorption of vacant lands. If the amount of vacant land exceeds a five-year supply, explanation is required for why the expansion is necessary and how an orderly and efficient growth pattern will be maintained.</i>”</p> <p>The Santa Clara County LAFCO does not define “vacant land” on their website, or within their adopted policies, or within its application submittal requirements. This lack of a codified definition was identified in the 2016-2017 Santa Clara County Civil Grand Jury Report titled <i>LAFCO Denials: A High School Caught In The Middle</i>.</p> <p>Recommendation 1a of the Civil Grand Jury Report states that <i>the Local Agency Formation Commission should amend its Urban Service Area Policies to define "vacant land," "premature conversion of agricultural lands," and "adequacy of urban services."</i></p> <p>On August 16, 2017, LAFCO staff provided a response to the Civil Grand Jury, stating that “<i>This recommendation requires further analysis and will be considered during</i></p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p><i>LAFCO’s comprehensive review of its policies which is anticipated to begin within the next six months. LAFCO’s current work plan calls for a comprehensive review and update of its policies with the intent of strengthening them to enable LAFCO to better meet its legislative mandate; and to further clarify alignment and consistency of the policies with state law, long-standing countywide growth management policy framework, and regional plans and goals.”</i></p> <p>LAFCO’s response to the Grand Jury Report was written well over five years ago. To date, these definitions have not been adopted or even provided on the LAFCO website.</p> <p>In lieu of a LAFCO definition for “vacant” land, the City of Gilroy turns to the California Department of Housing and Community Development (HCD), whose approval is required before a local government can adopt its Housing Element as part of its overall General Plan. (see next section)</p> <p>Furthermore, while LAFCO staff has requested that the City include “underutilized land” in Gilroy’s Vacant Land Inventory, there is no LAFCO definition for “underutilized land” and there is no reference to underutilized land in LAFCOs USA Policies or within its application submittal requirements.</p> <p>Similarly, there is nothing in LAFCO’s policies or submittal requirements that dictate the methodology that should be used to determine the number of units that could be developed on vacant land. While the LAFCO staff report indicates that the City of Gilroy should use the maximum potential buildout for making this determination, this is not consistent with actual development in the City</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>of Gilroy. Furthermore, as defined in the Gilroy General Plan, “net acreage” of land available to accommodate residential uses is “normally 20 to 25 percent less for a given area than gross acreage”, after accommodating streets, public right-of-ways, non-residential land uses and other public facilities. Therefore, it is unrealistic to multiply the “gross acreage” of a site by the maximum density allowed under the Gilroy General Plan.</p> <p>Likewise, the use of a 10-year average of the city’s building permit activity is not provided in any LAFCO policy or submittal requirement, even though the LAFCO staff report refers to such an average.</p> <p>Given the lack of a codified definition within LAFCOs policies or within its application submittal requirements, and given LAFCO’s policy to not undermine regional housing needs (policy #11), the City of Gilroy requests that the LAFCO Commissioners consider only vacant land capacity in determining whether to approve the requested USA amendment.</p> <p>The attached and updated Vacant Land Inventory illustrates that the existing Gilroy USA can accommodate approximately 4.2 years of residential growth on vacant land, assuming an average of 326 permits are issued per year (8-year average) or approximately 4.5 years of residential growth on vacant land, assuming an average of 306 permits are issued per year (ten-year average).</p>
<p>In response to LAFCO staff’s request for information on acreages of the vacant land identified in the second inventory, the City submitted an entirely new third inventory dated 10/18/22. While the first two inventories were generally in accordance with LAFCO’s methodology for inventorying vacant land and used</p>	<p>There is no written LAFCO “methodology” for inventorying vacant land or for determining the rate of absorption of vacant lands within LAFCOs USA Policies or within its application submittal requirements.</p> <p>However, LAFCOs USA Policies do state that “LAFCO will discourage proposals that</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
<p>LAFCO’s definition for vacant land, the third inventory excluded underutilized land, thus significantly reducing the inventory.</p> <p>The City has indicated that it removed underutilized properties from its 10/18/22 vacant land inventory consistent with the California Department of Housing and Community Development’s (HCD) definition of vacant land. However, this is inconsistent with LAFCO’s methodology for inventorying vacant land which LAFCO has used historically, and that the City itself has used in its first two inventories. The reason LAFCO’s definition of vacant land includes underutilized land is to promote more efficient use of such land within the city’s current boundaries prior to adding more lands to the city’s boundaries, which is different from HCD’s intent and requirements.</p>	<p>undermine regional housing needs plans, reduce affordable housing stock, or propose additional urbanization without attention to affordable housing needs.” LAFCO’s policy also states that “LAFCO will consider whether the proposal creates conditions that promote local and regional policies and programs intended to remove or minimize impediments to fair housing including city/ county general plan housing elements, Analysis of Impediments to Fair Housing or Consolidated Plans for Housing and Community Development and ABAG’s regional housing needs assessment and related policies.”</p> <p>The City is currently undergoing an update of its Housing Element to accommodate the City’s Regional Housing Needs Allocation (RHNA) for the 2023-2031 planning cycle. As part of that effort, the City and their housing consultants reviewed vacant residential land that could be included in the City’s Housing Element RHNA Sites Inventory. To help in this effort, the California Department of Housing and Community Development (HCD) prepared a Housing Element Site Inventory Guidebook for developing “an inventory of land suitable and available for residential development to meet the locality’s regional housing need.” The Guidebook defines a vacant site as “a site without any houses, offices, buildings, or other significant improvements on it. Improvements are generally defined as development of the land (such as a paved parking lot, or income production improvements such as crops, high voltage power lines, oil-wells, etc.) or structures on a property that are permanent and add significantly to the value of the property.” Furthermore, page 24 of the HCD Guidebook states that “underutilized sites are not vacant sites”.</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>Given the lack of a codified definition within LAFCOs policies or within its application submittal requirements, and given LAFCO’s policy to not undermine regional housing needs (policy #11), the City of Gilroy requests that the LAFCO Commissioners consider only vacant land capacity in determining whether to approve the requested USA amendment.</p> <p>As provided in the attached Vacant Land Inventory, the City has approximately 4.2 to 4.5 years of vacant land capacity using an 8 to 10-year permit history.</p>
<p>The South Santa Clara County Fire Protection District (which contracts with Cal Fire) currently provides fire protection services to the subject area. Upon USA amendment and annexation to the City of Gilroy, the City would provide fire protection services to the subject area.</p>	<p>Fire Service: The City has an Auto Aid Agreement in place and already services the Wren/Hewell area on behalf of South Santa Clara County Fire Department since fire response times in the County (7-11 minutes) are significantly slower than the City of Gilroy’s response times (5 to 7 minutes). Additionally, the Wren/Hewell area has a higher level of response coverage due to the underutilization of the Sunrise Fire Station.</p>
<p>The City has not established level of service/response time goals for fire service Provision. However, according to the Gilroy Fire Department 2019 Master Plan Update (11/14/19), “overall first due call-to-arrival performance is significantly slower than best practice standards to achieve desired outcomes to keep small fires small and to provide lifesaving care in serious medical emergencies”.</p>	<p>The City has been working diligently to address fire service needs throughout Gilroy and the challenges identified in the 2019 Standards of Coverage (SOC) Assessment and the 2019 Master Plan.</p> <p>The City recently hired five (5) firefighters that will begin actively staffing fire companies by October 2023. This brings current staffing level to 37 line personnel. Three (3) additional candidates are anticipated to fill the remaining vacancies in January 2024 for a total staffing level of 40 line personnel.</p> <p>The City also recently received 2 new Type 1 engines to replace aging front line apparatus. As a result, all three (3) permanent fire</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>stations now have brand new or nearly new Type 1 engines for emergency response. Additionally, an order was recently made to replace the aging Type 3 wildland engine. The City is also planning the replacement of all four (4) command staff vehicles by 2024.</p> <p>The recent purchase of two new engines and the planned replacement of additional fleet in 2024 has significantly improved the condition of Gilroy’s fleet. Filling the City’s staffing vacancies will also significantly improve response times throughout the City.</p>
<p>The City is currently served by three fire stations and has a development agreement with the Glen Loma Development Group to fund construction of a 4th station in the southwestern part of the City. The City indicates that the timeline for the construction of the 4th station is unpredictable as it is tied to the issuance of the 1,100th Glen Loma building permit. Per the City’s vacant land inventory, only 792 Glen Loma building permits have been issued so far. The remaining additional fire station construction costs are estimated at \$6,438,100 for a total cost of over \$9 M. The 4th fire station remains unfunded in the FY 2021-2025 Capital Improvement Plan and is expected to be funded beyond FY25, when the Glen Loma development agreement provision is triggered.</p> <p>As an interim means of providing services, the City has indicated that since mid-2020, it has been operating a part-time fire company with 2-person staffing out of a City facility (TEEC Building) located at Christmas Hill Park. However, this facility lacks the necessary amenities to house a full-time fire crew and the location is not ideal for emergency response. To better meet service demand, on</p>	<p>While the 1,110th permit has not yet been issued, the City has funded an interim location for the fourth fire station. The Santa Teresa Interim Fire Station is located near Christmas Hill Park in the Santa Teresa Fire Response District (southwestern quadrant of City).</p> <p>The Fire Department is currently operating out of the Temporary Environmental Education Center (TEEC) building at Christmas Hill Park until the 1,100th building permit is pulled, funding is fully secured, and the permanent fire station is operational.</p> <p>To address deficiencies at the TEEC building, the 2024-2028 CIP includes \$444,580 towards construction of a modular building adjacent to the TEEC building. The recent removal of the park’s speed bumps has also improved response times out of this interim station location. Furthermore, the pilot study for the 4th fire station showed a 35 second response improvement with only partial staffing. Once three (3) full time staff are employed at the end of 2023, the City will meet its response goals.</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
<p>October 17, 2022, the City Council approved a contract in the amount of \$204,908 to fund the construction, installation and a 3-year lease of an interim fire station modular building which is anticipated to be set up by late February or early March 2023. The funding for construction of this temporary station is from the Glen Loma Development which agreed to forgo the construction of McCutchin Park within the Glen Loma Development and transfer what it would cost to construct the park (\$2.3M) to the City’s Capital Projects Fund. The City would use that amount to fund the interim fire station and partially fund the future permanent fire station. The City has not provided information on how it plans to fund staffing and station operations at the fire station.</p>	<p>The modular fire station will be fully operational in Oct/Nov 2023 and will include sleeping, shower, and kitchen facilities. The adjacent area next to the TEEC building has sufficient electrical infrastructure to meet the power needs of the TEEC building as well as the modular building, the site’s lighting, an automatic gate, and the apparatus bay. The site also has sufficient existing water and sewer infrastructure to support the modular building.</p> <p>The TEEC building is currently operating with a part-time crew (2 staff) from 8:00 AM to 8:00 PM each day. A study of demand by hour shows that 71% of all incidents happen between 8:00 a.m. and 8:00 p.m. This is typical for many fire agencies since this is the time when most people are awake. However, with the recent new hires and training to be completed in the next few months, operating with a partial crew (2 staff) 24 hours a day / 7 days is scheduled to begin by October 2023. Furthermore, the City will be able to fully staff (3 staff) the Santa Teresa interim modular building 24 hours a day / 7 days per week by the end of the 2023 calendar year.</p>
<p>Additionally, as noted in the City’s CIP, a 2016 Needs Assessment Report indicated the Las Animas Fire Station and the Chestnut Fire Station both require a significant seismic retrofit/remodel and numerous upgrades to be compliant with the Essential Services Buildings Seismic Safety Act (ESBSSA) – these remain unfunded in the City’s CIP.</p>	<p>These upgrades remain unfunded; however as noted above, the City continues to work diligently to make improvements related to fire prevention. Furthermore, these fire stations remain operational despite not being seismically upgraded in case of an earthquake.</p>
<p>The proposed USA amendment, annexation and future development would result in an increase in call volume within the City’s service area. The City has not prepared analysis on the potential impacts of the anticipated development on fire service</p>	<p>The proposed USA amendment area is served by the Las Animas and Sunrise fire stations, which serve the northeastern and northwestern quadrants of the City, respectively. The Sunrise station was built for the purpose of adding fire protection services in the northern</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
<p>provision (such as impact on response times, the need for new or additional facilities, apparatus, and staffing) and has not adequately demonstrated its ability to provide and fund fire protection services to the subject area without reducing service levels to residents within its current boundaries.</p> <p>The City’s Plan for Service noted that the future development on the site would be subject to a development impact fee to fund infrastructure improvements but did not provide any further specifics.</p> <p>The Plan for Service only notes that future staffing of the fire department would be derived from the City’s General Fund.</p>	<p>half of the City and is currently underutilized. Thus, the City is able to provide excellent response times to the northern portion of the City which includes the Wren/Hewell properties. The third fire station (Chestnut) provides services in the southeastern quadrant of the City, near the 10th Street interchange with Highway 101.</p> <p>The City also has an Auto Aid Agreement in place and already services the Wren/Hewell area on behalf of South Santa Clara County Fire Department since fire response times in the County (7-9 minutes) are significantly slower than the City of Gilroy’s response times (5-7 minutes).</p> <p>As noted earlier, the City recently hired five (5) firefighters that will begin actively working in October 2023. Three (3) additional candidates are anticipated to fill all budgeted positions by January 2024.</p>
<p>Capacity at SCRWA. In order to meet anticipated flows, efforts to expand SCRWA’s treatment plant began in 2021 to increase the plant’s capacity to 11 mgd average daily wastewater flow. According to the City, the expansion is approximately 37% to 42% complete. The City of Gilroy’s 2021-2025 Capital Improvement Program (CIP) states that the total cost of the expansion is estimated at \$69.9 Million, with the City of Gilroy responsible for \$38.4 Million of the total cost and the City of Morgan Hill funding the remaining \$31.5 Million.</p> <p>The City, as owner of the new sewer infrastructure, would be responsible for costs associated with future maintenance.</p>	<p>This SCRWA expansion project is included in the 2022 Sewer System Master Plan. The 2024-2028 Capital Improvement Program includes \$35,900,000 in funding to expand the capacity of the existing plant to meet the demands associated with future growth in the area. In addition to expanding the plant’s treatment capacity, this CIP funded project would also implement new standards for wastewater treatment to comply with State Water Resources Control Board requirements. The SCRWA expansion project is anticipated to be complete in 2026. The ongoing operational costs necessary to manage the increased capacity due to the City’s growth will be offset by the increased fees associated with the growth.</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
<p>Collection Infrastructure. According to the City’s Plan for Services, future development on the project site would connect directly to existing City of Gilroy infrastructure immediately adjacent to the project site, specifically the Joint Morgan Hill-Gilroy Trunk which runs along the eastern boundary of the project site. However, according to the City’s 2004 Sewer Master Plan, modeling of the system shows that during wet weather flow conditions, the Trunk becomes deficient when current Morgan Hill flows are introduced. This represents a major existing deficiency in both cities’ wastewater treatment service.</p> <p>The City of Gilroy’s ability to provide the necessary wastewater services to future development in the proposal area remains uncertain, until construction of the relief trunkline between Highland Avenue and Renz Avenue is complete.</p>	<p>The City of Morgan Hill completed a Joint Trunk Pipeline Condition Assessment Report in January 2021. Improvements within the City of Gilroy’s planning boundaries were extracted from the Report and documented in the City’s 2022 Sewer System Master Plan.</p> <p>The 2024-2028 Capital Improvement Program includes recommended Joint Trunk Sewer Improvements that include 8 projects in the Joint Trunk Pipeline between the Cities of Gilroy and Morgan Hill to mitigate existing deficiencies in the City’s sewer system joint trunk pipeline. The projects include Emergency/Immediate Pipeline Repairs (5 Projects at various locations), Emergency/Immediate Manhole Repairs (40 Projects at various locations) and Intermediate Pipeline Repairs (various locations).</p> <p>The 2024-2028 Capital Improvement Program also includes the Sewer System Master Plan Project including 16 individual projects in 6 system areas throughout the City intended to mitigate existing deficiencies in the City’s sewer system and implement improvements to service anticipated future growth throughout the City. The projects include pipeline replacements as well as new pipeline improvements.</p>
<p>Collection Infrastructure. The City has not provided any specifics on the extent of the off-site improvements that would be required to support the anticipated development, including the estimated number of miles, sizes, and locations of the new pipes.</p>	<p>The 2022 Sewer System Master Plan looked at existing capacity and General Plan buildout. Sewer pipelines are recommended to serve future growth inside the City and increase the reliability of the sewer collection system as well. The proposed improvements are listed in the Master Plan and include alignment descriptions, location, pipe size, and pipe length.</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>Furthermore, as with any future development, impacts from a particular development are considered at the time of application, given potential changes in state law, state and regional agency policies, and City of Gilroy policies. Among other things, the City will consider:</p> <ul style="list-style-type: none"> • Information on existing sanitary sewer mains within or abutting project site. • Size and slope of sanitary sewer pipes. Invert elevations at manholes, at connection points and at the nearest manholes. • Location and size of sanitary sewer system and its design parameters.
<p>Stormwater Drainage. The current 5-year CIP funding includes only a few (total cost approximately \$800,000) of the identified storm drain improvement projects; the majority are assigned a low priority within the current 5-year CIP and are unfunded.</p>	<p>The 2024-2028 Capital Improvement Program includes the Storm Drain Master Plan Project which includes 43 individual projects in 6 hydrologic drainage areas throughout the City, intended to mitigate existing deficiencies in the City’s storm drain system and implement improvements to service anticipated future growth throughout the City. The projects include pipeline replacements as well as new pipeline improvements.</p>
<p>Stormwater Drainage. No detailed information is provided on the estimated increase in runoff to establish the impact on the City’s existing infrastructure or need for additional capacity.</p>	<p>As with any future development, impacts from a particular development are considered at the time of application, given potential changes in state law, state and regional agency policies, and City of Gilroy policies. Among other things, the City will consider:</p> <ul style="list-style-type: none"> • Information on existing storm drain pipes, inlets, natural swales, creeks, etc. • Size, slope of existing pipes and inverts of existing inlets, manholes, etc.

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<ul style="list-style-type: none"> • Invert elevation of connection to treatment control measures, swales, creeks, ponds, etc. • Approximate boundaries of any areas with a history of flooding. • Contours of adjacent property to show drainage conditions that may affect the subdivision. • Locations and sizes of storm drain system and its design parameters. • Proposed ground slopes, elevations, directions of ditch, swale and pipe flows. • Sufficient grades or contours are shown to indicate the ultimate drainage of the property. • Hydraulic grade line (HGL) or water surface elevation (WSE) at discharge location(s). <p>The City will also require a stormwater control plan that contains the following information:</p> <ul style="list-style-type: none"> • Drainage boundaries clearly defined and labeled. • Location, size, and identification (including description), of types of water quality treatment control measures such as swales, detention basins, bioretention, infiltration trenches, flow-thru planter boxes, etc. • Location, size and identification of proposed landscaping/plant material. • Specify Soil Type(s) of the project site. • All existing and proposed topographic contours with drainage management areas (DMA) identified, and proposed structural control measures. • For each drainage area, specify types of impervious area (roof, plaza, sidewalk, streets, parking, etc.) and surface area of

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>each.</p> <ul style="list-style-type: none"> • Specify depth to groundwater. • Preliminary (planning level) numeric sizing calculations based on the Stormwater Control Plan by a qualified civil engineer, used to determine runoff quantity and to design/select the post- construction treatment control measures. Design level calculations will be provided at the final design phase. • Identify pollutants and pollutant source areas, including loading docks, food service areas, refuse areas, outdoor processes and storage, vehicle cleaning, repair or maintenance, fuel dispensing.
<p>Water Supply. The water supply from the Llagas Subbasin will exceed (by a small margin) the average combined demands of Gilroy, Morgan Hill, and other users through 2045. Groundwater supplies are adequate to meet the City’s projected demand needs into the future, regardless of hydrologic conditions. Although by 2035, demand is expected to exceed 50 percent of the assumed groundwater supplies available to the City under normal conditions and exceed 60 percent of the assumed groundwater supplies available to the City under single dry year and multiple dry years conditions.</p>	<p>The 2024-2028 Capital Improvement Program includes the Water System Master Plan Project which includes 26 individual projects throughout the City intended to mitigate existing deficiencies in the City’s water system and implement improvements to service anticipated future growth throughout the City. The projects include pipeline replacements, new pipeline improvements, groundwater well improvements, and storage reservoir improvements.</p> <p>See next section.</p>
<p>Water Infrastructure. The City has not provided any specifics on the extent and costs of the offsite improvements that would be required to support the anticipated development, including the estimated number of miles, sizes, and locations of the new pipes.</p>	<p>On April 3, 2023, the City of Gilroy adopted the 2022 Water System Master Plan. The Master Plan identified numerous projects that the City should complete to meet 2040 General Plan build-out requirements. The City has also accumulated significant fund balances to pay for water supply infrastructure. The City’s 2024-2028 Capital Improvement Program identified \$21,225,056 from the water fund and \$36,292,928 from the water development impact fund to pay for the</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>\$57,517,985 Water System Master Plan Project. This Project includes 13 pipeline replacements, nine (9) new pipeline improvements, three (3) groundwater well improvements, and storage reservoir improvements. These 26 projects would mitigate existing deficiencies in the City’s water system and implement improvements to service anticipated future growth throughout the City. The \$57,517,985 Water System Master Plan Project also includes \$11,503,600 for design work and \$575,187 for CEQA compliance.</p> <p>As with any future development, impacts from a particular development are considered at the time of application, given potential changes in state law, state and regional agency policies, and City of Gilroy policies. Among other things, the City will consider information on:</p> <ul style="list-style-type: none"> • existing water mains • location of existing and proposed water hydrants and water meters. • Location and size of water system and its design parameters. • Location and size of proposed water main.
<p>Schools. The City’s plan for Service does not indicate whether the school district would require new facilities and staffing to accommodate and serve the increased student population but notes that developers of the new residential development would be responsible for the payment of school impact fees to accommodate the increased number of students. The City’s Fiscal Impact Analysis does not include an analysis of potential fiscal impacts on the school district. The City has not adequately demonstrated the school district’s capacity to serve the anticipated increase in student population.</p>	<p>In addition to requiring developers to pay school impact fees (further described below), the City of Gilroy works collaboratively with the Gilroy Unified School District to ensure they are aware of any new development in the City. Each week, the City holds a Technical Advisory Committee meeting with staff from Planning, Engineering, Building, Fire, Public Works, and a staff member from the Gilroy Unified School District. The purpose of the meeting is to discuss projects proposed for development in the City and any potential impacts associated with those projects. As part of this review, plans are routed to the School</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>District along with a description of the Project including the number of new homes proposed.</p> <p>Education Code Section 17620 allows school districts to assess fees on new residential and commercial construction within their respective boundaries. These fees can be collected without special city or county approval, to fund the construction of new school facilities necessitated by the impact of residential and commercial development activity. In addition, these fees can also be used to fund the reconstruction of school facilities to accommodate students generated from new development projects. Fees are collected immediately prior to the time of the issuance of a building permit by the city or the County. The impact of new developments result in the need for either additional or modernization of school facilities to house the students generated. Furthermore, Government Code Section 65995 provides for an inflationary increase in the fees every two years based on the changes in the Class B construction index.</p>
<p>Roads. The City’s Plan for Service states that new streets, additional lanes on existing streets and new signal lights would be necessary to accommodate new traffic that would be generated by future development upon USA amendment and annexation of the subject site. According to the City’s Plan for Services, these improvements are planned for in the City’s 2004 Traffic Circulation Master Plan (TCMP) and are included in the City’s Traffic Impact Fee (TIF) Program. Thus, the developer will be required to pay the applicable TIF fee as a fair-share contribution toward improvements at these intersections. The City’s current Capital Improvement Plan for FY 2021-2025 (CIP) identifies various</p>	<p>On March 20, 2023, the Gilroy City Council approved funding to update the Traffic Circulation Master Plan and the City’s Transportation Impact Fee (TIF) Program. The update will evaluate all new or updated traffic segments, intersections, and bridges that are needed to support the 2040 General Plan growth expectations, including development of the Wren/Hewell properties. The traffic analysis will include a review of intersection operations, opportunities for needed improvements, and sufficient conceptual design to identify project challenges, project right-of-way needs, and preliminary cost estimates. Additional improvements to be considered for funding in the updated</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
<p>roads, streets, bridges, traffic signals and related maintenance and improvement projects within the city, many of which are recommended in or support the City’s TCMP. The estimated costs of these projects identified in the City’s CIP totals approximately \$118M, a small fraction of which (approximately \$25M) are funded in the current CIP; the remaining are unfunded.</p>	<p>Transportation Impact Fee (TIF) policy may include bicycle, pedestrian, and traffic calming improvements, and the cost for future model updates.</p> <p>The 2024-2028 Capital Improvement Program identifies \$68,114,786 in funding for street improvements, representing 32% of the overall CIP projects for the next five years. The identified projects include the Tenth Street and Uvas Creek Bridge, Tenth Street/Hwy 101 Bridge widening, annual citywide pavement rehabilitation, annual pavement markings, annual shared-cost sidewalk replacement program, annual safe routes to schools, traffic calming, annual citywide curb ramp projects, annual signal/street light maintenance, and several traffic signals.</p>
<p>Fiscal Impact to the City of Gilroy and Affected Agencies. The City has indicated that it would require the establishment of a Community Facilities District to mitigate the impact of providing services to the project site. In response to LAFCO staff’s request for more details about the CFD, the City has indicated that the cost of all services (except landscaping and lighting) such as fire/police facilities and infrastructure, water and sewer system improvements, streets and park facilities would be covered by the CFD. However, the City has not provided an anticipated cost of service provision, or an estimate for revenues to be collected through the CFD. The City anticipates that the property owner/ developer would agree to participate in the CFD prior to selling individual parcels/ housing units. Given the lack of specific information about service needs and the anticipated costs that would be covered by the CFD, it is not possible to evaluate its financial feasibility.</p>	<p>Recognizing the importance of planning, developing, and financing system facilities to provide reliable service to existing customers and for servicing anticipated growth within the Gilroy Urban Growth Boundary, the City adopted updated comprehensive Master Plans for the City’s sewer system, water system, and storm drainage system on April 3, 2023, to reflect current land use conditions. While each of these reports is published as a standalone document, the analysis in each document has been cross referenced and coordinated for consistency with the Gilroy 2040 General Plan.</p> <p>Each Master Plan summarizes the City’s system facilities, updates system performance criteria, documents growth planning assumptions and known future developments, evaluates existing facilities to address capacity requirements from existing and projected developments, performs a cost allocation analysis for cost sharing purposes, and</p>

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>recommends a capital improvement program (CIP) with an opinion of probable construction costs.</p> <p>The City is also undergoing a rate study for user fees and will consider the projects contemplated in this Master Plans and the CIP to help determine the rate proposals. Staff will continue to review and update impact fees as part of the bi-annual departmental workplan</p> <p>Community Facilities District. In 1982, the Mello-Roos Community Facilities Act of 1982 (Government Code 53311-53368.3) was created to provide an alternative method of financing needed improvements and services. A Mello-Roos Community Facilities District ("CFD") allows for the financing of public services and improvements such as streets, sewer systems, water systems, police protection, fire protection, and much more. A CFD is usually created in undeveloped areas slated for future development, or older areas to finance improvements and rehabilitation when other sources of funds are not available. Once approved by the property owners within the proposed boundary, a special tax lien is placed against each property in the CFD. Existing/ future property owners then pay a Special Tax each year. If the project cost is high, municipal bonds will be sold by the CFD to provide the large amount of money initially needed to build the improvements or fund the services.</p> <p>The following process is anticipated for development of the CFD in Gilroy:</p> <ul style="list-style-type: none"> • At the time of final design, a CFD design professional will prepare a CFD plan that includes a scope of work for items to be included in the CFD, yearly maintenance

CITY OF GILROY RESPONSE TO LAFCO STAFF REPORT, DATED APRIL 5, 2023

LAFCO Comment	City Response
	<p>costs, and a cost breakdown of management costs.</p> <ul style="list-style-type: none"> • A petition to form a CFD is submitted to the City Council by the owner or by the owner legally authorized representative (developer). This document describes the work to be financed (the public facilities and services), and the rate and method of expenses and revenues for the Special Tax formation (CFD formation). • City Council holds a public meeting to hear the owners petition to form a CFD, approve intent of the rate and method of expenses and revenues for the special tax formation (CFD formation), directs the appropriate staff to prepare a CFD report, and sets a subsequent public hearing on the question of establishing a CFD. • At the second council hearing, Council hears any protest to the formation of the CFD. Council also passes a resolution approving the CFD report which summarizes the services to be financed and their initial costs. Council also passes a resolution calling for special elections by the residents of the CFD to approve the levy of the special taxes on the proposed CFD and the appropriations limit on the CFD. • A Unanimous Approval document, approved by all future CFD users, is recorded in the office of the County Recorder.

GILROY CONSISTENCY WITH LAFCO'S USA AMENDMENT POLICIES

LAFCO has adopted 11 policies related to the review of urban service area amendment requests. The following analysis identifies how the proposed City of Gilroy Wren Investors/Hewell Urban Service Area expansion request is consistent with these policies.

Policy 1. LAFCO will require application of an appropriate general plan designation to territory proposed for inclusion in an Urban Service Area.

The USA amendment application is consistent with this policy for the following reasons: The Gilroy 2040 General Plan land use designation for the Wren Investors/Hewell property is Neighborhood District High, which is discussed further in this memo.

Policy 2. LAFCO encourages contractual agreements and/or plans between the cities and the County which define:

- a. Growth at the urban fringe; and**
- b. Potential new growth areas.**

The USA amendment application is consistent with this policy for the following reasons: In order to maintain the long-term viability of agriculture, a multi-jurisdictional approach was established to preserve agricultural land in the southern Santa Clara Valley. This approach led to adoption of [*Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy*](#) (“*Strategies to Balance Planned Growth*”) in 1996. The purpose of the joint effort between the City, County, and LAFCO was to “identify ways to ensure the long-term maintenance of agriculture as a viable land use in the area south and east of Gilroy”. The *Strategies to Balance Planned Growth* contains four basic elements: Strategy 1: Plan for responsible, sustainable development; Strategy 2: Support agricultural viability; Strategy 3: Promote City/County cooperation; and Strategy 4: Monitor implementation.

The *Strategies to Balance Planned Growth* recognized that the City’s 20-year growth boundary “**is one tool that the City of Gilroy uses to plan the timing and location of new development in a responsible and sustainable way**”. In 2016, a more restrictive Urban Growth Boundary (“UGB”) initiative was approved by the voters to protect agriculture and open space, drawing a line beyond which urban development is not allowed. Gilroy’s UGB reflects a commitment to prevent development into the agriculturally and environmentally important areas surrounding the City, while allowing development where it makes most sense.

The *Strategies to Balance Planned Growth* recommended that if the 20-year growth boundary was strengthened, then “**LAFCO should re-examine its policies regarding requests for expansions to Gilroy’s USA**”. The City respectfully requests that LAFCO honor the *Strategies to Balance Planned Growth* and approve the proposed USA expansion which is solely contained within the City’s Urban Growth Boundary.

Policy 3. LAFCO will consider factors included in Government Code section 56668 as well as factors such as the following to determine the local and regional impacts of a proposed Urban Service Area amendment:

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

- a. The ratio of lands planned for residential use to lands planned for employment-producing use.**

The USA amendment application is consistent with this policy for the following reasons: The Gilroy 2040 General Plan Economic Prosperity Element contains goals, policies, and programs that aim to improve the balance between jobs and Gilroy's workforce, grow businesses within Gilroy, and attract new businesses and industries. The development potential of the Gilroy 2040 General Plan includes up to 6,477 new housing units (single-family and multi-family), an additional population of 19,756, and 21,434 new jobs.

- b. The existence of adequate regional and local transportation capabilities to support the planned city growth;**

The USA amendment application is consistent with this policy for the following reasons: The Gilroy 2040 General Plan Mobility Element provides the framework for decisions in Gilroy concerning the citywide transportation system. It seeks to create a balanced transportation network that supports and encourages walking, bicycling, and transit ridership. The goals and policies address a variety of topics, including multimodal transportation, complete streets, pedestrian facilities, bikeways, public transit, vehicular transportation, parking, and goods movement. The Wren Investors/Hewell property would be served regionally by US 101, Caltrain passenger train service, Santa Clara Valley Transportation Authority express bus service, and eventually by high speed rail. Locally, the proposed project would be served by Santa Teresa Boulevard, Monterey Road, Wren Avenue, Church Street, Buena Vista Avenue, Fitzgerald Avenue, other local streets, local bus service, and a bicycle/pedestrian pathway system. New local streets and paths would be constructed within the Wren Investors/Hewell property to serve the new development and connect it to the existing transportation system.

- c. Ability of the city to provide urban services to the growth areas without detracting from current service levels;**

The USA amendment application is consistent with this policy for the following reasons: The Gilroy 2040 General Plan Public Facilities and Services Element establishes goals and policies to guide the overall provision of public facilities and services in Gilroy. Implementing the policies will help to ensure Gilroy's public facilities and services are efficient and adequate for today and tomorrow. As analyzed in the Wren Investors/Hewell **Plan for Services** and the **2022 Master Plans for water, sewer, and storm drainage**, existing and planned City infrastructure is sufficient to accommodate the increased demand from future development of the Wren Investors/Hewell property. As discussed in this LAFCO policy consistency memo, the **2024-2028 Capital Improvement Program** identifies funding for several Master Plan projects related to water, sewer, and storm drainage. The City will also require formation of a Community Facilities District to mitigate financial impacts from future development of the Wren Investors/Hewell property. In addition, all of the on-site infrastructure for the Wren Investors/Hewell development is the responsibility of the developer to install. The developers would also be responsible for paying impact fees for a proportionate share of any necessary off-site infrastructure improvements.

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

d. The ability of school districts to provide school facilities;

The USA amendment application is consistent with this policy for the following reasons: The City of Gilroy is served by the Gilroy Unified School District (GUSD), which has elementary, middle, and high schools within the Gilroy Planning Area. General Plan policies support the development of new schools to serve both established and new neighborhoods. Per PFS 11.6 (School Sites), the City would coordinate with the developer and GUSD to ensure that sites are identified as a condition of development approval and incorporated as part of the Neighborhood District planning process. Site location considerations include adjacency to planned open-space corridors, neighborhood park sites, and bike and pedestrian pathways. The developer would also be responsible for the payment of school fees, which are considered by SB 50 to fully mitigate growth impacts to schools.

e. Whether the conversion of agricultural and other open space lands is premature, or if there are other areas into which to channel growth;

The USA amendment application is consistent with this policy for the following reasons:

None of the land within the Wren Investors/Hewell property is designated as prime farmland or Prime Farmland or Farmland of Statewide Importance by the California Department of Conservation, as illustrated in the 2016, 2018, and 2020 Santa Clara County Important Farmland maps. Furthermore, the proposed USA expansion area is located within the City's existing Urban Growth Boundary. The Urban Growth Boundary has the purpose of protecting agriculture and open space in areas surrounding the City.

The proposed USA expansion area is also located outside the area designated as Rural County in the City's 2040 General Plan Land Use Diagram. The purpose of the City's Rural County designation is to preserve rural residential, hillside, and productive agricultural land uses located outside areas planned for urban development. While the 1995 Santa Clara County General Plan designates the proposed USA expansion area as "open space reserve", the County General Plan is 25 years old. The open space reserve designation makes little sense given the surrounding uses on the east, northeast, south, and southwest which include single-family residences, apartment complexes, new housing under construction, and the County Office of Education's South County Annex.

f. The role of special districts in providing services;

The USA amendment application is consistent with this policy for the following reasons: City staff coordinate with Santa Clara Valley Water, Santa Clara Valley Transportation Authority, and other special districts in reviewing new development applications to ensure that land use is planned in a responsible and sustainable manner. Additionally, South County Regional Wastewater Authority (SCRWA) and Valley Water partner together to deliver recycled water to customers in the City of Gilroy. Both of these regional stakeholders, in conjunction with the City, work to maintain and enhance the levels of service for existing customers, while effectively planning for future growth. The City also has an Auto Aid Agreement with the South Santa Clara County Fire Protection District. Through this Agreement, the City of Gilroy already services the Wren/Hewell area on behalf of County Fire.

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

g. Environmental considerations which may apply;

The USA amendment application is consistent with this policy for the following reasons: In accordance with the California Environmental Quality Act (CEQA), an initial study was prepared to evaluate any potentially significant adverse effects of the proposed boundary change on the environment. The initial study identified potentially significant impacts in four separate areas; Air Quality, Biological Resources, Cultural Resources, and Noise. The initial study identified eight mitigation measures that would reduce potentially significant impacts to a less-than-significant level. A Mitigated Negative Declaration (MND) was adopted by the City of Gilroy and the applicants have agreed to the Mitigation Monitoring Program.

h. The impacts of proposed city expansion upon the County as a provider of services;

The USA amendment application is consistent with this policy for the following reasons: Upon annexation of the Wren Investors/Hewell property to the City, most services would be provided by the City of Gilroy. However, some services will continue to be provided by the County for all County residents whether in an incorporated City or unincorporated area. These services include the County jail system, health care, social services, and a variety of general government functions such as the Assessor, County Auditor and others.

i. Regional housing needs;

The USA amendment application is consistent with this policy for the following reasons: California is experiencing a housing supply crisis, with housing demand far outstripping supply. The housing crisis has particularly exacerbated the need for affordable homes at prices below market rates. According to the State Legislature, the housing crisis harms families across California and has resulted in increased poverty and homelessness. Furthermore, the State has found that the excessive cost of housing is partially caused by actions and policies that limit the approval of housing.

It is well known that cities do not build housing; developers do. The City of Gilroy has a developer who is ready and willing to build needed housing. Furthermore, the provision of affordable housing will be a requirement for future development of the property. The City's Neighborhood District Policy requires that 15 percent of housing units be affordable to very low-, low- and moderate-income households. The Neighborhood District is currently the only area in the City that requires affordable housing since the City of Gilroy does not have a city-wide inclusionary policy.

The Neighborhood District Policy helps to ensure that Neighborhood District developments meet General Plan Housing Element objectives. The purpose of Neighborhood Districts is to create neighborhoods that are attractive, safe, diverse, and healthy, containing housing that is affordable to a variety of income groups, thereby enhancing the quality of life for all Gilroy residents. Through the Neighborhood District designation, the City intends to promote a more integrative, comprehensive, and creative approach to neighborhood planning. As discussed later in this memo, the proposal will also affirmatively further fair housing goals by taking meaningful action to replace segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

j. Availability of adequate water supply;

The USA amendment application is consistent with this policy for the following reasons: On April 3, 2023, the City of Gilroy adopted the 2022 Water System Master Plan. The Master Plan identified numerous projects that the City should complete to meet 2040 General Plan build-out requirements. The City has also accumulated significant fund balances to pay for water supply infrastructure. The City's 2024-2028 Capital Improvement Program identified \$21,225,056 from the water fund and \$36,292,928 from the water development impact fund to pay for the \$57,517,985 Water System Master Plan Project. This Project includes 13 pipeline replacements, nine (9) new pipeline improvements, three (3) groundwater well improvements, and storage reservoir improvements. These 26 projects would mitigate existing deficiencies in the City's water system and implement improvements to service anticipated future growth throughout the City. The \$57,517,985 Water System Master Plan Project also includes \$11,503,600 for design work and \$575,187 for CEQA compliance.

k. Consistency with city or county general and specific plans.

The USA amendment application is consistent with this policy for the following reasons:

Gilroy 2040 General Plan. The City's General Plan was adopted in November 2020. The following General Plan policies relate to Urban Service Area amendments and to the City's growth and change. The proposed USA expansion does not require any amendments to the text, policies, or land uses in the Gilroy 2040 General Plan. A new Specific Plan will be required for the Wren Investors/Hewell property prior to annexation.

Land Use Goal LU 1: Protect and enhance Gilroy's quality of life and unique identity while continuing to grow and change.

USA Consistency: Residential uses have been anticipated on these properties for over 30 years and were included in build-out projections for the City's 2020 and 2040 General Plans. When the Urban Growth Boundary was approved by the voters in 2016, it did not exclude the Wren Investors/Hewell property from future development. The Neighborhood District Policy and development of a Specific Plan for the Wren Investors/Hewell property will ensure that future development of the area will protect and enhance Gilroy's quality of life and unique identity.

LU 1.1: Pattern of Development. Ensure an orderly, contiguous pattern of development that prioritizes infill development, phases new development, encourages compactness and efficiency, preserves surrounding open space and agricultural resources, and avoids land use incompatibilities.

USA Consistency: The proposed Urban Service Area amendment would provide a contiguous pattern of development because it logically extends Gilroy's Urban Service Area boundary along Cohansey Avenue, Vickery Avenue, Wren Avenue, Kern Avenue, and Tatum Avenue. Prior to approval of annexation and other land use entitlements, a Specific Plan shall be prepared for the entire Neighborhood District area. The Specific Plan shall be consistent with the Neighborhood District Policy, which provides guidance on topics including phasing of development, location and mix of uses, site and architectural design, affordable housing, circulation, and open space.

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

***LU 1.2: Residential Growth.** Encourage new residential development to locate within the existing Urban Service Area prior to considering expansion of the Urban Service Area.*

USA Consistency: Gilroy's Urban Growth boundary significantly limits Gilroy's expansion potential. Coupled with the current demand for housing at a local and regional level, staff expects that much of Gilroy's vacant and underutilized land will be developed before the Wren Investors/Hewell property has completed its lengthy entitlement process. Bringing the Wren Investors/Hewell property into Gilroy's urban service area now will allow Gilroy to have adequate residential land to meet future residential growth requirements.

***LU 1.5: Uses East of U.S. 101.** Prohibit all residential uses on lands east of U.S. 101 and designate the area for industrial and agricultural uses, employment centers, compatible commercial development, and public and quasi-public facilities.*

USA Consistency: The USA expansion area is located west of US 101.

***LU 1.6: Areas with Fragmented Property Ownership.** Encourage coordinated development in areas where a fragmentation of property ownership poses potential impediments for orderly and efficient development (e.g., layout of streets, lots, utilities). Projects where such impediments are identified shall demonstrate good faith effort to acquire and consolidate adjacent parcels in cases where to do so would improve the development potential of the project, consistent with the General Plan policies and other City development standards.*

USA Consistency: All property owners of the 15 parcels located in the proposed USA expansion area have entered into an agreement to proceed with the USA and future annexation application. Per the agreement, all 15 parcels will be owned by a single property owner in order to ensure an orderly and efficient process.

***LU 1.8: Vacant and Underutilized Sites.** Monitor vacant and underutilized residential and non-residential land to encourage infill development on those sites.*

USA Consistency: The most recent city survey of vacant and underutilized *non-residential* land was completed in February 2021. The most recent city survey of vacant and underutilized residential land was completed in May 2023 and illustrates that the existing Gilroy USA can accommodate approximately 4.2 years of residential growth on vacant land, or approximately 5.4 years of residential growth on vacant and underutilized land, assuming an average of 326 permits are issued per year (8-year average).

***LU 1.10: Urban Service Area Amendments.** Accept and evaluate applications for inclusion in the Urban Service Area annually in light of General Plan policies promoting infill development and efficient and cost-effective provision of urban services.*

USA Consistency: It is apparent, looking at an aerial map, that the Wren Investors/Hewell property is essentially infill development. The Wren Investors/Hewell property is adjacent to single-family residences, apartment complexes, new housing under construction, and the County Office of Education's South County Annex to the east, northeast, south, and southwest. The Wren/Hewell

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

proposal infills the abutting development, allowing for an efficient connection to existing and planned city infrastructure.

LU 1.11: Contiguous Development. *Strongly discourage development that is not contiguous with existing urban development.*

USA Consistency: The proposed USA amendment area borders on existing urban development within Gilroy City limits.

LU 1.12: Interagency Coordination for Growth Management. *Work with Santa Clara County and other South Valley communities to ensure a regional approach to growth management. Also work with the County to discourage land subdivision and development activities in areas outside the Urban Service Area but within the sphere-of-influence that might undermine the future urban development potential of those lands. The 1990 South County Joint Area Plan, adopted by Santa Clara County, the City of Gilroy, and the City of Morgan Hill shall serve as a reference of recommended policies and approaches to continue this work.*

USA Consistency: The *South County Joint Area Plan* was adopted in 1990 and had a 15-year planning horizon, through 2005. With regard to “Urban Growth and Development”, *South County Joint Area Plan Policy SC 1.2* recognized that “... *Both the areas needed for future urban development and the areas to be kept in long-term rural land uses or open space should be identified.*” The Wren Investors/Hewell properties are located within the City’s Urban Growth Boundary, which draws a line beyond which urban development is not allowed, protecting agriculture and open space where it makes most sense. The proposed USA expansion area is located outside the area designated as “Rural County” and “Open Space” in the Gilroy 2040 General Plan. The purpose of the City’s “Rural County” designation is to preserve rural residential, hillside, and productive agricultural land uses located outside areas planned for urban development. The City’s “Open Space” designation is applied to areas where urban development is either inappropriate or undesirable. Specifically, it is intended to preserve and protect lands that are considered environmentally unsuitable for development, including natural resource areas such as the Uvas Creek and Llagas Creek corridors and the southwestern foothills and hazardous areas such as fault zones and floodways.

Per Policy 1.3, conditions of population/employment growth and land development should be regularly monitoredto assess the demand for additional urban development, and to determine when it would be appropriate to plan for more extensive urban development in the South County. A lot has happened since the South County Joint Area Plan was adopted over 30 years ago. The State has declared that California is in a housing crisis and that local governments must do more to accelerate housing production and remove constraints that hinder housing development. The City of Gilroy has designated the Wren Investors/Hewell properties for urban land uses since 1968 and applied the Neighborhood District land use district to the properties in 2002.

LU 1.16: Urban Growth Boundary Implementation. *Until December 31, 2040, the General Plan provisions, as adopted by the Gilroy Urban Growth Boundary Initiative, may not be amended or repealed except by a vote of the people.*

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

USA Consistency: The USA expansion area is entirely within the Urban Growth Boundary and is consistent with General Plan policies as discussed throughout this memo.

LU 8.8: Clustered Development. Encourage clustered development as a strategy for achieving desired densities while protecting fragile environmental habitats or natural features creating amenity open spaces and achieving other community design goals.

USA Consistency: The City's General Plan land use designation for the Wren Investors/Hewell property is Neighborhood District High. The Neighborhood District will consist of compact, complete, neighborhood-style development with a mix of single-family, medium- to high-density residential uses, and commercial uses. Commercial and medium- to high-density residential uses will be clustered to form neighborhood centers that will be centrally located to be convenient to as many residents as possible. Residents can access neighborhood centers easily by walking, biking, or driving. Neighborhood-serving amenities such as schools, parks, open space, and neighborhood commercial will be integrated in the neighborhood design in a manner that provides the greatest benefit to the community.

LU 2.1: Specific Plans. Require the development of specific plans for new development on land designated Neighborhood District North and Neighborhood District South.

USA Consistency: The applicant will be required to prepare a comprehensive Specific Plan in accordance with State Planning Law (Government Code 65450) and the City's General Plan and Zoning Ordinance. The Specific Plan shall be consistent with the Neighborhood District Policy.

Santa Clara County General Plan: The Wren Investors/Hewell unincorporated property has a Santa Clara County General Plan land use designation of Open-Space Reserve. The County General Plan was adopted in 1994 and has six (6) policies related to the Open Space Reserve land use designation.

County R-LU 45: Open Space Reserve (OSR) lands include rural unincorporated areas contiguous to a city Urban Service Area (USA) for which no permanent land use designation was applied pending future joint studies by affected jurisdictions of desired long term land use patterns.

USA Consistency: The City of Gilroy has designated the Wren Investors/Hewell properties for urban land uses since 1968 and applied the Neighborhood District land use district to the properties in 2002. The proposed USA expansion area is located outside the area designated by the City of Gilroy as "Rural County" and "Open Space". The purpose of the City's Rural County designation is to preserve rural residential, hillside, and productive agricultural land uses located outside areas planned for urban development, while the Open Space designation is applied to areas where urban development is either inappropriate or undesirable. Specifically, it is intended to preserve and protect lands that are considered environmentally unsuitable for development, including natural resource areas such as the Uvas Creek and Llagas Creek corridors and the southwestern foothills and hazardous areas such as fault zones and floodways.

County R-LU 46: Allowable uses shall consist of agriculture and open space uses.

USA Consistency: Agricultural and open space uses on the Wren Investors/Hewell properties make little sense given their individual lot sizes and infill characteristics. As provided in *County Policy R-*

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

LU 48 below, the minimum lot size for the Open Space Reserve (OSR) shall be 20 acres. This minimum threshold makes sense from a viability standpoint. However, 13 of the 15 properties are less than six (6) acres in size, with the remaining two (2) being approximately 9.3 acres and 18.3 acres in size. Furthermore, per County General Plan Policy R-RC 64, “*As the means and resources become available, agricultural areas of greatest long-term viability should be designated for long term or possibly permanent preservation from urban development. Areas such as the lands south and east of Gilroy should be considered for designation and preservation.*” This Policy is consistent with *Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy*, a joint effort between the City, County, and LAFCO to “identify ways to ensure the long-term maintenance of agriculture as a viable land use in the area south and east of Gilroy”. The Wren Investors / Hewell property is not located in the identified areas south and east of Gilroy.

County R-LU 47: *No commercial, industrial, or institutional uses shall be allowed.*

USA Consistency: Following annexation into the City, neighborhood-serving amenities such as schools, parks, open space, and neighborhood commercial will be integrated in the neighborhood design in a manner that provides the greatest benefit to the community.

County R-LU 48: *No parcels of less than 20 acres shall be created.*

USA Consistency: Given that all 15 parcels are less than 20 acres in size, it makes little sense to retain them for open space or agricultural uses. As noted above, 13 of the 15 properties are less than six (6) acres in size, with the remaining two being approximately 9.3 acres and 18.3 acres in size.

County R-LU 49: *For lands within the vicinity of the City of Gilroy designated OSR, joint studies should be conducted to resolve and define: a. areas to be reserved for future urban growth; b. areas to be reserved for long term agricultural use; and c. other planning objectives identified within the South County Joint Area Plan deemed appropriate to the OSR areas.*

USA Consistency: The proposed USA expansion is consistent with the *Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy*. The purpose of this joint effort between the City, County, and LAFCO was to “identify ways to ensure the long-term maintenance of agriculture as a viable land use in the area south and east of Gilroy”.

Per *South County Joint Area Plan Policy SC 1.8*, *Urban growth should be managed and scheduled consistent with the ability to provide public facilities and services, such as sewer capacity, water, transportation, schools, public safety and other urban services.* Per *Policy SC 1.12*, *Expansion of urban service areas and annexations should be based on general plans and be consistent with the Cities' schedules for development and extension of services.* The 2024-2028 Capital Improvement Program fully funds expansion of the South County Regional Wastewater Authority (SCRWA). The SCRWA expansion project is anticipated to be complete in 2026. The ongoing operational costs necessary to manage the increased capacity due to the City's growth will be offset by the increased fees associated with the growth. Furthermore, as described on page 14 of this document, the 2024-2028 Capital Improvement Program identifies funding for the Water System Master Plan Project which includes 26 individual projects throughout the City intended to mitigate existing deficiencies in the City's water system and implement improvements to service anticipated future growth. The

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

2024-2028 Capital Improvement Program also identifies funding for the Sewer System Master Plan Project, which includes 16 individual projects in 6 system areas throughout the City intended to mitigate existing deficiencies in the City's sewer system and implement improvements to service anticipated future growth throughout the City.

Per Policy SC 5.1, Cities should provide an urban level of services and facilities to urban areas. Strategies that help achieve this objective and are already partially or fully in use include: a. requiring that the timing and location of future urban development be based upon the availability of public services and facilities, b. requiring new development to pay all of the incremental public service costs which it generates, and, c. requiring developers to dedicate land and/ or pay to offset the costs relating to the provision and expansion of public services and facilities. The Wren Investors/Hewell development would begin construction after the SCRWA expansion project is complete and after the City anticipates beginning the Water Master Plan infrastructure project. Future residents would be required to pay incremental public service costs through a Community Facilities District, while the developers would be required to construct the needed infrastructure or pay impact fees to offset the costs relating to the provision and expansion of public services and facilities.

County R-LU 50: For lands within the vicinity of the City of San Jose designated OSR, joint studies should be conducted to define and resolve issues of mutual interest for the South Almaden Valley and nearby hillsides areas.

USA Consistency: This policy is not applicable.

Policy 4. LAFCO will consider the applicable service reviews and discourage urban service area amendments that undermine adopted service review determinations or recommendations.

The USA amendment application is consistent with this policy for the following reasons: LAFCO's most recent municipal service review for Gilroy was approved by LAFCO in December 2015. At that time, LAFCO found that core municipal services are mainly delivered by City staff. LAFCO also noted that the City of Gilroy does not anticipate obstacles to maintaining existing service levels or meeting immediate infrastructure needs, given the growth and population increases projected.

Policy 5. When a city with a substantial supply of vacant land within its Urban Service Area applies for an Urban Service Area expansion, LAFCO will require an explanation of why the expansion is necessary, why infill development is not undertaken first, and how an orderly, efficient growth pattern, consistent with LAFCO mandates, will be maintained.

The USA amendment application is consistent with this policy for the following reasons: The area proposed for USA expansion is included in the City's Urban Growth Boundary (UGB). The UGB sponsors were very concerned about urban sprawl and agricultural land preservation, but also acknowledged the need for sufficient housing and job opportunities in the city. The UGB Initiative text explicitly states that it "will not limit Gilroy's ability to continue to meet the housing needs of all economic segments of the population, including lower- and moderate-income households".

The attached and updated Vacant Land Inventory illustrates that the existing Gilroy USA can accommodate approximately **4.2 years of residential growth on vacant land**, or approximately 5.4 years of residential growth on vacant and underutilized land, assuming an average of 326 permits are

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

issued per year (8-year average). Although the city currently has a 4.2 to 5.4-year supply of residential land, staff anticipates that most of that land would develop before the Wren Investors/Hewell property has completed its lengthy entitlement process. Bringing the Wren Investors/Hewell property into Gilroy's urban service area now will allow Gilroy to have adequate residential land to meet future residential growth requirements.

California is in the midst of a housing supply and affordability crisis. The California legislature and Governor have responded to the crisis in part by requiring more actions by local government, including making suitable lands available for new housing.

As provided in **the attached Vacant Land Survey**, 199 of the units are estimated in the City's Hillside Residential area which are more costly and difficult to build given environmental constraints (e.g., protected habitat, steep slopes, and limited access). For example, site H-10 (Country Estates Phase IV) has significant access constraints and was previously denied a development permit for a proposed 61-unit subdivision. Much of the Hillside Residential area is also considered Wildland Urban Interface which has a higher risk for fire. Another 377 of the units are located in the Glen Loma Ranch and Hecker Pass Specific Plan areas, which are expected to be built out over the next five years. This leaves an estimated 792 units on vacant land (2.4-year supply) or approximately 1,183 units on vacant and underutilized land (3.6-year supply), assuming an average of 326 permits are issued per year (eight-year average). While it may be theoretically possible to accommodate these units entirely through "infill development", such an action is realistically infeasible. In fact, the City has already experienced that theory does not always translate to reality. For example, only 29 units on the parcel identified as "M-1" are actually being built, as opposed to the 56 units that were estimated in the April 2021 vacant land inventory. (note that 10 of the 29 permits have already been issued).

Policy 6. The Commission will discourage Urban Service Area expansions which include agricultural or other open space land unless the city has accomplished one of the following:

- a. Demonstrated to LAFCO that effective measures have been adopted for protecting the open space or agricultural status of the land. Such measures may include, but not limited to, the establishment of agricultural preserves pursuant to the California Land Conservation Act, the adoption of city/County use agreements or applicable specific plans, the implementation of clustering or transfer-of-development-rights policies; evidence of public acquisition; or**
- b. Demonstrated to LAFCO that conversion of such lands to other than open space uses is necessary to promote the planned, orderly, efficient development of the city.**

The USA amendment application is consistent with this policy for the following reasons:

None of the land within the Wren/Hewell property is designated as Prime Farmland or farmland of Statewide Importance by the California Department of Conservation, as illustrated in the 2016, 2018, and 2020 Santa Clara County Important Farmland maps. Furthermore, the Wren Investors/Hewell property is outside the agricultural preservation area identified in the *Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy*, a joint effort between the City, County, and LAFCO. The proposed USA expansion area is located within the City's existing

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

Urban Growth Boundary, which has the purpose of protecting the agriculture and open space character of the surrounding areas.

Policy 7. The Commission will consider whether an Urban Service Area amendment leading to the conversion of agricultural or other open space land, will adversely affect the agricultural or open space resources of the County. Factors to be studied include, but are not limited to:

- a. The agricultural significance of the amendment area relative to other agricultural lands in the region (soil, climate, water-related problems, parcel size, current land use, crop value, Williamson Act contracts, etc.);**
- b. The economic viability of use of the land for agriculture;**
- c. Whether public facilities, such as roads, would be extended through or adjacent to other agricultural lands in order to provide services to anticipated development in the amendment area or whether the public facilities would be sized or situated to impact other agricultural lands in the area;**
- d. Whether the amendment area is adjacent to or surrounded by existing urban or residential development.**

The USA amendment application is consistent with this policy for the following reasons:

None of the land within the Wren/Hewell property is designated as prime farmland or Prime Farmland or Farmland of Statewide Importance by the California Department of Conservation, as illustrated in the 2016, 2018, and 2020 Santa Clara County Important Farmland maps. No parcels within the proposed USA expansion area are subject to a Williamson Act contract. The proposed USA expansion area is also located within the City's existing Urban Growth Boundary, which has the purpose of protecting the agriculture and open space character of the surrounding areas. Approximately 11,763 acres of land in Gilroy's Sphere of Influence is located outside the City's Urban Growth Boundary, including Prime Farmland and Farmland of Statewide Importance.

The Wren Investors/Hewell property is located between other residential uses and can be easily serviced by new utilities that would not extend through any designated agricultural land.

Policy 8. If an Urban Service Area proposal includes the conversion of open space lands or agricultural lands, LAFCO strongly encourages the city to develop effective mitigation measures to address the loss of the agricultural and open space lands. LAFCO will require an explanation of why the inclusion of agricultural and open space lands is necessary and how the loss of such lands will be mitigated. Mitigation measures include, but are not limited to: the acquisition and dedication of farmland, development rights, open space and conservation easements to permanently protect adjacent and other agricultural lands within the county, participation in other development programs such as transfer or purchase of development rights, payments to recognized government and non-profit organizations for such purposes, and establishment of buffers to shield agricultural operations from the effects of development.

The USA amendment application is consistent with this policy for the following reasons: While the City has an adopted Agricultural Mitigation Policy, the Wren Investors/Hewell property is not subject

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

to the Policy because the property is not considered by the State of California to be Prime Farmland or Farmland of Statewide Importance.

Policy 9. Where appropriate, LAFCO will consider adopted policies advocating maintenance of greenbelts or other open space around cities in reviewing Urban Service Area amendments.

The USA amendment application is consistent with this policy for the following reasons: The Urban Growth Boundary (“UGB”) initiative was approved by the voters to protect agriculture and open space, drawing a line beyond which urban development is not allowed. Gilroy’s UGB reflects a commitment to prevent development into the agriculturally and environmentally important areas surrounding the City, while allowing development where it makes most sense. The UGB also decreased the level of development in Gilroy, as estimated below:

- Less potential residential development (reductions of 2,929 units compared to the 2020 General Plan and 4,344 compared to the previously considered 2040 Draft Plan).
- Less potential non-residential development (reductions of 8,313,344 square feet compared to the 2020 General Plan and 4,002,197 square feet compared to the previously considered 2040 Draft Plan).
- A decline in potential jobs, labor income, and economic output (reductions of 45% compared to the 2020 General Plan and 13-14% compared to the previously considered 2040 Draft Plan).
- A decline in potential construction jobs, labor income, and economic output from construction (reductions of 30% compared to the 2020 General Plan and 25% compared to the previously considered 2040 Draft Plan).
- Roadway network changes that would increase the City's Traffic Impact Fee by approximately 40% over current fees.
- Less General Fund revenue, including reductions in sales and property tax revenues. However, lower service populations would lead to reduced expenditures for City services.

Policy 10. LAFCO will require evidence that an adequate water supply is available to the amendment areas and that water proposed to be provided to new areas does not include supplies needed for unserved properties already within the city, the city’s Urban Service Area or other properties already charged for city water services. In determining water availability, LAFCO will evaluate, review and consider:

- a. **The city’s plan for water service to the area and statement of existing water supply in terms of number of service units available; service units currently allocated; number of service units within city (and current USA) boundaries that are anticipating future service and service units needed for amendment area.**
- b. **Whether the city is able to provide adequate water supply to the amendment area in the next 5 years, including drought years, while reserving capacity for areas within the city and Urban Service Area that have not yet developed.**
- c. **Whether the city is capable of providing adequate services when needed to areas already in the city, in the city’s Urban Service Area or to other properties entitled to service.**

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

- d. If capacity is not reserved for unserved property within the city and its Urban Service Area boundary, the current estimate of potential unserved properties and related water supply needs**
- e. Whether additional infrastructure and or new water supplies are necessary to accommodate future development or increases in service demand. If so, whether plans, permits and financing plans are in place to ensure that infrastructure and supply are available when necessary including compliance with required administrative and legislated processes, such as CEQA review, CEQA mitigation monitoring plans, or State Water Resources Board allocation permits. If permits are not current or in process, or allocations approved, whether approval is expected.**
- f. Whether facilities or services comply with environmental and safety standards so as to permit acquisition, treatment, and distribution of necessary water.**

The USA amendment application is consistent with this policy for the following reasons: Cities rely on water master plans to assess the current operations and functionality of a City's existing water system and to help meet the future water needs of the community. On April 3, 2023, the City of Gilroy adopted the 2022 Water System Master Plan. The Master Plan is intended to serve as a tool for planning and phasing the construction of future domestic water system infrastructure for the projected buildout of the City. This Master Plan also evaluates the City's domestic water system and recommends capacity improvements necessary to service the needs of existing users and for servicing the future growth of the city. The Master Plan identified numerous projects that the City should complete to meet 2040 General Plan build-out requirements. The City has also accumulated significant fund balances to pay for water supply infrastructure. The City's 2024-2028 Capital Improvement Program identified \$21,225,056 from the water fund and \$36,292,928 from the water development impact fund to pay for the \$57,517,985 Water System Master Plan Project. This Project includes 13 pipeline replacements, nine (9) new pipeline improvements, three (3) groundwater well improvements, and storage reservoir improvements. These 26 projects would mitigate existing deficiencies in the City's water system and implement improvements to service anticipated future growth throughout the City. The \$57,517,985 Water System Master Plan Project also includes \$11,503,600 for design work and \$575,187 for CEQA compliance.

Policy 11. LAFCO will discourage proposals that undermine regional housing needs plans, reduce affordable housing stock, or propose additional urbanization without attention to affordable housing needs. LAFCO will consider:

- a. Whether the proposal creates conditions that promote local and regional policies and programs intended to remove or minimize impediments to fair housing including city/county general plan housing elements, Analysis of Impediments to Fair Housing or Consolidated Plans for Housing and Community Development and ABAG's regional housing needs assessment and related policies.**

The USA amendment application is consistent with this policy for the following reasons: The City's Neighborhood District Policy helps to ensure that Neighborhood District developments meet fair housing objectives. The purpose of Neighborhood Districts is to create neighborhoods that are attractive, safe, diverse, and healthy, containing housing that is affordable to a variety of income

Gilroy USA Expansion Consistency with LAFCO's USA Amendment Policies

groups, thereby enhancing the quality of life for all Gilroy residents. Through the Neighborhood District General Plan designation, the City hopes to promote a more integrative, comprehensive, and creative approach to neighborhood planning. Therefore, the proposal would affirmatively further fair housing goals by taking meaningful action to replace segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity.

- b. Whether the proposal introduces urban uses into rural areas thus increasing the value of currently affordable rural area housing and reducing regional affordable housing supply.**

The USA amendment application is consistent with this policy for the following reasons: The Wren Investors/Hewell property is already adjacent to a number of relatively new housing developments and new housing under construction. The Neighborhood District Policy also requires a minimum of 15 percent of the homes in the proposed development be affordable. Therefore, the project, as conceptually proposed, would include 46 affordable units (15% of 307 units). This equates to approximately 3 affordable units per each of the 15 parcels in the proposed USA, which would offset any loss of existing affordable rural housing.

- c. Whether the proposal directs growth away from agricultural / open space lands towards infill areas and encourages development of vacant land adjacent to existing urban areas thus decreasing infrastructure costs and potentially housing construction costs.**

The USA amendment application is consistent with this policy for the following reasons: As discussed throughout this document, the Wren/Hewell property is not designated as Prime Farmland or Farmland of Statewide Importance under the 2016, 2018, and 2020 Farmlands Mapping and Monitoring Program and is not subject to a Williamson Act contract. The Wren Investors/Hewell property is outside the agricultural preservation area identified in the *Strategies to Balance Planned Growth and Agricultural Viability in the areas south and east of Gilroy*. The proposed USA expansion area is also located outside the area designated by the City of Gilroy as “Rural County” and “Open Space”.

The City of Gilroy anticipates that much of the vacant and underutilized land in the City will be entitled over the next five years, as Gilroy's Urban Growth boundary significantly limits Gilroy's expansion potential, coupled with the current demand for housing at a local and regional level. Bringing the Wren Investors/Hewell property into Gilroy's urban service area now will allow Gilroy to have adequate residential land to meet future residential growth requirements after the Wren/Hewell development goes through its lengthy entitlement process. Finally, the Wren Investors/Hewell property is located at the current USA boundary and can easily be serviced by new utilities.



Community Development Department

Sharon Goei
DIRECTOR

7351 Rosanna Street, Gilroy, California 95020-6197
Telephone: (408) 846-0451 Fax: (408) 846-0429
<http://www.cityofgilroy.org>

June 21, 2023

Dear LAFCO Commissioners,

Thank you for taking the time to review this letter, and information provided in the City's May 31, 2023 submittal, including the attached cover letter (05-31-23), LAFCO Staff Report Response Matrix (05-31-23), and the City of Gilroy Vacant Land Inventory (05-25-23). If you haven't already done so, I urge you to please also review the LAFCO USA Policies Consistency memo, prepared by the City and submitted on 05-31-23 along with the above documents. Consistency with adopted and transparent LAFCO policies should guide the Commission's decision.

Before providing new information in response to questions raised by the Commission at the June 7, 2023 public hearing, the City of Gilroy would like to address the concern regarding the date that Gilroy submitted materials for the June 7th meeting. Per the **attached email** from LAFCO staff, Gilroy staff was instructed to submit materials by *May 31st*. As professional public servants, we honored this direction and submitted our materials in a timely manner on May 31, 2023, just as we have honored the June 21, 2023 deadline to answer the Commission's questions.

On June 7, 2023, the LAFCO Commissioners had several questions for the City of Gilroy. Within the requested two-week deadline, we have developed the following response. Should any of this information be incomplete, we will bring that to your attention on or before the August 2, 2023 LAFCO public hearing. We also respectfully ask that the City of Gilroy be given the same deadline for submission of materials as any member of the public.

Question/Comment	City of Gilroy Response (<i>emphasis added</i>)
What is the LAFCO policy regarding vacant and underutilized land?	LAFCO does not define vacant land or underutilized land in its USA Policies or its application submittal requirements . Similarly, there is no adopted methodology for developing a Vacant Land Inventory.
Why does the City of Gilroy have a different calculation for its vacant land inventory than shown in LAFCO	Given the lack of an adopted LAFCO methodology, the City of Gilroy requests that the Commission accept the City of Gilroy's most recent Vacant Land Inventory, which reflects findings from a significant recent undertaking to identify sites capable of accommodating housing throughout Gilroy City limits.

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
<p>staff's June 7th presentation?</p>	<p>Vacant Land Capacity: Based on Gilroy's thorough review (further described below) of the entire City, there is approximately 4.2 to 4.5 years of vacant land capacity and approximately 1.2 to 1.5 years of underutilized land capacity, using an 8 to 10-year permit history.</p> <p>The City issues building permits daily, which continues to reduce our vacant land capacity. Grading permits have been issued for 72 units in the Hecker Pass Specific Plan area (Site SP-2) and 19 units at 9130 Kern Avenue (Site M-1) which is immediately adjacent to the proposed amendment area. Another 93 permits are being applied for in the Glen Loma Ranch Specific Plan area (Site SP-1). Gilroy anticipates issuing building permits for these 184 units within the next 2 – 9 months, bringing our Vacant Land Inventory down to 1,184 units or approximately 3.6 to 3.9 years of vacant land capacity, using an 8 to 10-year permit history.</p> <p>LAFCO staff's report was based on an inventory from 2021 that doesn't consider the fact that the City permitted an additional 178 permits between December 2021 and May 2023 in the Glen Loma Ranch subdivision in addition to dozens of building permits issued in the hillside, low-, medium-, and high- density residential neighborhoods. (This is in addition to the 184 units noted above).</p> <p>Furthermore, as part of the recent update to the City's Housing Element, the City thoroughly re-evaluated the number of units that could realistically be accommodated on both vacant and underutilized parcels in the Downtown area and the new First Street Mixed Use Corridor. Sites with historic buildings that cannot be demolished were removed from the 2021 Inventory. Similarly, sites with thriving commercial businesses were also removed since these sites are unlikely to be redeveloped in the next 5 to 8 years. This analysis is reflected on page 3-2 of the May 25th Vacant Land Inventory, finding that 289 units can be accommodated on underutilized sites within the Downtown Specific Plan area, while only 32 units can be accommodated on underutilized sites within the First Street Mixed Use Corridor.</p> <p>By the time the Wren Investors/Hewell development completes its lengthy entitlement process (~ 5 years), the City's vacant land capacity will be significantly reduced, making it more challenging to meet regional and local housing needs.</p>

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
	<p>According to LAFCO’s application submittal requirements, “<i>If the amount of vacant land exceeds a five-year supply, explanation is required for why the expansion is necessary and how an orderly and efficient growth pattern will be maintained.</i>”</p> <p>Master Plan updates: Updates to the City’s Master Plans for water, sewer, and storm drainage demonstrate that existing and planned City infrastructure can accommodate the increased demand for services for this development. The City’s significant investment in the Capital Improvement Program for the 2024-2028 fiscal years illustrates Gilroy’s commitment to funding master plan projects as described in previous correspondence.</p> <p>Orderly Growth: The required Specific Plan will ensure orderly growth in compliance with the City’s Neighborhood District Policy, which provides guidance on the provision of utilities, circulation, open space, site and architectural design, and affordable housing. The purpose of the Neighborhood District land use designation is to encourage compact, complete, neighborhood-style development. Development of the property will also bring utility connection access to existing properties that are currently using septic and/or well water.</p> <p>It is also noteworthy that 199 of the 1,368 VLI units (~14.5%) are located in the City’s Hillside Residential area. The Hillside Residential area is considered Wildland Urban Interface and has a higher risk for fire. It is safer, less costly, and much more efficient to build housing on the valley floor where there is less risk of fire and erosion, and easier access to utilities, transit, and major roadways.</p> <p>Public Transportation: VTA bus #68 which provides 15-minute headways to the San Jose Diridon station has a stop located at the intersection of Monterey Road and Farrell Avenue, within a 15-20-minute walk of the proposed development.</p>
<p>What is the impact to Police Services?</p>	<p>The Gilroy Police Department currently services areas adjacent to the proposed amendment area and will be able to serve the additional 1,075 residents associated with the future annexed area (~ 2% increase in Gilroy’s overall population).</p> <p>The Gilroy Police Department is housed in a single building located at 7301 Hanna St in Gilroy and would not need additional facility space to service the annexed area. The Police Department would</p>

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
	anticipate adding one (1) additional Police Officer, which would be funded through the development’s Community Facilities District. Impact fees would cover most of the additional equipment that would be needed to police the annexed area.
What are the Fire Service Response times to the proposed amendment area?	As mentioned in previous correspondence, the Gilroy Fire Department already services the proposed amendment area through an Auto Aid Agreement on behalf of South Santa Clara County Fire Department. Primary response to the proposed amendment area comes from the Las Animas Station, which currently has a response time of six (6) minutes. The Sunrise Station also serves this area with a response time of seven (7) minutes.
How does the City intend to fund the \$24 million Water Master Plan Projects?	<p>Approximately \$23.7 million in funds is needed for CIP projects related to serving future users through General Plan buildout in 2040. The proposed amendment area is a small percentage of the total City build-out projected under the 2040 Gilroy General Plan. The Water Impact fund (which funds costs related to future users) has a projected FY23 ending fund balance of \$3.8 million. While this current funding represents ~16% of the total funds needed for these master plan projects, the \$23.7 million in CIP costs is not intended to be financed by a single year alone (e.g., FY23), but rather through General Plan buildout in 2040. Each fiscal year (e.g., FY24, 25, etc. through 2040), the City will continue to collect funds to pay for improvements related to future users. Each CIP cycle, the City will also select individual projects from the 2022 master plans, as deemed necessary and within the planned budgets.</p> <p>The next step is to retain the services of a financial consultant to review the capital costs identified in the 2022 master plans, perform an updated <i>rate study</i> and <i>impact fee study</i>, and assist City staff with financial options including potential rate increases. The last assessment for water and sewer rates was adopted in 2015 and included annual rate increases through July 1, 2019, however, the 2015 rate study was based on the 2004 master plans. The objective of a new rate study is to revisit and update our cost of service based on the 2022 master plans, and to develop a schedule of rates for the next 5 years, thus mitigating the need for large rate increases to our customers, during the 5-year CIP cycle, and into the future.</p>

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
<p>What are the City’s efforts related to Recycled Water?</p> <p>How has the City partnered with other agencies (e.g., Valley Water and the City of Morgan Hill) on recycled water?</p>	<p>The South County Regional Wastewater Authority (SCRWA) is a joint powers authority established to manage the treatment of wastewater for the Cities of Gilroy and Morgan Hill. In partnership with the Santa Clara Valley Water District, the SCRWA also operates a recycled water facility co-located at the treatment plant site. SCRWA serves as the provider, Valley Water as the wholesaler, and Gilroy as a retailer.</p> <p>The SCRWA reliably meets the steadily increasing demand for recycled water to irrigate local parks, golf courses, sports complex, landscape medians, agricultural and industrial uses. In 2022, the Plant produced 917 million gallons of recycled water; about 70 million gallons more than in 2021.</p> <p>The plant’s remaining effluent is disposed of in percolation ponds, which allow the water to soak into the soil and eventually add water to the underground aquifer. This is different from many other treatment plants in the Bay Area that discharge effluent directly to the Bay. Discharge to ponds requires a more stringent level of treatment than is required for Bay discharge. The SCRWA produces a superior grade of effluent that consistently meets all State and Federal regulatory requirements. The SCRWA plant has been the recipient of numerous awards in California for excellent facilities and operations.</p>
<p>Where does the City’s water come from?</p> <p>How does water conservation factor into water usage in Gilroy?</p>	<p>The City currently uses local groundwater as the sole source of water supply and does not purchase or import water from any other water suppliers or entities. As such, the only method available to provide additional supply capacity for growing demand is the construction of new wells. The City’s 2024-2028 Capital Improvement Program (CIP) includes \$57,517,985 in approved funding towards the Water System Master Plan Project which includes 13 pipeline replacements, nine (9) new pipeline improvements, three (3) groundwater well improvements, and storage reservoir improvements. With the construction of three new wells, the City will meet the future supply requirement under buildout conditions.</p> <p>The City has historically been able to meet water usage reduction targets through its conservation efforts. From 1980 to 2000, the City’s per capita consumption rate, expressed as gallons per capita per day (gpcd) was 173. Continued conservation efforts were</p>

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
	<p>successful in lowering the water consumption rates to 160 gpcd in 2010, 113 gpcd in 2015, and 130 gpcd in 2020.</p> <p>Currently, the City maintains a tier-rated water billing structure that is designed to support water conservation. The billing structure is based on meter size, use type, and use volume. With the tiered rate structure, higher volume users are billed at an increased rate, while low volume users have a reduced rate.</p> <p>In cooperation with Valley Water, the City also has multiple programs in place to reduce water consumption by raising public awareness of water conservation. These programs are outlined in the City’s 2020 Urban Water Management Plan.</p>
How does climate factor into water supplies?	<p>Groundwater levels in the Llagas subbasin are highly dependent on rainfall levels, which produce fluctuations in water levels during years of high or low rainfall. Inconsistent water levels due to drought have the potential to impact the supply availability for the City. Valley Water, along with the City and other member agencies, have multiple measures in place to minimize the potential supply impact due to drought and other climatic factors on the water supply. These preventative measures are summarized in the City’s Urban Water Management Plan (UWMP). Additional impacts to the City’s water supply and demand due to climate change are also discussed in the 2020 UWMP.</p>
What is the status of the Joint Trunk Line?	<p>The 2024-2028 CIP includes approved funding for the Joint Morgan Hill-Gilroy Trunk Line Repairs (project #SW2402). The Cities of Gilroy and Morgan Hill will each contribute \$11,988,165 towards the \$23,976,330 project. This project is anticipated to be complete within 5 years.</p>
What are the transportation impacts of the project on US Highway 101?	<p>In addition to six (6) signalized intersections and 19 unsignalized intersections, the City’s Traffic Impact Analysis (2017) analyzed the US 101 northbound and southbound ramps at Leavesley Road (SR 152) and Masten Avenue during the weekday AM and PM peak hours of traffic, during the times that most congested traffic conditions occur on an average day. The traffic impact analysis also evaluated intersection safety and operations, on-site circulation, and parking.</p> <p>The traffic impact analysis determined that the project would not cause a significant increase in traffic on the freeway segments in the</p>

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
	study area, and therefore, a freeway level of service analysis was not required.
Why does development look different in the Las Animas Avenue area?	None of the parcels along Las Animas Avenue are designated for residential uses. Properties along Las Animas Avenue on the west side of US 101 are zoned for industrial uses, while parcels located just east of US 101 are zoned for industrial, commercial, and park / public facility uses. Most of the parcels located on either side of Las Animas Avenue are currently within the Gilroy City limits. There are a few parcels further east that are currently outside City limits and the urban service area with a General Plan land use designation of Rural County.
Why hasn't Gilroy annexed the Urban Islands for residential development?	<p>There are five unincorporated islands within Gilroy's USA:</p> <ul style="list-style-type: none"> 1: <i>Employment Center</i> (76.5 acres) 2: <i>Open Space</i> (12.5 acres) 3: <i>Neighborhood District</i> (16.5 acres) 4: <i>Low Density Residential</i> (1 acre) 5: <i>Industrial</i> (0.1 acres) <p>Of the 106.6 acres, 89.1 acres are designated for non-residential uses. Only 17.5 acres are designated for residential uses; however the 1-acre low density parcel is already developed with a home. The 16.5-acre neighborhood district site is highly constrained by a riparian corridor and a 150-foot Uvas Creek riparian setback requirement, significantly reducing the development potential unless combined with the parcels to the south of the urban island, which are currently outside the City's Urban Service Area.</p>
What is Gilroy's policy on open space?	The Urban Growth Boundary and the Gilroy 2040 General Plan place a high value on the protection of open space. The City's Open Space (OS) land use designation is intended to preserve and protect lands that are generally unsuitable for development, including natural resource areas such as the Uvas Creek and Llagas Creek corridors and the southwestern foothills and hazardous areas such as fault zones and floodways. While some limited activities and structures may be allowed, these are subject to site-specific environmental review and must be limited in scope to ensure

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
	<p>preservation of natural resources and protection of public health and safety.</p> <p>Open space areas also protect scenic resources within and surrounding the community. Open space areas throughout the Gilroy 2040 General Plan Planning Area/Sphere of Influence preserve regionally important biological resources. Such areas include riparian forests and adjacent habitats along Uvas Creek and Llagas Creek, the Eagle Ridge open space area located southwest of the developed Eagle Ridge golf community and Santa Teresa Boulevard, habitat preservation areas located within the Glen Loma Ranch Specific Plan area, and agricultural areas within the Hecker Pass Specific Plan area.</p> <p>Other designated open space areas within the 2040 Gilroy General Plan Planning Area/Sphere of Influence, and outside the Urban Growth Boundary, include: an area south of the Gilroy Sports Park and west of Monterey Road; areas to the south, east, and west of the South County Regional Wastewater Treatment Plant; an area north of Pacheco Pass Highway and east of the Gilroy Premium Outlets; and an area east of Santa Teresa Boulevard and west of Center Avenue.</p> <p>General Plan Policies NCR 1.1 through 1.4 protect natural communities, important plant and wildlife habitats, including streams and riparian habitats, wildlife movement corridors, heavily vegetated hillside areas, unique ecosystems (such as oak woodlands and serpentine substrates), and significant nesting/denning sites for native wildlife. These policies also require compliance with the Santa Clara Valley Habitat Plan.</p> <p>Policy NCR 1.5 encourages the management and maintenance of public and private open space areas in a manner that ensures habitat protection, provides for public access, addresses public safety concerns, and meets low-impact recreation needs, also in concert with the requirements of the Habitat Plan. Policy NCR 1.6 calls for development and application of a variety of preservation tools to protect open space areas in and around the city (such as through dedication of open space easements), and recommends that methodologies emphasize minimizing public cost and liability exposure, encouraging private ownership and responsibility for long-term management and maintenance issues, consideration of public access issues, and ensuring preservation in perpetuity.</p>

Question/Comment	City of Gilroy Response <i>(emphasis added)</i>
	<p>While open space plays an ancillary role in meeting recreational needs, land designated as Open Space is not considered part of the city’s parks and recreation system. General Plan Policy 16.01 sets forth the city’s parkland provision requirements of five acres for every 1,000 persons. Therefore, the project will be required to provide park amenities for residents and visitors.</p>
<p>What is Gilroy’s association with the Open Space Authority?</p>	<p>In January 1993, the Gilroy City Council determined that inclusion in the Open Space Authority (OSA) was in the public interest of the residents and adopted Resolution No. 93-2 joining the OSA. In November 1993, the City Council referred the issue to the voters to determine the degree of citizen support for membership in the OSA. However, a majority of Gilroy’s voters indicated that they did not support membership in the OSA. In consideration of the ballot results, the City Council subsequently rescinded Resolution No. 93-2 and adopted a resolution to detach from the OSA. On February 9, 1994, LAFCO approved Gilroy’s detachment from the OSA.</p>
<p>How is the City investing in affordable housing?</p>	<p>The City of Gilroy has recently partnered with the Santa Clara County Office of Supportive Housing, regarding development of a 100% affordable housing project on County property located within City limits. The City will contribute to the project by waiving impact fees through a memorandum of understanding approved by the Gilroy City Council and the County Board of Supervisors in September 2022.</p>
<p>What is the City’s fair share contribution towards RHNA? (2015-2023)</p>	<p>Gilroy had excellent housing production in all income categories through the 2015-2023 cycle, including the very low and low-income categories. Between 2015 and the end of 2022, Gilroy produced approximately 92% of its very low-income allocation, over four times (455%) the low-income allocation, and approximately 46% of its moderate-income allocation. The City also exceeded its above-moderate income category by 328%. Annual progress report data for all cities can be downloaded from HCD.</p>
<p>What is the City’s fair share contribution towards RHNA? (2023-2031)</p>	<p>Gilroy’s RHNA for the 2023-2031 planning cycle includes an “equity adjustment factor” that requires the City to produce a higher percentage of very-low and low income units relative to other cities in Santa Clara County. and many other cities throughout the state. This is illustrated in the following table for Santa Clara County.</p>

Question/Comment	City of Gilroy Response (<i>emphasis added</i>)				
------------------	---	--	--	--	--

Jurisdiction	Total RHNA	Very Low	Low	Moderate	Above Moderate
Campbell	2,977	25%	15%	17%	43%
Cupertino	4,588	26%	15%	16%	43%
Gilroy	1,773	38%	22%	11%	29%
Los Altos	1,958	26%	15%	17%	43%
Los Altos Hills	489	26%	15%	17%	43%
Los Gatos	1,993	27%	16%	16%	41%
Milpitas	6,713	25%	14%	17%	44%
Monte Sereno	192	27%	16%	16%	41%
Morgan Hill	1,037	25%	15%	17%	43%
Mountain View	11,135	25%	14%	17%	44%
Palo Alto	6,086	26%	15%	17%	43%
San Jose	62,202	24%	14%	17%	45%
Santa Clara	11,632	25%	14%	17%	44%
Saratoga	1,712	27%	15%	16%	42%
Sunnyvale	11,966	25%	14%	17%	44%
Unincorporated Santa Clara County	3,126	27%	15%	16%	42%

The City of Gilroy’s Housing Element includes programs aimed at helping the City meet its RHNA goals, especially within the very low and low-income categories. The proposed development will be required to restrict a minimum of 15% of all residential units as affordable, helping the City meet its local and regional goals related to housing.

Open Space Authority comments: The City of Gilroy would also like to address comments made by the Open Space Authority regarding agricultural resources. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 Section 56064 defines "Prime agricultural land" as an area of land, whether a single parcel or contiguous parcels, *that has not been developed for a use other than an agricultural use and* that meets any of five (5) listed qualifications, including soil ratings. Ten (10) of the 15 parcels are developed and one of the parcels is a drainage channel. Only four (4) of the parcels are vacant. A small portion of the entire property (3.5 acres according to LAFCO staff) has soils that could be classified as prime farmland, *if irrigated*. However, as noted by property owners who spoke at the June 7th public hearing, the proposed amendment area has not been farmed in the past 25 years or more. There are no known agricultural wells on the properties, making it infeasible to irrigate, and there is no access to the properties for farm equipment other than from city streets or through private property. The proposed amendment area is adjacent to existing housing, where farming would subject the neighbors to noise and air pollution. The LAFCO staff report also acknowledges that the proposal will not significantly impact agricultural lands or open space land.

Furthermore, the property is substantially surrounded by urban development, essentially making it an urban island. A site visit to the property will illustrate this.

In conclusion, and as outlined in the attached documents, the proposed Urban Service Area amendment is consistent with LAFCO's adopted USA amendment policies and should therefore be approved. Furthermore, Gilroy's Urban Growth Boundary protects open space and agricultural uses where it is most viable, and significantly limits Gilroy's expansion potential. Coupled with the current demand for housing at a local and regional level, City staff expect that much of Gilroy's vacant land will have developed before the Wren Investors/Hewell property has completed its lengthy entitlement process. Bringing the Wren Investors/Hewell property into Gilroy's urban service area now will allow Gilroy to have adequate residential land to meet future residential growth requirements.

The City of Gilroy looks forward to your consideration of this much needed request.

Respectfully,


Cindy McCormick
City of Gilroy

Attachments:

1. Email from LAFCO staff regarding the timely submission of material, dated May 19, 2023
2. City of Gilroy Cover Letter, May 31, 2023
3. LAFCO USA Policy Consistency Memo, May 31, 2023
4. LAFCO Staff Report Response Matrix, May 31, 2023
5. City of Gilroy Vacant Land Inventory, May 25, 2023

June 20, 2023

Dear LAFCO Commissioners,

I am Mark Hewell, one of the property owners of the City of Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell). I was born and raised in Gilroy and have resided here all of my life. I, as well as my wife and children attended Gilroy public schools. My grandchildren currently attend Gilroy public schools. I along with David Sheedy operated Hewell & Sheedy Construction in Gilroy for 42 years and built several custom homes and small development projects through out the city.

We purchased the 4.3 acre parcel approximately 20 years ago with the intent to develop it. At the time the property was shown on the City of Gilroy General Plan and Zoning Maps that our property was included in the Urban Service Area. In 2012 after preliminary review and discussions with the cities planning department, we submitted for annexation to the city. Our application was accepted and processed including an environmental review by EMC. Our application was deemed complete and sent to outside agencies for comment. We were notified by the City in February of 2014 that upon LAFCO's review our property was not within the Urban Service Area.

Later in 2014 we proceeded to submit an application for a stand alone Urban Service Area Amendment. At that time we were asked to put our application on hold as the 721 acre USA amendment was proceeding. After that amendment was dropped and the new Urban Growth Boundary was voted in by the citizens of Gilroy, we decided to once again proceed. At this time Wren Investors was also preparing a USA Amendment application so we decided to submit a joint application. Our USA amendment was unanimously approved by the City of Gilroy's Planning Commission and unanimously approved by the City Council on January 27, 2020.

We believe that our USA amendment is consistent with the policies of LAFCO. In the City of Gilroy responses to LAFCO 's staffreport they have shown that they are more than able to provide all of the city services required for development. The vacant land study used in LAFCO staffreport was submitted on 12/7/21. The current vacant land study that was completed on 5/25/2023 and submitted to LAFCO prior to the June T^h meeting shows that Gilroy has approximable 4 ½ years of vacant land inventory, well within LAFCO policy.

Many opposing letters have been submitted against this amendment stating the loss of farmland and open space. None or these properties have been farmed in the past 25 years or more. To my knowledge, there are no agricultural wells on any of the properties making it impossible to irrigate. There is no access to the properties for farm equipment other than from either city streets or through private property. The properties are adjacent to existing subdivisions and would subject the neighbors to noise and air pollution. Anybody that physically visits the properties would conclude that the land is not viable land for farming. As stated in the LAFCO staff report **"The proposal will not significantly impact agricultural lands or open space land"**.

We are respectfully asking for your approval of this USA Amendment. The properties in this application have existing infrastructure including sewer, water, storm and public streets that dead end into them at several locations. Approximately 75% of the property is surrounded by the city limit line essentially making them an island. They are adjacent to existing subdivisions. They are well within the Urban Growth Boundary voted in by the citizens of Gilroy in 2016. Upon completion they would ensure pedestrian and bicycle traffic safety along Wren Avenue. They are within walking distance to county transit line that goes north to San Jose and south to the Gilroy Transit Station. This is not what I would call Urban Sprawl.

Even if approved today, it would be 5 to 7 years and many layers of review and approvals including an EIR and a Specific Plan before any development could even begin. This is the only logical area for the City of Gilroy to expand in the future. Please approve this USA Amendment.

Respectfully submitted,

Mark Hewell

ITEM # 5
08/02/2023 LAFCO Meeting
Supplemental Information No. 1

From: Dick Oliver <ROliver@dividendhomes.com>
Sent: Sunday, July 30, 2023 7:50 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; Noel, Dunia <Dunia.Noel@ceo.sccgov.org>; lafco@ceo.sccgove.org
Cc: Cindy McCormick <Cindy.McCormick@ci.gilroy.ca.us>; MJ Frankel <MFrankel@dividendhomes.com>
Subject: [EXTERNAL] LAFCO Hearing of Gilroy Request for USA - hearing on Wednesday, August 2, 2023

To LAFCO Commission and Palacherla Neelima: I emailed the attached email to LAFCO June 21, 2023, since I will not be able to attend the meeting because of health issues. I read the Staff Report for this hearing, and noticed that my email was not attached as part of Exhibit G, which listed the other communications that had been received. If for some reason my email was not received, I would appreciate it being provided to the commission members at the hearing. I have been the primary representative of the largest property owner included in the applications, and have worked on the property with the City for over 20 years, and would appreciate my comments being provided to the LAFCO Commissioners due to my inability to make a presentation to Commission at their hearing. I apologize if for some reason this email was not received.

Thank you. Richard Oliver

From: eprintcenter@hp8.us <eprintcenter@hp8.us>
Sent: Sunday, July 30, 2023 8:31 PM
To: Dick Oliver <ROliver@dividendhomes.com>
Subject: Scanned document from HP ePrint user

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

This email and attachment are sent on behalf of roliver@dividendhomes.com.

If you do not want to receive this email in future, you may contact roliver@dividendhomes.com directly or you may consult your email application for spam or junk email filtering options.

Regards,
HP Team

Dividend Homes, Inc./Wren Investors LLC
385 Woodview Ave., Suite 100
Morgan Hill, CA 95037

LAFCO COMMISSION
777 North First Street, Suite 140
San Jose, CA 95112

June 21, 2023

Re: Gilroy Urban Service Area Amendment 2021
LAFCO Commissioners: (via email: lafco@ceo.sccgov.org)

The above referenced companies own the 18.3-acre property which has a 3/10-mile frontage on Wren Ave. and is the largest parcel in the application before you. I am one of the principal owners and have been the primary spokesperson with the City of Gilroy for the past 23 years that we have been seeking annexation. I apologize, but due to health issues, I am unable to attend your meeting.

LAFCO law has two goals: to discourage urban sprawl and to encourage orderly growth, I respectfully submit that this application meets the goal of encouraging orderly growth for the following reasons:

1. Our property does not contain any prime agricultural land. There is no water well, it is directly across the street from the new (in 2000) Del Bueno Grammar School (since closed and now used for a different public use) and is not on the current state register of prime agricultural lands.
2. Based upon very recent updates to the City of Gilroy's General Plan, its new Housing Element and its Affordable Housing provisions it is probable that the City will have difficulties meeting RHNA numbers.
3. Based upon the recent Grand Jury's findings it appears that LAFCO may not have complied with the Grand Jury requirements, and it is likely LAFCO's Vacant Land Inventory does not reflect a realistic number of parcels that could reasonably be developed in the near future to meet RHNA requirements.
4. The subject property is within the Urban Growth Boundary; and, based upon LAFCO Law, especially California Government Code Section 56375.3: the property meets the goal of "encouraging orderly growth" by meeting all of the stated requirements set forth in those sections of the Government Code :
 - a. Request was by Resolution of the City of Gilroy (1/27/2020 Resolution No. 2020-05).
 - b. The property does not exceed 150 acres.
 - c. It is substantially surrounded by the City (over 70% on Gilroy's boundary) (refer to the AG report).
 - d. It is developing since (i) public utilities are available; (ii) public improvements (underpass and bike paths) are present) (iii) physical improvements on or within the area (stairs to underpass) (iv) it is not prime agricultural land as defined in Section 56064 and (v) it will benefit the annexing city (Gilroy will have 3/10 mile of Wren Ave. widened and several private septic tanks and wells will be connected).

We respectfully request that the LAFCO Commission approve the Urban Service Area Amendment request so that we can finally commence the stated five-year process of complying with the City of Gilroy's requirement of establishing a Specific Plan and a Neighborhood District Plan, and then hopefully we could process a vesting tentative Map and plan to commence (around 2030) constructing some new homes, on smaller lots and with higher densities that would provide the much needed more affordable homes needed in Gilroy to meet its existing and future RHNA requirements.



Richard B. Oliver, V.P. (of Dividend Homes, Inc., and Wren Investors, LLC)

From: [Raja Aluri](#)
To: [LAFCO](#)
Subject: [EXTERNAL] Please approve Gilroy USA proposal
Date: Monday, July 31, 2023 12:09:40 PM

Dear Lafco Commissioners,

I am writing to express my support for the proposed incorporation of the vacant land into the city of Gilroy.

I am the owner of a small piece of land in this proposal. (APN 790-09-011)

The land in question is currently not being farmed for more than 20 years and surrounded by housing on three sides. This land is not suitable for agriculture due to its location and also because of small and fragmented ownership of the parcels. This property is so close to the city, forget farming, it is a constant struggle to keep the debris and trash that people dump on these properties. Even after fencing the property, we end up cleaning the used tires, couches and other household trash every month

My particular property is surrounded on two sides by the city, on one side by a rural residential area, and on another side by the water canal. This geographical configuration and the size of the parcel, presents both challenges and limitations for farming. With the property being in close proximity to the city, farming activities might face restrictions due to noise concerns, and potential conflicts with urban development.

I am keen to build on the land, because of the problems that are mentioned above for farming. However, without annexation, I would have to resort to using a septic tank for sewage and a well for potable water, which is not ideal for anyone. The City has made it clear that I cannot connect to their services unless this application is approved by LAFCO.

Also developing this land without city annexation results in a very sub-optimal usage of the land.

Supporting this initiative would provide much needed housing to residents struggling to find housing in the current market. It would stabilize the community, promote growth, and improve overall prosperity.

It is also important to note that annexing this land would mean approving the **right** project may be just a little ahead of time. Approving this project would have a positive impact in the long run for everyone involved.

The benefits of this project far outweigh the arguments made against annexation. Therefore, we should prioritize sustainable growth that protects and preserves the environment for future generations.

Thank you for your consideration.

Sincerely,
Raja Aluri



Local Agency
Formation Commission
of Santa Clara County

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 6

Alternate Commissioners

Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner

Executive Officer

Neelima Palacherla

LAFCO MEETING: August 2, 2023

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

**SUBJECT: COUNTYWIDE FIRE SERVICE REVIEW – PUBLIC REVIEW
DRAFT REPORT**

STAFF RECOMMENDATION

1. Receive a presentation on the Countywide Fire Service Review – Public Review Draft Report.
2. Accept public comments.
3. Direct staff to revise the Report as necessary to address comments received through August 2, 2023.

BACKGROUND

Purpose of this LAFCO Hearing

The purpose of this public hearing is to receive a presentation from AP Triton, LAFCO’s consultant, on the Countywide Fire Service Review – Public Review Draft Report and its key findings and recommendations, and to accept public comments on the Draft Report. **No final action on the Draft Report will be taken at this hearing.** All comments received by 5:00 PM, August 2nd will be considered in the preparation of a Revised Draft Report which will be made available on the LAFCO website in mid-August.

Scope of LAFCO’s Countywide Fire Service Review

The Countywide Fire Service Review is part of LAFCO’s third round of service reviews and provides an overview of all the agencies that provide fire service and/or emergency medical response services in the County, evaluates the provision of these services, and recommends actions to promote efficient service delivery. LAFCO has previously conducted two Countywide Fire Service Reviews, one in 2004 and another in 2010.

Agencies Included in the Countywide Fire Service Review

The Countywide Fire Service Review Draft Report reviews four (4) fire districts, seven (7) city fire departments, three (3) cities that contract for fire services, and other providers, specifically CAL FIRE, the County of Santa Clara (EMS, Office of

Emergency Services, Communications), four (4) volunteer fire companies, and the Santa Clara County FireSafe Council.

Technical Advisory Committee

The Countywide Fire Service Review Technical Advisory Committee (TAC) includes LAFCO Commissioners Yoriko Kishimoto (TAC Chair) and Jim Beall; Fire Chiefs Suwana Kerdkaew, Ruben Torres, and Jim Wyatt; and City Managers James Lindsay, Christina Turner, and Ed Shikada. The TAC has served as a liaison between LAFCO and the affected agencies during the countywide fire service review process and provided their expertise and advice throughout the project. As discussed below, the TAC met multiple times during key points in the service review process, most recently on July 12, 2022 to receive a presentation from LAFCO's consultant on the Draft Report and its key findings and recommendations and to accept comments from attendees. Our special thanks to TAC members for their time and assistance.

Service Review Process

In May 2021, LAFCO began the Countywide Fire Service Review. However, LAFCO paused this project in January 2022 to retain a new consultant to conduct the study.

In late June 2022, LAFCO retained AP Triton, LLC to resume and complete the countywide fire service review under a revised timeline. The firm was selected through an informal competitive procurement process, with then LAFCO Chairperson Rich Constantine and members of the TAC participating on the interview panel.

On August 1, 2022, LAFCO staff and the consultant held a project kick-off meeting with the TAC to introduce the new consultant, review key steps and the revised timeline, discuss the data collection process, review required service review determinations, discuss and finalize the proposed evaluation criteria for service review determinations, and receive feedback and answer questions from attendees.

On August 3, 2022, LAFCO staff and the consultant attended the Santa Clara County Fire Chiefs' Association meeting to discuss the anticipated data request for the service review and to provide an overview of the data submittal process to the Fire Chiefs and their designated staff. Subsequently, LAFCO's consultant began their data collection process which resulted in the creation of service provider validated profiles for each affected agency. TAC Meetings were also held in February 2023 and May 2023 to discuss the consultant's progress, preliminary findings, and next steps in the service review process.

The consultant used these validated profiles to conduct their analysis and prepare an administrative draft of the Countywide Fire Service Review for LAFCO staff's review and comment. LAFCO staff reviewed the administrative draft extensively and provided comments to the consultant for their consideration.

A Draft Report was then prepared for public review and comment which includes:

- Countywide overview of the fire service and emergency medical response services system in Santa Clara County;

- Findings and recommendations that apply countywide and/or apply to a sub-region of the county;
- Individual profiles and findings and recommendations for each fire service provider (fire districts, cities, or organizations, etc.) and each emergency medical response provider;
- Service review determinations and sphere of influence recommendations for the fire districts; and
- Review and/or analysis of options for addressing current and emerging issues identified by LAFCO.

LAFCO staff thanks the County Planning Department's GIS Team for preparing the GIS maps of the fire service provider agencies and the disadvantaged unincorporated communities included in the Draft Report.

Publication of the Draft Report for Public Review and Comment

The [Countywide Fire Service Review Draft Report](#) was made available on the LAFCO website on June 30, 2023 and a Notice of Availability & Notice of Community Meetings and LAFCO Public Hearing (**Attachment A**) was sent to all affected agencies and organizations, LAFCO commissioners, and other interested parties announcing the release of the Draft Report (**Attachment B**) for public review and comment. The Notice included information on how to provide timely written comments to LAFCO on the Draft Report.

July 2023 TAC Meeting and Community Meetings

LAFCO has held one TAC Meeting and two Community Meetings to receive comments from affected agencies, interested parties, and members of the public on the Draft Report. At each meeting, AP Triton (LAFCO's consultant), first presented the Draft Report and its key findings and recommendations and then accepted any comments from attendees. The meetings were held in-person at different parts of the county to allow community members to more easily and directly engage in the service review process and provide timely feedback. The meetings were also accessible to members of the public by virtual teleconference via Zoom or telephone.

A Technical Advisory Committee Meeting was held on July 12, 2023 at 10:00 AM in the County Board Chambers. Community Meeting #1 was held on July 12, 2023 at 5:30 PM in the Morgan Hill City Council Chambers. Community Meeting #2 was held on July 13, 2023 at 5:30 PM in the Palo Alto City Hall Community Meeting Room. Our special thanks to Morgan City Manager Christina Turner and Palo City Manager Ed Shikada and their respective staff for partnering with LAFCO to host these important community meetings.

All three meetings were well attended, with fire chiefs and representatives from affected agencies and organizations, and members of the public present and providing oral comments which LAFCO's consultant will take into consideration in preparing a revised report. Furthermore, LAFCO has received many written

comments on the Draft Report which are being collected by LAFCO staff and compiled by LAFCO's consultant for consideration and written response.

Our thanks to TAC Members, LAFCO Commissioners, affected agencies and organizations, and others for helping spread the word about the availability of the Draft Report and these community meetings in your respective communities.

NEXT STEPS

LAFCO's consultant will compile all written comments received by 5:00 PM August 2nd, prepare a response to the comments in a table, and revise the Draft Report as necessary. The table and the Revised Draft Report with tracked changes will be available on the LAFCO website in mid-August for additional public review and comment. A Notice of Availability will be sent to all affected agencies and organizations, LAFCO commissioners, and other interested parties to announce the availability of the Revised Draft Report. LAFCO will hold a second Public Hearing to consider adoption of the Report on October 4, 2023.

The Report identifies potential opportunities for collaboration amongst fire service providers to achieve common goals and improve efficient and effective delivery of services. Following the adoption of the Report, LAFCO staff will contact affected agencies and organizations to highlight these potential opportunities for their consideration, and to encourage joint discussions and further study targeted at implementation of solutions.

ATTACHMENTS

- Attachment A: Notice of Availability & Notice of Community Meetings and LAFCO Public Hearing
- Attachment B: [Countywide Fire Service Review – Public Review Draft Report](#)



**Local Agency
Formation Commission
of Santa Clara County**
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

**ITEM # 6
Attachment A**

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

DATE: June 30, 2023
TO: Special District Board Members and Managers
City Managers and County Executive
City Council Members and County Board of Supervisors
District and City Fire Chiefs
Interested Parties
FROM: Neelima Palacherla, Executive Officer
SUBJECT: COUNTYWIDE FIRE SERVICE REVIEW – PUBLIC REVIEW DRAFT REPORT

NOTICE OF AVAILABILITY & NOTICE OF COMMUNITY MEETINGS AND LAFCO PUBLIC HEARING

The [Draft Report](#) for the Countywide Fire Service Review is now available for public review and comment on the LAFCO website.

WRITTEN COMMENTS

Your feedback is important to LAFCO. Written comments will be accepted until 5 PM on Wednesday, August 2, 2023. Please email your comments to lafco@ceo.sccgov.org.

COMMUNITY MEETINGS

LAFCO will hold a Technical Advisory Committee Meeting, two Community Meetings and a LAFCO Public Hearing to receive comments from affected agencies, interested parties, and members of the public on the Draft Report. At each meeting, LAFCO’s consultant will first present the Draft Report and its key findings and recommendations and will then accept any comments from attendees. The Meetings will be held in-person at the locations listed below. Members of the public may also attend and participate by virtual teleconference via Zoom or telephone as noted below.

Technical Advisory Committee Meeting

July 12th at 10:00 AM

Board of Supervisors’ Chambers, 70 West Hedding Street, San Jose

Zoom Link: <https://sccgov-org.zoom.us/j/96507588424>

Telephone: (669) 219-2599 Meeting ID: 965 0758 8424

Community Meeting #1 (South County)

July 12th at 5:30 PM

Morgan Hill City Council Chambers, 17575 Peak Avenue, Morgan Hill

Zoom Link: <https://sccgov-org.zoom.us/j/97752597237>

Telephone: (669) 219-2599 Meeting ID: 977 5259 7237

Community Meeting #2 (North County)

July 13th at 5:30 PM

Palo Alto City Hall Community Meeting Room, 250 Hamilton Avenue, Palo Alto

Zoom Link: <https://sccgov-org.zoom.us/j/96739958427>

Telephone: (669) 219-2599 Meeting ID: 967 3995 8427

LAFCO Public Hearing

August 2nd at 1:15 PM or soon thereafter

Board of Supervisors' Chambers, 70 West Hedding Street, San Jose

Zoom Link: <https://sccgov-org.zoom.us/j/99092038126>

Telephone: (669) 219-2599 Meeting ID: 990 9203 8126

No final action will be taken by LAFCO on the Draft Report at the August 2nd Public Hearing, other than to provide further direction to staff and/or consultant, as necessary.

Following the August 2nd LAFCO Public Hearing, LAFCO's consultant will compile all written comments received, prepare a response to the comments in a table, and revise the Draft Report as necessary. It is anticipated that the Revised Draft Report and the table of comments, with consultant's responses, will be published on the LAFCO website in late August.

Finally, LAFCO will hold a second public hearing on October 4, 2023, to consider and adopt the Final Report.

ITEM # 6
Attachment B

COUNTYWIDE FIRE SERVICE REVIEW -
PUBLIC REVIEW DRAFT REPORT



AP TRITON
VISION • INNOVATION • SOLUTIONS

VISION • INNOVATION • SOLUTIONS
AP TRITON

LAFCO

Countywide
Fire Service Review

Presentation to LAFCO
Commission
August 2, 2023

AP Triton Team

- **Dan Petersen**, Project Manager
- **Jennifer Stephenson**, Service Review Determinations, SOI reviews, Governance options
- **Laura Blaul**, Fire Prevention and community resiliency
- **Randy Parr**, Finance
- **Clay Steward**, Service Delivery and Performance
- **Eric Schmidt**, GIS and Mapping
- **Chris Waters**, Wildland Urban Interface and Climate issues
- **Frank Blakely**, Land Use and Population
- **Don Trapp**, Facilities
- **Melissa Vazquez Swank**, Project Support

Ground Rules

- AP Triton staff will deliver the full presentation prior to taking questions.
- The slide number is in the lower right corner.
 - Please reference this number when asking questions at the end of the presentation.
- A page reference to the full report is provided in the lower left corner.
 - If you have questions about specific sections of the report, please identify the section / page number.
- The report available online is a draft; some corrections from the posted report have already been incorporated into this presentation.
 - (Changes show in red)

Countywide Fire Service Review

- The Cortese Knox Hertzberg Local Government Reorganization Act (CKH Act) mandates that LAFCO conduct service reviews prior to, or in conjunction with, sphere of influence updates
- LAFCO review and update the sphere of influence of each city and special district once every five years, as necessary [Government Code § 56425].

Service Review Determinations - GC 56430

- Growth and population projections for the affected area;
- Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
- Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence;
- Financial ability of agencies to provide services;
- Status of, and opportunities for, shared facilities;
- Accountability for community service needs, including governmental structure and operational efficiencies; and
- Any other matter related to effective or efficient service delivery, as required by commission.

Purpose of the Service Review

- Updating spheres of influence;
- Initiating or considering jurisdictional boundary changes;
- Considering other types of LAFCO applications; and
- Providing a resource for further studies.

Process and Methodology

- Technical Advisory Committee
- Outreach through letter and information flyer, public workshops, and survey
- Establishment of Criteria
- Development of Request for Information
- Kick-off Meeting
- Data Discovery

Process and Methodology

- Drafting of Agency Profiles
- LAFCO Staff Review of Agency Profiles
- Agency Review of Profiles
- Cities served by a District review of Profile
- Data Analysis and Service Review Determinations
- Public Review Draft Released

Process and Methodology

- Community Meetings
- LAFCO Hearing
- Final Draft Released
- Adoption of Final Report

Data Limitations

- Lack of Standardization
- Missing Data
- Erroneous Data
- **Recommendation:**

The Santa Clara County Fire Chiefs should coordinate data standardization among the fire agencies, promote a single CAD system for the County with access for each agency to review their data sets, and all agencies should review the quality of inputs by their personnel.

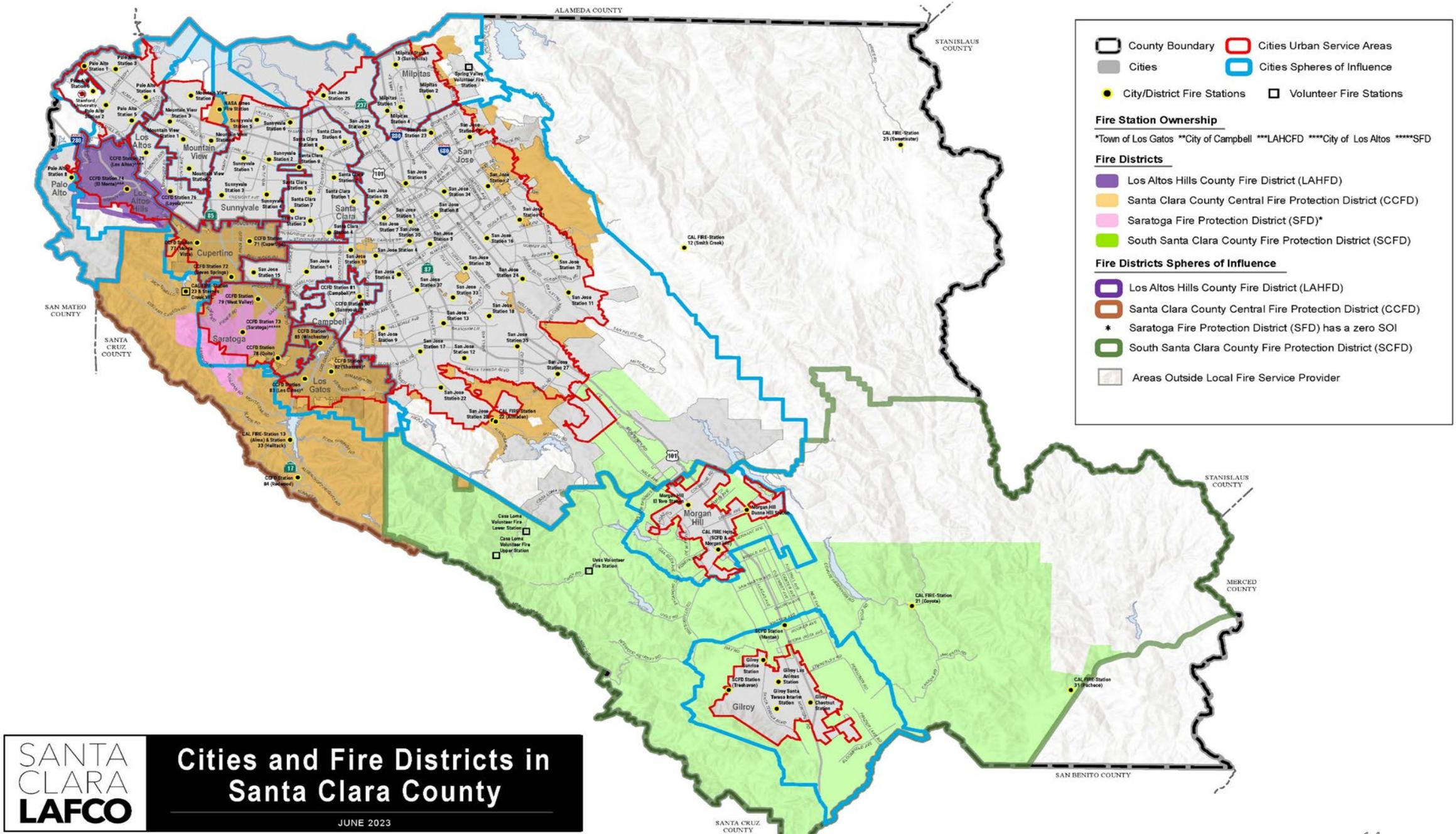
Countywide Overview

Service Providers

- Nine fire and emergency providers.
 - Not including NASA/AMES Fire Department.
- American Medical Response (AMR), formerly Rural/Metro Ambulance, provides emergency medical transport.
 - Palo Alto provides transport for the City of Palo Alto and Stanford University.
- CAL FIRE provides service within lands classified as State Responsibility Areas.
- **Four volunteer associations/departments are operating in the county with one serving an area that does not have a local provider.**

Services Providers

Service Provider	Area Served
Gilroy Fire Department	City of Gilroy
Milpitas Fire Department	City of Milpitas and unincorporated areas identified as “Zone 1” by contract with CCFD.
Mountain View Fire Department	City of Mountain View and two unincorporated areas inside the city limits.
Palo Alto Fire Department	City of Palo Alto and Stanford University
San José Fire Department	City of San José and unincorporated areas identified as “Zone 1” by contract with CCFD.
Santa Clara City Fire Department	City of Santa Clara
Santa Clara County Central Fire Protection District (CCFD)	Cities of Cupertino, Los Gatos, Monte Sereno, a portion of Saratoga, and unincorporated lands in western Santa Clara County. Campbell, Los Altos, LAHCFD, and SFD by contract.
Sunnyvale Public Safety Department	City of Sunnyvale
CAL FIRE	City of Morgan Hill and South Santa Clara Fire Protection District by contract. State Responsibility Areas (SRA) inside Santa Clara County.



County Boundary
 Cities Urban Service Areas
 Cities
 Cities Spheres of Influence
● City/District Fire Stations
 Volunteer Fire Stations

Fire Station Ownership

*Town of Los Gatos **City of Campbell ***LAHCFD ****City of Los Altos *****SFD

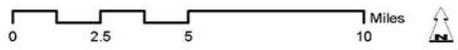
Fire Districts

- Los Altos Hills County Fire District (LAHFD)
- Santa Clara County Central Fire Protection District (CCFD)
- Saratoga Fire Protection District (SFD)*
- South Santa Clara County Fire Protection District (SCFD)

Fire Districts Spheres of Influence

- Los Altos Hills County Fire District (LAHFD)
- Santa Clara County Central Fire Protection District (CCFD)
- * Saratoga Fire Protection District (SFD) has a zero SOI
- South Santa Clara County Fire Protection District (SCFD)
- Areas Outside Local Fire Service Provider

SANTA CLARA LAFCO
Cities and Fire Districts in Santa Clara County
 JUNE 2023



Services Provided

Service Provider	Fire	ALS	ALS Transport	Tech Rescue	HazMat	Prevention
CCFD	YES	YES	No	Specialist	Specialist	YES
Gilroy FD	YES	YES	BACK UP	No	Operations	YES
Milpitas FD	YES	YES	BACK UP	Operations	Awareness	YES
Morgan Hill (CAL FIRE)	YES	YES	BACK UP	Operations	Operations	YES
Mountain View FD	YES	YES	No	Specialist	Specialist	YES
Palo Alto FD	YES	YES	PRIMARY	Operations	Operations	YES
San José FD	YES	YES	BACK UP	Specialist	Specialist	YES
Santa Clara City FD	YES	YES	BACK UP	Operations	Operations	YES
SCFD (CAL FIRE)	YES	YES	No	Operations	Operations	YES
Sunnyvale Public Safety Dept.	YES	NO	No	Operations	Operations	YES

Fire Stations

Service Provider	Stations	Greater than 50 Years Old	No Seismic Protection/Unknown	Rated Poor
CCFD (Incl: Campbell, Los Altos, SFD, and LAHCFD)	15	7	8	5
Gilroy	4	1	2	1
Milpitas	4	1	3	1
Morgan Hill	2	0	2	0
Mountain View	5	2	0	2
Palo Alto	7	5	4	1
San José	34	15	18	16
Santa Clara City	9	3	5	3
SCFD	4	2	3	2
Sunnyvale	6	5	5	5
TOTAL	90	41	50	36
% of TOTAL		45.6%	55.6%	40.0%

Staffing

Service Provider	BC	Engines	Trucks	Other	Daily Staffing
CCFD (Including Campbell, Los Altos, SFD, and LAHCFD)	3	12	2	5	66
Gilroy FD	1	4	0	0	11
Milpitas FD	1	4	1	1	19
Morgan Hill (CAL FIRE)	0.5	2	0	1	8
Mountain View FD	1	6	1	0	21
Palo Alto FD	1	4	1	4	24
San José FD	5	34	9	11	190
Santa Clara City FD	2	8	2	2	36
SCFD (CAL FIRE)	0.5	4	0	0	13
Sunnyvale Public Safety Dept.	1	9	3	1	26
TOTAL	16	87	19	25	415

Incident Volume and Performance (1)

Service Provider	Ave Annual Call Volume	Incidents per 1,000 Population	90 th Percentile Response Time	# of Units Exceeding 10% Utilization	Adopted Standard	Notes
CCFD (Including Campbell, Los Altos, SFD, and LAHCFD)	18,869	67	8:21	1	6:30 min or less/90% of the time (EMS Moderate)	Varied: standards based on call type
Gilroy	5,193	90	10:54	1	7:30 min or less/90% of the time	
Milpitas (Incl. Zone 1 area)	5,328	62	8:39	0	6:50 min or less/90% of the time	No Adopted Standard, NFPA 1710
Morgan Hill	3,458	77	9:56	0	6:50 min or less/90% of the time	No Adopted Standard, NFPA 1710
Mountain View	4,695	64	8:15	0	7:20 min or less/90% of the time	
Palo Alto (Including Stanford)	8,149	107	9:41	4	8:00 min or less/90% of the time	

Countywide Incident Volume and Performance (2)

Service Provider	Ave Annual Call Volume	Incidents per 1,000 Population	90 th Percentile Response Time	# of Units Exceeding 10% Utilization	Adopted Standard	Notes
San José (Including Zone 1 area)	91,070	88	9:41	28	8:00 min or less/ 80% of the time	80% is 8:29 minutes or less
Santa Clara City	9,259	69	8:03	0	7:00 min or less/ 90% of the time	
SCFD	1,250	56	15:24	0	15:00 min or less/ 90% of the time	The standard is presumed
Sunnyvale	8,894	62	8:26	0	7:59 or less	Percentile not identified, separate standards for fire and Hzd
	TOTAL	AVERAGE	AVERAGE	TOTAL		
	156,165	74.2	9:44	34		

Recommendation

- **Emergency Response Performance:** Gilroy, **Mountain View**, Santa Clara, and San Jose have adopted performance standards (goals) through their elected officials.
- Palo Alto, Sunnyvale, and CCFD (including SFD and LAHCFD) have published response time goal, however, their elected officials have not adopted the standard.
- Morgan Hill, Milpitas and SCFD have not adopted a response time standard. Organizations should adopt a performance goal and present those to the elected officials for adoption.
- The organizations should consider a baseline standard that defines the expectation of service for the community.

Recommendation

- **Unit Utilization Hours:** San Jose, Palo Alto, Gilroy, and CCFD all have units with UHUs of over 10%.
- These agencies should add additional resources to effectively manage the call volume and improve response time performance.

Recommendation

- **Boundary Drop Response:** AP Triton recommends the fire agencies evaluate opportunities for a boundary drop response for critical incidents (where time significantly matters in the outcome) for the entire county.
- Note: To be more effective, this will require improved interoperability between CAD products for dispatch centers, including the existing agreement between SCFD, Morgan Hill, and Gilroy.
- The Santa Clara Fire Chiefs Association should coordinate this effort.

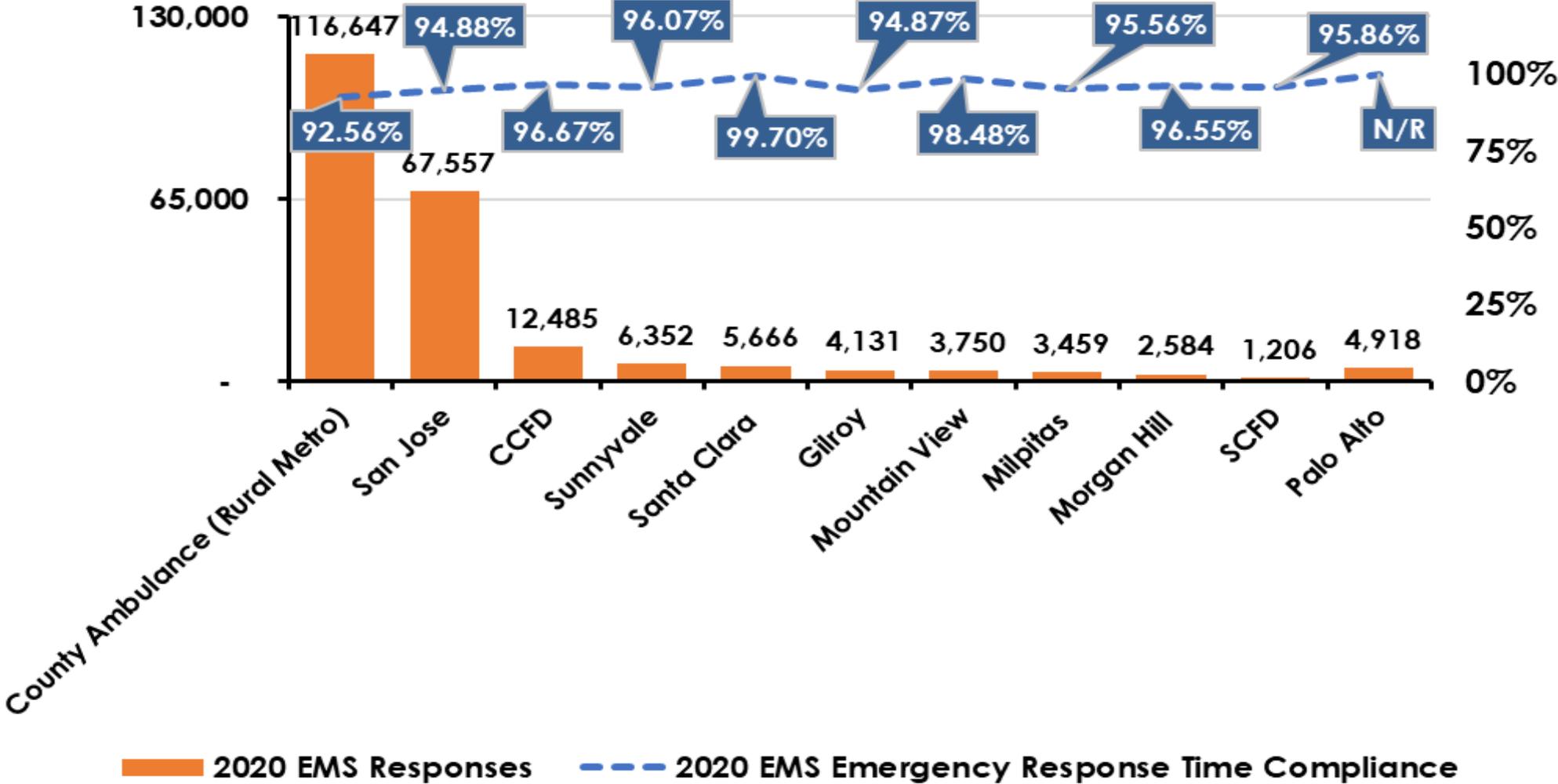
Recommendation

- **Station Identifiers:** All agencies have unique unit identifiers; however, only San Jose and CCFD have station numbers that match the unit assigned.
- Each agency should consider assigning station numbers (in addition to station names) that match the unit identifier assigned across the county to improve awareness of the home station of response units.
- The Santa Clara Fire Chiefs Association should coordinate this effort.

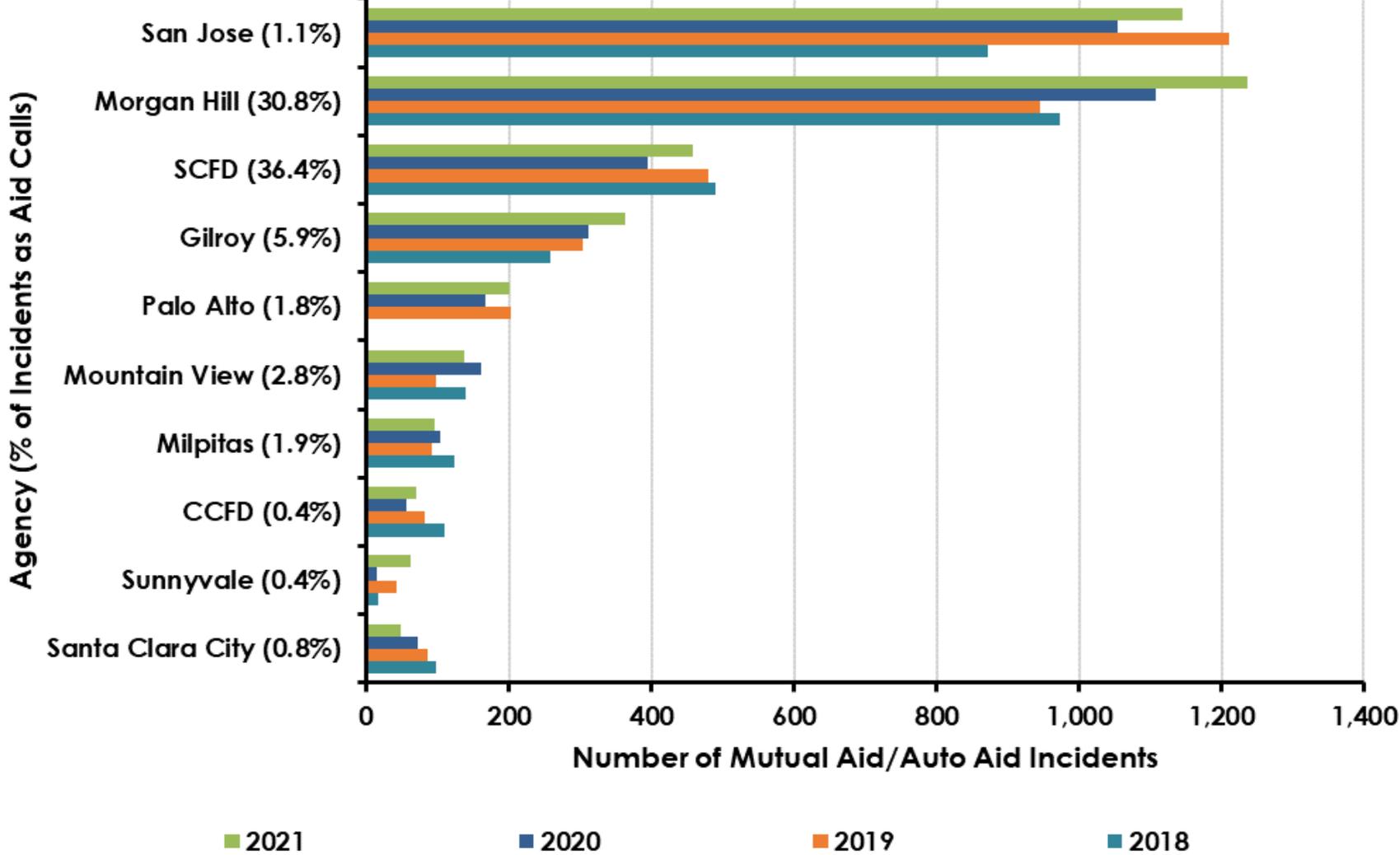
EMS Overview

- Ambulance Transport is provided by AMR for all but Palo Alto and the Stanford contract area where Palo Alto Fire provides ambulance transport.
- Eight of the nine fire agencies provide ALS pre-hospital care for their service area; Sunnyvale provides BLS.
- Gilroy, Milpitas, Morgan Hill, San José, and Santa Clara City are available to provide ambulance transport when the system is busy.
- Mountain View, Sunnyvale, SCFD and CCFD have not assumed responsibility for emergency medical transport.

EMS Performance



Mutual Aid



Growing Wildfire Concerns

- 20 Most Destructive California Fires shows at least six Bay Area fires with 13,000 lost structures and over 600,000 acres burned.
- Every community within the bounds of Santa Clara County is subject to WUI fire threats and should consider mitigation of these threats a high priority.

WUI Hazard Mitigation

- The County's WUI areas are noncontiguous and represent about 23.3% of the county
- The Fire Safe Council was a pivotal step in creating a community-based, grassroots organization to share ideas regarding issues affecting the WUI.
- In 2016, Santa Clara County was successful in creating a regional strategic Community Wildfire Protection Plan (CWPP) to create a safer wildland urban interface.

WUI Recommendation

- **CWPP Updates:** Santa Clara County Fire Safe Council should coordinate CWPP updates with particular emphasis on ensuring all communities within Santa Clara County are participating (Milpitas does not have an Annex).

WUI Recommendation

- **Multi Party Fuel Mitigation:** Santa Clara County Fire Safe Council should concentrate on multi-party mitigation, monitoring, and outreach in the CWPP update.

WUI Recommendation

- **Combine Fuel Mitigation Strategies:** Santa Clara County Fire Safe Council should consider combining mitigation strategies from city Annexes into a single list that can be used to locate fuel breaks and fuel modifications to protect multiple jurisdictions, recognizing efficiencies of scale.
- The list should be prioritized to fund the most significant risks to the County first. The Santa Clara County Fire Safe Council should also develop public messages and online tools for all fire agencies to echo and make available to residents. Grants are available to fund projects.
- Implementation of projects should involve staff of impacted fire agencies, cities, and County OES, as well as hired contractors.
- Napa, Marin, and San Diego counties have already implemented this best practice and can serve as examples.

WUI Recommendation

- **Annual Updates of the CWPP:** Santa Clara County Fire Safe Council should conduct annual CWPP and fire agency updates regarding project planning, implementation, and maintenance.

WUI Recommendation

- **Annual CWPP Project Coordination Meetings:** Santa Clara County Fire Safe Council should conduct annual project coordination meetings between fire agencies, land management agencies, local non-profits, and the Santa Clara County Fire Safe Council to evaluate project priorities and review project accomplishments.

WUI Recommendation

- **CWPP Project Database:** Santa Clara County Fire Safe Council should maintain an extensive project database available to the community.

Fire Prevention and Public Education (1)

Provider	Staffing	Amend/ Adopt Fire Code	Plan Review & Construction Inspections	Mandated ¹ & Annual Inspections	HazMat ²	Investi- gations	Public Ed
Gilroy FD	Part of Community Dev't	Yes/Yes	FM in Building	Unknown	CUPA	No	Info on website
Milpitas FD	DC/AFM + 10	Yes/Yes	Yes	Yes	No	Yes	Yes
Mountain View FD	FM + 7	Yes/Yes	FPE in Building	Yes (Multi-family every 5-yrs)	PA for HMBP All Tanks	Yes	Yes
Palo Alto FD	FM + 8 (functionally in Planning)	Yes/Yes	In Building	Yes	PA for HMBP AST	Yes	Yes
San José FD	FM/DC + 42	Yes/Yes	In Building	Yes	No	Yes	Yes
Santa Clara FD	FM + 17	Yes/Yes	Yes	Yes	CUPA	Yes	Yes
Sunnyvale Public Safety	FM + 9	Yes/Yes	In Building	Yes	CUPA	Yes	Info on website

Fire Prevention and Public Education (2)

Provider	Staffing	Amend/ Adopt Fire Code	Plan Review & Construction Inspections	Mandated ¹ & Annual Inspections	HazMat ²	Investi- gations	Public Ed
CCFD	25 Chief is County FM + FM/DC +14 DFM	Yes/Yes	County Offices with frequent trips to cities served	Yes	PA for HMBP UST	CCFD Inv	Yes Comm Risk Red (CRR) Staff
Cupertino	0	Yes/Yes	CCFD	CCFD	PA via CCFD	CCFD Inv	CCFD CRR
Los Gatos	0	Yes/Yes	CCFD	CCFD	PA via CCFD	CCFD Inv	CCFD CRR
Monte Serrano	0	Yes/Yes	CCFD	CCFD	CCFD HazMat	CCFD Inv	CCFD CRR
SFD	0	Yes/Yes	CCFD	CCFD	CCFD HazMat	CCFD Inv	CCFD CRR
Los Altos	0	Yes/Yes	CCFD	CCFD	CCFD HazMat	CCFD Inv	CCFD CRR
Campbell	0	Yes/Yes	CCFD	CCFD	PA via CCFD	CCFD Inv	CCFD CRR

Fire Prevention and Public Education (3)

Provider	Staffing	Amend/ Adopt Fire Code	Plan Review & Construction Inspections	Mandated ¹ & Annual Inspections	HazMat ²	Investi- gations	Public Ed
LAHCFD	2 FC and Education & Risk Reduction Manager	Yes/Yes	CCFD	CCFD	CCFD HazMat	CCFD Inv	CCFD CRR + On-line classes
Morgan Hill (CAL FIRE)	1.66 BC/FM	Yes/Yes	In Building	FM & Ops	No	CAL FIRE	Info on Web
SCFD (CAL FIRE)	0.33 Contracted FM + BC & 2FCs	N/A	FM	FM	No	CAL FIRE	Yes Eng Co

Fire Prevention Recommendation

- **Fire Inspections:** Each jurisdiction should annually report the status of mandated inspections to its governing body in accordance with state law (California Health & Safety Code 13146.4).
- This will allow the governing body to assess and make decisions regarding resources and corrective action.
- A similar report should be submitted to the State Fire Marshal per the 2020 letter of request from the State Fire Marshal.

Fire Prevention Recommendation

- **Plan Review and Construction Processes:** The Santa Clara County Fire Marshals Association should consider creating processes like the one used for hazardous materials for plan reviews and construction inspections.
- Unidocs is an excellent way to clearly convey who is responsible, where to go, and what is required for service.
- Updates on requirements and/or turnarounds times, and other relevant information can be kept current on this living, web-based document.

Fire Prevention Recommendation

- **Cities and Districts with Fire Prevention Services provided by other agencies:** Cupertino, Los Gatos, Monte Sereno, Los Altos, Campbell SFD, LAHCFD, SCFD should all provide an explanation and links on their websites to connect community members with the agency providing fire prevention services.
- Those providing the service should consider adding guidelines and checklists used by staff to assist customers.

Fire Prevention Recommendation

- **Fire Prevention Fee Schedules:** Fee schedules adopted by each jurisdiction should be assessed for compliance with California Government Code Section 66016.6, requiring that fees not exceed the cost of providing service.
- Although fee schedules were not part of this study, compliance is questionable in the cities that contract with Santa Clara County Central Fire Protection District (CCFD) for service and develop their fees independently.
- Consider allowing the CCFD Governing Body to adopt fees for the services they provide each city.

Fire Prevention Recommendation

- **Fire Investigators' Access to Incident Data:** CCFD and CAL FIRE should provide access to the incident database for every fire agency in Santa Clara County.
- The Fire Investigation Task Force is a best practice, and the data collected can be used to identify the fire problem countywide.
- The data quality must be high enough to determine what caused the fire (ignition source and material first ignited), where it occurred (fire origin in specific occupancy type, as well as geographic location), who caused it, if applicable (age, sex, etc.), and why it occurred (the action that brought the ignition source and material first ignited together).
- A shared database/geocoded map would facilitate the creation of programs that target specific populations and occupancies in areas at risk.

Fire Prevention Recommendation

- **Public Education:** Public education regarding community risk reduction is sparse and distinct among the agencies.
- Many rely on their websites to provide information and links. Creating a set of coordinated materials, programs, and messages, based on the identified fire (and EMS) problem(s), would go a long way in providing a clear, consistent message to targeted occupancies and populations throughout the county.
- A Public Education Task Force, working with local CERT and Red Cross groups, would be a best practice in efficiency as well as maximize the potential for behavior change in impacted populations.
- The Santa Clara County Fire Marshals Association should coordinate this recommendation with all the fire agencies in the County.

Emergency Preparedness (1)

City	Entity	CERT	Other Programs	Outreach
Gilroy	Office of Emergency Services*	No		Info on Website
Milpitas	Office of Emergency Management*	Yes	ARES/RACES	Info on Website
Mountain View	Fire Department	Yes + Neighbor-hood Groups	Disaster Preparedness Classes	Info on Website
Palo Alto	Office of Emergency Services*	Yes	Block Preparedness Coordinators, ARES/RACES, Citizen Corps	Info on Website
San José	Office of Emergency Management*	Yes	Preparedness Classes, RACES	Info on Website
Santa Clara	Fire Department	Yes	Special Needs Database	Info on Website
Sunnyvale	Public Safety Department	Yes	Listos Preparedness Classes, SARES	Info on Website

Emergency Preparedness (2)

City	Entity	CERT	Other Programs	Outreach
Santa Clara County	LEAD AGENCY Office of Emergency Management	CCFD	Personal Emergency Preparedness Classes	Info on Website
Cupertino	Office of Emergency Management*	Yes	Neighbor- hood Block Leader	Info on Website
Los Gatos	Police Services	Yes	DART, Emergency Vol Center & Training	Info on Website
Monte Serrano	Partners with Los Gatos			Info on Website
Saratoga	City	Yes		Info on Website
Los Altos	Police Department	Yes	Los Altos Prepares	Info on Website
Campbell	Police Department	Yes	ARES/RACES	Info on Website
Los Altos Hills	Town	Yes	HAM Radio, Be Ready Be Prepared Classes & Videos	Info on Website
Morgan Hill	PD/Office of Emergency Service	Yes	HAM Radio, Map Your Neighborhood	Info on Website

Emergency Management Recommendation

- **Emergency Operations Plan Updates:** The County Office of Emergency Management, should develop a schedule for regular updates of the Emergency Operations Plan.

Emergency Management Recommendation

- **Emergency Management Outreach:** The County Office of Emergency Management, should build community resiliency to disasters through regular outreach and scheduled drills.

Emergency Management Recommendation

- **Emergency Management Partnerships:** The County Office of Emergency Management, should look for additional strategic partnership opportunities that combine city and county-wide resources to improve the efficiency of service delivery like Los Gatos-Monte Sereno and CCFD and the county.

Emergency Management Recommendation

- **Fire Safe Council Representation:** The County Office of Emergency Management, should consider adding a representative from the Santa Clara County Fire Safe Council as a partner in plan updates and revisions.

Emergency Management Recommendation

- **Reference to the Community Wildfire Protection Plan:** The County Office of Emergency Management, should include references to the Community Wildfire Protection Plan (CWPP) in the wildfire threat summary portion of the Emergency Management Plan to help ensure coordination.

Emergency Communications

Service Provider	PSAP	Dispatch Center	CAD Product	MDCs	AVL Dispatch
CCFD	County Comms, Campbell Police, Los Altos Police, Los Gatos Police, and Monte Sereno Police	County Comms (CCFD)	Homegrown	Yes	No
Gilroy FD	Gilroy Police	Gilroy Police	Sunridge RIMS	Yes	No
Milpitas FD	Milpitas Police	Milpitas Police	Central Square	Yes	Yes
Morgan Hill (CAL FIRE)	Morgan Hill Police	CAL FIRE	Peraton	No	No
Mountain View FD	Mountain View Police	Mountain View Police	Hexagon	Yes	Yes
Palo Alto FD	Palo Alto Police and Stanford Police	Palo Alto Police	Hexagon	Yes	Yes
San José FD	San José Police and San José State University Police	San José Fire	Hexagon	Yes	No
Santa Clara City FD	Santa Clara Police	Santa Clara Police	Hexagon	Yes	Yes
SCFD (CAL FIRE)	County Comms	CAL FIRE	Peraton	No	No
Sunnyvale PSD	Sunnyvale PSD	Sunnyvale PSD	CommandCAD	Yes	No
Rural/Metro Ambulance	14 separate PSAPS	County Comms	Homegrown	No	No

Processing a 911 Medical Emergency

Origin of 911 Call	Processing the Medical Emergency
Cupertino, Los Altos Hills, and Saratoga	911 calls are answered by County Communications who dispatches both fire and ambulance from the same center.
Unincorporated areas of CCFD, LAHCFD, and SFD	911 calls are answered by County Communications who dispatches both fire and ambulance from the same center.
Palo Alto	911 calls are answered by Palo Alto Police who dispatches both fire and ambulance from the same center. Calls received from Stanford are first received by Stanford Police then transferred to Palo Alto.
San José	911 calls are answered by San José Police then transferred via Common CAD to San José Fire Dispatch. Fire Dispatch requests response for EMS Transport via CAD to County Communications.
Santa Clara, Mountain View, Milpitas, Gilroy, and Sunnyvale	911 calls are answered by the cities' Police Department who dispatches fire, then transfers the information via phone to County Communications for an ambulance response.
Campbell, Los Altos, Los Gatos, and Monte Sereno	911 calls are answered by the Cities Police Department who transfers the information via phone to County Communications for fire and ambulance response.
Unincorporated areas of SCFD	911 calls are answered by County Communications who dispatches the ambulance, then transfers the information to the CAL FIRE dispatch center via phone for a fire response.
Morgan Hill	911 calls are answered by the Morgan Hill Police Department who transfers the information via phone call to the CAL FIRE dispatch center for a response from the Fire Department and to County Communications via phone for an ambulance response.

Emergency Comms Recommendation

- **CAD-to-CAD Interoperability:** Establish a CAD-to-CAD connection between dispatch centers to enhance interoperability.
- This connection would enable the transfer of information and real-time monitoring of neighboring agency resource status.
- It would streamline the process of requesting resources from neighboring centers and facilitate the determination of available resources outside the center for specific incidents.
- Silicon Valley Regional Interoperability Authority (SVRIA) should provide coordination with all the Fire Dispatch Centers to meet this recommendation.

Emergency Comms Recommendation

- **AVL Dispatch of Resources:** Gilroy, Morgan Hill, San Jose, Sunnyvale, CCFD, and SCFD are not currently utilizing Automatic Vehicle Location (AVL) technology to dispatch the closest available resource for emergencies.
- By integrating AVL into the CAD system through GIS mapping, the system can identify and dispatch the nearest unit to the incident.
- AVL Dispatch can help improve overall response times, potentially making a significant difference in critical calls.
- Each of these agencies should implement AVL dispatch in their dispatch center.

Emergency Comms Recommendation

- **Communications Feasibility Study:** Silicon Valley Regional Interoperability Authority (SVRIA) should commission a comprehensive feasibility study to address weaknesses in the overall emergency communications system in the county.
- The study should focus on reducing the number of Public Safety Answering Points (PSAPs), establishing a common Computer-Aided Dispatch (CAD) platform for fire and EMS agencies, and evaluating the benefits and challenges of combining fire and EMS dispatch centers, at least virtually.
- This study will provide valuable insights to improve services for individual agencies and the entire county.

Government Structure Alternatives

Requirements

- LAFCO is required to identify potential governmental structure options and operational efficiencies upon which the agencies may be able to capitalize.
- The options and recommendations included here are intended to initiate discussions amongst the affected agencies.

Efficiencies of Contracts and JPAs

- Joint service structures aimed at resource sharing, consist of contracting for services or joint powers authorities to combine operations of two or more agencies.
- Provide opportunities to pool resources, share expertise, and optimize operations, leading to improved service delivery despite limitations in personnel and facilities.
- These structure alternatives do not provide a singular solution to all constraints to services and must be combined with other strategies.

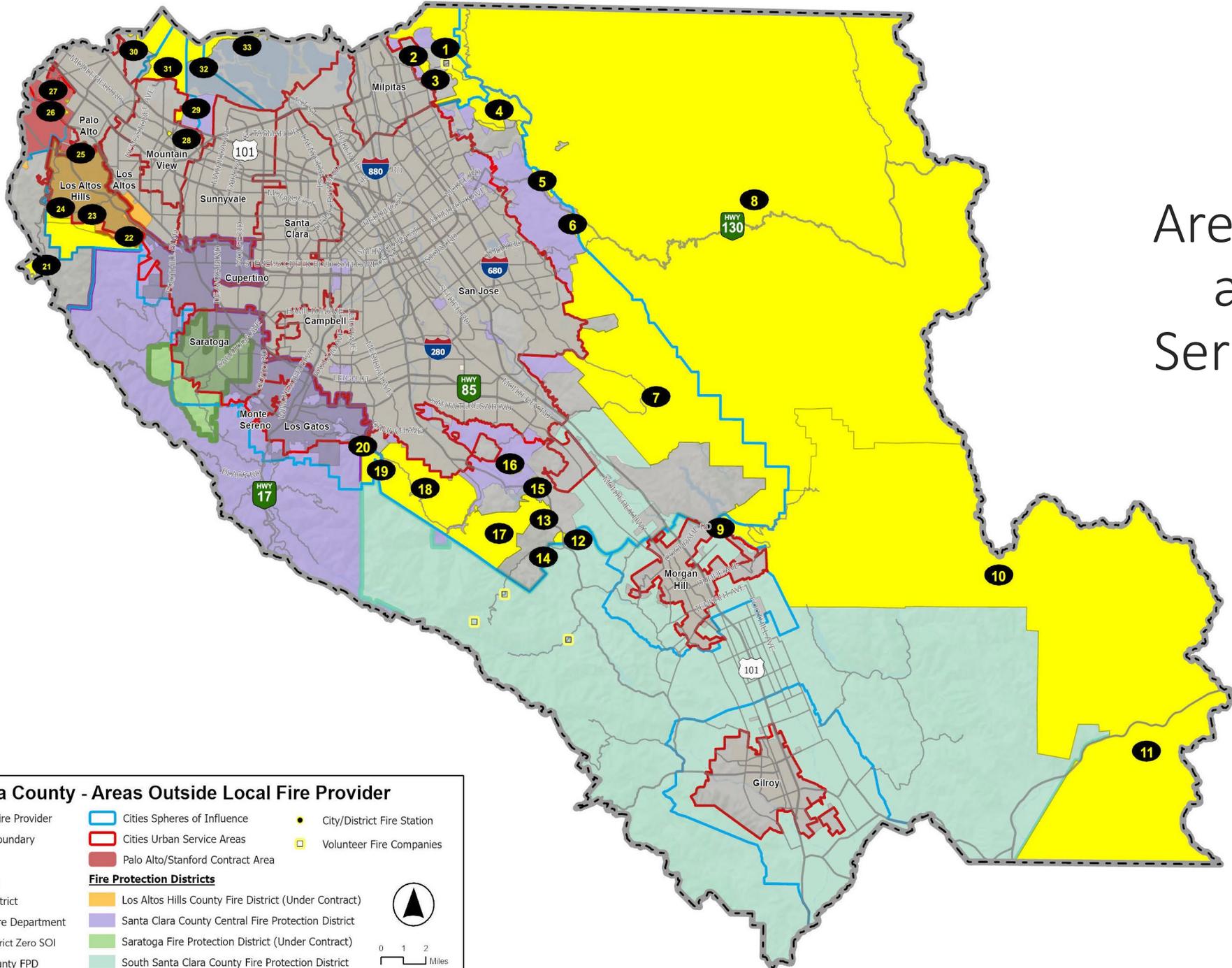
Recommendation

- A JPA service structure may be most beneficial for neighboring city fire departments of Mountain View, Palo Alto, Sunnyvale, Santa Clara, and CCFD.
- Creating a larger independent entity with a unified structure, or a specific function such as training, can offer benefits such as increased accountability, improved efficiency, and enhanced effectiveness in delivering fire services to the community.

Areas outside of a Local Fire Service Provider

- 33 distinct areas, totaling over 539 sq. miles, outside a local fire service provider, were identified based on each territory's location with respect to critical boundaries.
- Aims of ensuring all territory in the County lies within the boundaries of a local fire protection provider:
 - Ensure year round rapid and efficient response in both LRA and SRA (CAL FIRE only serves SRA during the fire season unless there is a specific agreement)
 - Validate ability of agency to provide necessary services
 - Ensure efficiency and speed of dispatch
 - Enhance accountability
 - Recoup some costs for services likely already provided

Areas outside of
a Local Fire
Service Provider



Santa Clara County - Areas Outside Local Fire Provider

City/District Fire Station	●
Volunteer Fire Companies	□

City/District Fire Station	●	City/District Fire Station	●
Volunteer Fire Companies	□	Volunteer Fire Companies	□

Fire Protection Districts

Los Altos Hills County Fire District (Under Contract)	■
Santa Clara County Central Fire Protection District	■
Saratoga Fire Protection District (Under Contract)	■
South Santa Clara County Fire Protection District	■

0 1 2 Miles

Recommendations

- The primary service structure that is most feasible and leads to logical boundaries is annexation of areas outside a fire provider's boundaries by the adjacent fire protection district and the district contracting with the nearest provider with facilities in the area.
- Areas 1 thru 6 are recommended to be annexed into CCFD then contract with the appropriate city FD for services in the expanded territory.
- This similar structure is proposed for areas adjacent to SCFD and LAHCFD boundaries and is applicable to Areas 7, 9–20, and 22–25.

Recommendations

- Promote Annexation of Existing Areas in LAHCFD and SCFD SOI's
- Reimplementing the Amador Plan, funded by the County, in Area 8, where there are no other nearby alternative fire providers, would enhance public safety ensuring faster response year-round in these remote areas.
- Promote an agreement between the City of Palo Alto and Palo Alto Unified School District for service at two elementary schools
- The service structure for Areas 28–33 is recommended to remain unchanged given minimal demand (no or few structures), extremely limited financing potential, expansive SRA receiving necessary services from CAL FIRE, and a lack of feasible options.

Recreation and Open Space

- County parks compose all or portions of Areas 9, 17-20, and 22-23.
- Sizeable open space properties owned by the MidPenninsula Regional Open Space District (MidPen) are located in the rural areas outside of the urban core throughout the County, portions of which are in Areas 19-23.

Public Resources Code Section 5561.6 requires Open Space Districts to “be primarily responsible for the prevention and suppression of all fires on any lands in its possession or control, excluding all lands of a district located within the exterior boundaries of any municipality or other fire protection district.”

- Should one of the adjacent providers choose not to annex the areas in question, it may be beneficial for MidPen to enter into an agreement (or other desired structure) with an appropriate fire service provider.

State Contract County

- Six counties have opted to become “contract counties” by providing contract services to the State, filling the services that would otherwise be provided by CAL FIRE for reimbursement.
- Reassessing the possibility of Santa Clara transitioning to a contract county may be warranted.
- Inclusion of Alameda and Contra Costa in the restructuring would create a more cohesive fire service structure in the Bay Area and likely enhance bargaining power with the State.

Governance Structure Alternatives for the Four Fire Districts

- Governance structure options for each of the four special districts reviewed in this report were identified based on service efficiency, cost effectiveness, and viability as established in the criteria for this review.

CCFD

- CCFD has reasonable economies of scale that allow for greater efficiency and effectiveness, there are few governance structure alternatives available for the District.
- CCFD does face service constraints as a result of limited staffing levels for uniformed support staff in certain divisions, indicating there could be enhanced efficiencies and value-added services to CCFD by developing a shared services structure with Mountain View, Palo Alto, Sunnyvale, Santa Clara through a JPA.
- There is the potential for CCFD to enhance public safety services in the County by annexing several areas that currently lack an identified fire and emergency response provider.

LAHCFD

- Annexation of LAHCFD's territory by CCFD and subsequent dissolution of LAHCFD, with CCFD identified as the successor agency is an option to streamline the governance structure.
- LAHCFD augments services within its boundaries, through additional staffing, enhanced equipment and engines, funding of expanded crews during fire season, and supplemental properties/facilities for fire protection activities.
- Given LAHCFD's key supplements to services within its boundaries, strong financial position, and lack of impact on logical boundaries of other providers, there appears to be no impetus to pursue any potential cost savings that would be the result of this reorganization.

LAHCFD

- There is also the potential for LAHCFD to enhance public safety services in the County by annexing four areas (Areas 22-25) that currently lack an identified fire protection and emergency response provider.

SFD

- The 2010 Countywide Fire Service Review and the 2014 Special Study: Saratoga Fire Protection District both indicated that duplicative costs and efforts could be reduced by dissolving the district and consolidating with CCFD.
- This review affirms that there are redundancies in the current service structure that could be more efficient with just one fire district serving the area.

SCFD

- 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
- The three agencies have practiced significant collaboration, planning and resource sharing
- There are further opportunities to better share and leverage resources and develop cohesive response in the region:

SCFD

- 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 “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, and potentially enhancing negotiation power with CAL FIRE.
- 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.

SCFD

- There is the potential for SCFD to enhance public safety services in the County by annexing several areas that currently lack an identified fire and emergency response provider.
- While SCFD is working to address projected financial shortfalls over the next five years, the district remains the only viable option for taking on services in six areas—Areas 9–14.

The Full Report

- Significant detail on the countywide overview of service, growing wildfire concerns, hazard mitigation in Santa Clara County, and the Governance Structure Alternatives.
- Detailed profiles for each agency providing fire and emergency medical response, including determinations for each of the cities and districts.
- Survey results and comments from the August 2021 Community Engagement.

AP Triton wishes to thank...

- **Santa Clara LAFCO Commissioners**
- **Countywide Fire Protection Service Review Technical Advisory Committee**
- **LAFCO Staff**
- **Fire District Elected Officials and Staff**
- **Fire Chiefs and their Staff**

Special Thanks to Steve Borgstrom and Matt Thompson, Santa Clara County Planning Office, for preparing the maps included within this report.



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 7

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner

Executive Officer
Neelima Palacherla

LAFCO MEETING: August 2, 2023
TO: LAFCO
**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**
SUBJECT: CALAFCO RELATED ACTIVITIES

**7.1 DESIGNATE VOTING DELEGATE AND ALTERNATE FOR 2023
CALAFCO BOARD OF DIRECTORS ELECTION**

Recommendation

Appoint voting delegate and alternate voting delegate.

Discussion

Elections for the 2023/2024 CALAFCO Board of Directors will occur on Thursday, October 19, 2023, at CALAFCO's Annual Conference in Monterey. Each LAFCO must designate a voting delegate and alternate who is authorized to vote on behalf of their LAFCO.

Additional information on the upcoming CALAFCO Annual Conference (October 18-20) and the Mobile Workshop (October 18) is provided as **Attachment A**.

ATTACHMENT

Attachment A: Additional Information on 2023 CALAFCO Annual Conference (October 18-20) and Mobile Workshop (October 18), and Pre-Conference Monterey Bay Coastal Bike Tour (October 17)

Join Us at the 2023 CALAFCO ANNUAL CONFERENCE

OCTOBER 18 – 20, 2023

Hyatt Regency Monterey Hotel And Spa
On Del Monte Golf Course
1 Old Golf Course Road, Monterey, CA 93940

Conveniently located near the Monterey Regional Airport



Network with other CALAFCO members and participate in sessions covering policy issues related to growth, sustainability, and preservation.

A diverse assortment of speakers will explore current challenges and solutions on a broad range of topics. Together, they will make the Annual Conference an unmatched opportunity to leverage your role in bringing together community stakeholders.

No other event like this brings together such a diverse group of elected officials.



General Sessions include:

-  A panel discussion on the application, scope, and exemptions under Government Code section 56133.
-  Municipal Services in the 21st Century - LAFCo and Evolving Municipal Services
-  The Future of LAFCos - Reimagining, Rebranding and Promoting LAFCos and Opportunities for Innovation
-  LAFCos and Special Districts - Opportunities for Collaboration

Break Out Sessions:

-  LAFCo Dynamics - EO & Commissioner leadership and partnerships
-  Your Community's Fire Service: Top Notch or Ticking Time Bomb?
-  Guiding Adrift Agencies Back on Course
-  When the Crystal Ball Hits the Wall: LAFCo Future Shock

REGISTRATION IS NOW OPEN! Visit <https://bit.ly/23Conference> to register.

Hyatt Regency Monterey Hotel And Spa On Del Monte Golf Course *Near the Monterey Regional Airport*



Make your hotel reservations now at the special CALAFCO rate of \$205 per night (excludes taxes and fees). Book before September 18, 2023.

TO MAKE HOTEL RESERVATIONS, PLEASE VISIT:
www.hyatt.com/en-US/group-booking/MRYDM/G-CL10 or call 877-803-7534 and reference the CALAFCO event.

Secure your spot today! You won't want to miss:

- ✓ Unique networking, collaboration and learning opportunities
- ✓ Meetings for regional representatives with elections
- ✓ CALAFCO Annual Business Meeting for member LAFCos
- ✓ Attorney and regional roundtables
- ✓ Luncheon keynotes
- ✓ Breakfast buffet and sponsor networking

Join Us at the
2023 CALAFCO ANNUAL CONFERENCE

Hyatt Regency Monterey Hotel And Spa On Del Monte Golf Course
1 Old Golf Course Road, Monterey, CA 93940

TUESDAY - OCTOBER 17, 2023

2:00 p.m. Monterey Bay Coastal Bike Tour

WEDNESDAY - OCTOBER 18, 2023

7:00 a.m. Registration Opens

7:15 a.m. Mobile Workshop

10:00 a.m. LAFCo 101: Building on the Basics of LAFCo

1:30 p.m. Conference Opening

2:00 p.m. General Session: What's New with New Or Extended Services Outside Jurisdictional Boundaries?

3:15 p.m. Break

3:30 p.m. General Session: Reimagining LAFCo: Staying Relevant in Changing Times

5:30 p.m. CALAFCO Reception

7:00 p.m. Dinner on Your Own

THURSDAY - OCTOBER 19, 2023

7:00 a.m. Breakfast

8:00 a.m. Regional Caucus Meetings and Elections

9:15 a.m. CALAFCO Annual Business Meeting

10:30 a.m. Break

10:45 a.m. Attorney and Regional Roundtables

12:00 p.m. Lunch

1:45 p.m. BREAKOUT SESSIONS

1) LAFCo Dynamics

2) Your Community's Fire Service: Top Notch or Ticking Time Bomb?

3:15 p.m. Break

3:30 p.m. BREAKOUT SESSIONS

1) When the Crystal Ball Hits the Wall

2) Guiding Adrift Agencies Back on Course

6:00 p.m. Pre-dinner Reception

7:00 p.m. Dinner and Awards

FRIDAY - OCTOBER 20, 2023

7:00 a.m. Breakfast

7:30 a.m. CALAFCO Board of Directors Meeting

9:00 a.m. General Session: Municipal Services in the 21st Century

10:15 a.m. Break

10:30 a.m. General Session: LAFCOs and Special Districts: A Look at the History, Current Challenges, and Future Opportunities Among These Agencies

12:00 p.m. Conference Adjourns

REGISTRATION IS NOW OPEN. Visit
<https://bit.ly/23Conference> today!



THE SKY IS THE LIMIT

Multi-Agency Partnerships and Sustainability Projects at the Monterey Regional Airport

2023 Annual Conference Mobile Workshop

Explore the unique history, programs, sustainability projects, and partnerships of the Monterey Peninsula Airport District. The day will kick off with refreshments provided by the Airport District and includes presentations from Airport District and partner agency representatives about multi-agency collaboration and sustainability projects.

Wednesday, October 18, 2023
7:15 a.m. – 12:30 p.m.

Monterey Peninsula Airport District

200 Fred Kane Drive, Suite 200, Monterey, CA 93940

Enjoy a brisk 40-minute group walk to the event, leaving at 6:45 a.m. or board the bus in front of the hotel at 7:15 a.m.

Bus departs **promptly** at 7:30 a.m.



TOPICS INCLUDE:



Overview/History of the Monterey Peninsula Airport District



Sustainable Infrastructure: Solar Electricity and Water Service



Partnerships in Service Delivery – Fire Protection/ Emergency Medical Services, Law Enforcement Services, and Jet Center Services



Planned Modernization and Safety at the Airport, Regulatory Requirements, and Funding Sources



“Art at the Airport Program” – Partnerships with Monterey County Historical Society, Youth Arts Program, and Iconic Events

REGISTER TODAY!

Visit <https://bit.ly/23Conference> to pay online via credit card or complete the registration form attached to pay by check.

REGISTRATION DEADLINE: Friday, September 29, 2023

COST: \$75 per person, includes refreshments (Workshop is limited to the first 90 registrants.) Registration fees are refundable (less \$30), if a request is received in writing no later than September 29, 2023.

Please dress warmly in layers, as much of the workshop will be outside.

Remember to register for the 2023 CALAFCO Annual Conference!

Visit www.calafco.org for conference details or call us at 916-442-6536.

Bike Tour on Tuesday, October 17th



Thank you to our Mobile Workshop sponsor!



HOTEL RESERVATIONS AT THE HYATT REGENCY MONTEREY HOTEL AND SPA ON DEL MONTE GOLF COURSE are available at the special CALAFCO rate of \$205 per night (excludes taxes and fees), if booked before September 18, 2023. Visit www.hyatt.com/en-US/group-booking/MRYDM/G-CL10 or call 877-803-7534 and reference the CALAFCO event.

More information is available at www.calafco.org

MONTEREY BAY COASTAL BIKE TOUR

Tuesday, October 17, 2023 | 2 p.m. – 4 p.m.

Come early to Monterey and join the Monterey
LAFCO staff on a pre-conference bike ride!



WHERE: On the Monterey Bay Coastal Recreation Trail



MEET: In downtown Monterey at the large anchor
in front of Monterey History & Art at the Stanton Center,
adjacent to Custom House Plaza



DEPART: 2 p.m.

This fun, easy ride will be along the oceanfront recreation trail in Monterey and Pacific Grove. **FREE to everyone** and no advance registration is needed. Bring your own bicycle or rent one in town. Meet at the anchor outside of the Stanton Center (by Fisherman's Wharf and Custom House Plaza). This CALAFCO tradition started in 2012!



Monterey Bay Bike Tour participants at
the 2012 CALAFCO Conference

For more information, visit www.calafco.org





**Local Agency
Formation Commission
of Santa Clara County**
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Terry Trumbull

ITEM # 8

Alternate Commissioners
Domingo Candelas
Helen Chapman
Cindy Chavez
Teresa O'Neill
Mark Turner
Executive Officer
Neelima Palacherla

LAFCO MEETING: August 2, 2023

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

SUBJECT: EXECUTIVE OFFICER'S REPORT

STAFF RECOMMENDATION

Accept report and provide direction, as necessary.

8.1 UPDATE ON LAFCO CLERK RECRUITMENT

In July 2023, LAFCO staff held interviews for the vacant LAFCO Clerk position. LAFCO staff is in the process of completing reference checks and determining next steps. LAFCO staff will continue to update the Commission, as the recruitment process moves forward.

8.2 MEETING WITH COUNTY PLANNING OFFICE STAFF ON ANNEXATION OF UNINCORPORATED ISLANDS / PARCELS

On June 12, 2023 EO Palacherla met, with the County Planning and Development Director Jacqueline Onciano, County Planning Manager Leza Mikhail, and County Principal Planner Michael Meehan, at their request, to discuss and answer various questions about the process for annexing unincorporated islands and parcels.

8.3 MEETING WITH MIDPENINSULA REGIONAL OPEN SPACE DISTRICT STAFF ON LAFCO ANNEXATION PROCESS

On July 19, 2023, EO Palacherla and Asst. EO Noel, met with Midpeninsula Regional Open Space District Planning Manager Jane Mark and Real Property Manager Mike Williams, at their request, to discuss and answer various questions about the LAFCO process for annexation of lands within the District's sphere of influence.

8.4 MEETING WITH UNIVERSITY OF CALIFORNIA RESEARCHERS ON WATER SYSTEM CONSOLIDATIONS

On June, 9, 2023, EO Palacherla met with University of California researchers Justin McBride and Kristin Dobbin, who are conducting a multi-part study on water system consolidation to better understand what makes them successful and the role that

LAFCOs play in water system consolidation process. EO Palacherla provided information on LAFCO staff's discussions and meetings with staff from the State Water Resources Control Board, the County Planning Office and the County Environmental Health Department on ways to address the struggling small water systems in the unincorporated county. She also discussed Santa Clara LAFCO's experience with water system consolidations, and the unintended impact of recent laws related to limited permitting of small water systems on land use, planning, and growth management in the unincorporated county.

The researchers are meeting with LAFCO EOs from a variety of counties of different types and regions in the state to better understand how LAFCOs approach the question of water system consolidation, given the numerous other tasks LAFCOs are entrusted to handle and the limited resources that LAFCOs have.