

AGENDA
REGULAR MEETING
Wednesday, June 11, 2003
1:15 p.m.

Chambers of the Board of Supervisors
70 West Hedding Street, First Floor, East Wing
San Jose, CA 95110

CHAIRPERSON: Blanca Alvarado

COMMISSIONERS: Donald F. Gage, Linda LeZotte, Susan Vicklund-Wilson, Mary Lou Zoglin

ALTERNATES: John Howe, Pete McHugh, Chuck Reed, Terry Trumbull

The items marked with an asterisk (*) are included in the Consent Agenda and will be taken in one motion. At the beginning of the meeting, anyone who wants to discuss a consent item should make a request to remove that item from the Consent Agenda.

If you wish to participate in the following proceedings, you are prohibited from making a campaign contribution of more than \$250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than \$250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings. If you or your agent have made a contribution of more than \$250 to any commissioner or alternate during the twelve (12) months preceding the decision, in the proceeding that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

1. ROLL CALL

2. PUBLIC PRESENTATIONS

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on this agenda. Speakers are limited to **THREE** minutes. All statements that require a response will be referred to staff for reply in writing.

3. APPROVE MINUTES OF APRIL 9, 2003 MEETING

4. ADOPTION AND PRESENTATION OF RESOLUTION COMMENDING DON WEDEN AS HE RETIRES AFTER 33 YEARS OF SERVICE TO THE COUNTY OF SANTA CLARA PLANNING DEPARTMENT

PUBLIC HEARINGS

5. EVERGREEN NO. 188 REORGANIZATION (CITY OF SAN JOSE)

An application by the City of San Jose for reorganization of property (APN: 654-03-009) located at 3698 Norwood Avenue, San Jose, a portion of which is outside of the City's Urban Service Area. The reorganization includes

annexation to the City of San José and detachment from the Santa Clara County Fire Protection District and the County Library Service Area.

Possible Action: Consider the reorganization proposal and staff recommendation.

6. SPHERE OF INFLUENCE (SOI) AMENDMENT AND ANNEXATION TO THE PURISSIMA HILLS COUNTY WATER DISTRICT (PHCWD)

A. **Lands of Corrigan.** A proposal by the landowner (Corrigan) for annexation of property located at 13441 and 13445 Robleda Road, Los Altos Hills (APN: 175-36-003 & 036) to the PHCWD and inclusion of the parcels within the PHCWD's SOI.

B. **Lands of Wu.** A proposal by the landowner (Wu) for annexation of property located at 12661 Robleda Road, Los Altos Hills (APN: 175-47-016) to the PHCWD and inclusion of the parcels within the PHCWD's SOI.

Possible Action: Consider the request for annexation and SOI amendment and staff recommendation.

7. MORGAN HILL 2002 URBAN SERVICE AREA (USA) AMENDMENT: AREA 1 (DIANA-KUBO/PATEL)

Continued from the April 9, 2003 Meeting

A request by the City of Morgan Hill to expand its USA to include Area 1, consisting of 57.89 acres, including 8 parcels and a 19-acre portion of Highway 101, located on the northeast quadrant of the intersection of East Dunne and Highway 101.

Possible Action: Consider the request for USA amendment and staff recommendation.

8. OUT OF AGENCY EXTENSION OF SEWER AND WATER SERVICE BY THE CITY OF MORGAN HILL TO THE PROPOSED SOBRATO HIGH SCHOOL

A request by the City of Morgan Hill to provide sewer and water service to the proposed Sobrato High School located at 565 Burnett Avenue, outside the city limits of Morgan Hill.

Possible Action: Consider the request for sewer & water service extension and staff recommendation.

9. OUT OF AGENCY EXTENSION OF WATER SERVICE BY THE CITY OF MORGAN HILL TO THE COUNTY'S LAKE ANDERSON BOAT LAUNCH FACILITY

A request by the City of Morgan Hill to provide water services to the County's Lake Anderson Boat Launch facility located on the east side of Coyote Road, outside of the city limits of Morgan Hill.

Possible Action: Consider the request for water service extension and staff recommendation.

10. FINAL LAFCO BUDGET FOR FISCAL YEAR 2003-2004

Possible Action: Consider and adopt the final LAFCO budget for fiscal year 2003-2004.

11. PROPOSED CHANGES TO LAFCO STAFF CLASSIFICATIONS

Possible Action: Consider proposed changes to the classifications of the LAFCO Executive Officer and LAFCO Analyst positions and staff recommendation.

12. MAPS OF SPECIAL DISTRICTS IN SANTA CLARA COUNTY

Possible Action: Adopt maps depicting the boundaries and SOIs of the following four special districts: Aldercroft Heights County Water District, San Martin County Water District, Lion's Gate Community Services District and Lake Canyon Community Services District.

**13. EXECUTIVE OFFICER'S REPORT
ORAL REPORT**

A. 2003 CALAFCO Annual Conference in San Francisco
(September 24-26, 2003)

Possible Action: Authorize staff and commissioners to attend the 2003 CALAFCO Annual Conference and authorize travel expenses funded by LAFCO budget.

B. Update on May 14, 2003 LAFCO Workshop on City Conducted Annexations / Reorganizations

C. Update on Countywide Fire Service Reviews

14. WRITTEN CORRESPONDENCE

15. ADJOURN

Adjourn to the next regular business meeting on Wednesday, August 13, 2003.

NOTE TO COMMISSIONERS:

Upon receipt of this agenda, please contact Emmanuel Abello, LAFCO Clerk at (408) 299-5088 if you are unable to attend the LAFCO meeting.

In compliance with the Americans with Disabilities Act, this report is available in large print format. If you are unable to attend the meeting, please contact the Clerk of the Board's Office, 24 hours prior to the meeting at (408) 299-4922. TDD (voice) 299-5072.

Local Agency Formation Commission
of Santa Clara County

MINUTES
WEDNESDAY, APRIL 9, 2003

1. ROLL CALL

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 9th day of April 2003 at 1:20 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California, with the following members present: Chairperson Blanca Alvarado and Commissioners Donald Gage, Linda J. LeZotte, Susan Vicklund-Wilson and Mary Lou Zoglin.

The LAFCO staff in attendance include Neelima Palacherla, LAFCO Executive Officer; Kathy Kretchmer, LAFCO Counsel; Dunia Noel, LAFCO Analyst; and Ginny Millar, LAFCO Surveyor.

The meeting is called to order by Chairperson Alvarado and the following proceedings are had, to wit:

2. PUBLIC PRESENTATION

There are no public presentations.

3. APPROVE MINUTES OF FEBRUARY 12, 2003 MEETING

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the minutes of the February 12, 2003 meeting be approved, as submitted.

4. CONSENT CALENDAR

4.1 ANNEXATION TO WEST VALLEY SANITATION DISTRICT OF 1.09 ACRES PROPERTY LOCATED ON 14666 AMBRIC KNOLLS ROAD, SARATOGA

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that Resolution No. 03-04 be adopted, approving the Annexation to West Valley Sanitation District of a property located at 14666 Ambric Knolls Road, Saratoga, waiving the protest proceedings, and approving the staff recommendation.

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PUBLIC HEARINGS

5. MORGAN HILL 2002 URBAN SERVICE AREA (USA) AMENDMENT: AREA 1 AND 2

This being the time and place set for public hearing to consider the request of the City of Morgan Hill for expansion of its USA, the Chairperson declares the public hearing open.

A. AREA 1 (DIANA-KUBO/PATEL)

Ms. Palacherla advises the Commission that the City of Morgan Hill has requested a continuance of the public hearing for this item to the June 11, 2003 meeting.

On Commission consensus, it is ordered that the public hearing for Morgan Hill 2002 USA Amendment, Area 1 (Diana-Kubo/Patel) be continued to June 11, 2003.

B. AREA 2 (AQUATIC CENTER)

Ms. Palacherla reports that the City of Morgan Hill is requesting the inclusion of the 8.8 acre property into its USA to facilitate annexation of the proposed Aquatic Center. The City has designated the property as a public facility in its General Plan and has applied a public facility pre-zoning designation. The site is currently undeveloped and is zoned medium scale agriculture in the County. There was an orchard on site which was removed in 1996. The land on this site is designated by the Department of Conservation as "farmland of statewide importance." However, since the land has not been used for irrigated agricultural production since 1996, four years since the last mapping of the Department of Conservation, it no longer meets the requirement as "farmland of statewide importance." She states that it is also less than the 10-acre threshold used to analyze the significant loss of agricultural land. It is surrounded by non-agricultural uses on its northwest and south sides. She also states that it is a logical extension to the boundaries of the City since the site is surrounded by the USA and City limits on two sites. She notes that the City has indicated that it does not have other vacant lands designated as public facility within its current boundary, except for the 30 acre site that has been set aside for the Catholic High School. For these reasons, staff recommends that inclusion of Area 2 into the City's USA boundary be approved.

Mark Orzan, member of the City of Morgan Hill General Plan Task Force and Urban Growth Boundary Committee, states that the project does not meet the General Plan policies because it is a huge project, there are other areas in the county where it can

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be built, and there are wildlife issues involved. He adds that since the city has not acted on the past wildlife issues and is currently being sued by the Audubon Society, the Commission cannot rely on the City's promises to mitigate wildlife. He notes that \$2.5 million of the project cost is funded from Redevelopment Agency while a study projects that the City can lose approximately \$300,000 annually. In addition, Mr. Orzan, states that the Aquatic Center would have to attract people from a 25 mile radius in order to sustain itself and has not been listed as a high priority by the City.

Commissioner Alvarado explains that the issue being considered by the Commission is a USA amendment and suggests that the concerns expressed by Mr. Orzan be considered by the City Council. Ms. Kretchmer is considering a separate issue which is independent from the matters to be considered by the City. The Commission decision will be based on information in the California Environmental Quality Act (CEQA) and she notes staff has determined that the project meets CEQA requirements. In response to an inquiry by Commissioner Wilson, Ms. Palacherla states that the Commission is approving the USA amendment and not the project and that Measure P requires that the area will remain designated a public facility.

Terry Linder, Senior Planner, City of Morgan Hill, reports that the project, which will be built phase by phase, is sufficiently funded, and that the City's General Plan provides that any land brought into the USA as industrial, commercial or institutional use, cannot be re-designated to other purposes.

There being no other speakers from the public, the Chairperson declares the public hearing closed.

Commissioner Gage moves that the USA expansion be approved. In response to an inquiry by Commissioner Wilson, Ms. Palacherla explains that even without taking the issue of "farmland of statewide importance" into consideration, staff recommends inclusion of the area into the City's USA because there would be no direct impacts to any surrounding agricultural lands. Commissioner Wilson proposes to amend the motion to remove from the staff report a reference that one of the bases for approval is that the area has not been farmed. Commissioner Gage accepts the amendment to the motion and requests staff to report back to the Commission on the definition of agricultural lands. Commissioner Wilson seconds the motion. Ms. Palacherla proposes that the approval be made contingent on payment by the City of the balance of \$2,501 in

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processing fee.

It is unanimously ordered that the Resolution No. 03-03 be adopted, approving the request by the City of Morgan Hill to include Area 2 (Aquatic Center) into its USA, contingent on the payment of \$2,501.00 in balance to the fee.

6. OUT OF AGENCY EXTENSION OF SEWER SERVICE TO 23270 MORA HEIGHTS WAY (HUSHER) BY THE TOWN OF LOS ALTOS HILLS

This being the time and place set for public hearing to consider the request by the Town of Los Altos Hills to provide an out of agency sewer extension to 23270 Mora Heights Way, the Chairperson declares the hearing open.

Ms. Palacherla reports that the Town is seeking LAFCO approval to extend sewer services to a property located in an unincorporated area within the USA and Sphere of Influence (SOI) of the Town of Los Altos Hills. This property had a 1,600 sq. feet single family home with a detached garaged served by a septic system. She advises that in March 2002, a report from an independent consultant showed that the septic system was failing. In July 2002, the Department of Environmental Health recommended sewer connection for the site since the existing septic system failed and could not be repaired or replaced. The existing structure was demolished and plans for a new single family home were submitted to the County. A building permit had been issued; however, it was recently suspended pending LAFCO approval of the sewer extension. She explains that the property is within the Town's USA and SOI boundaries and LAFCO policies require that annexation must be considered before extending sewer service to the property. However, this particular property is not contiguous to the Town limits, the Town and the property owner have entered into an agreement that the latter would waive their protest rights to any proposed future annexation. She advises that in terms of its growth inducing impact, the extension of the sewer would allow the owner to build a much larger home than what was originally on the property and would potentially allow approximately 17 other properties to seek connections to the sewer system along the line. The Town has indicated that it has the capacity to serve these homes; however, it does not have the capacity rights to do so and property owners can acquire capacity rights from other landowners. Ms. Palacherla adds that the Town is formulating a Sewer Master Plan to study the current and build-out scenarios to be used in renegotiating of the sewer agreement with the City of Los Altos. She also

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notes that there are no health and safety issues involved in the project. She indicates that staff is recommending approval of the project.

Lawrence Hall, RCSL Architecture, expresses appreciation for the efforts of LAFCO staff.

There being no other speakers from the public, the Chairperson declares the public hearing closed.

On motion of Commissioner Gage, seconded by Commissioner Zoglin, it is unanimously ordered that Resolution No. 03-02 be adopted, approving the request of the Town of Los Altos Hills for an out of agency contract for sewer service to 23270 Mora Heights Way.

7. PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2003-2004

This being the time and place set for public hearing to consider the proposed LAFCO budget for Fiscal Year 2003-04, the Chairperson declares the hearing open.

Ms. Palacherla reports that the approved budget for the current fiscal year is \$533,091 and it is projected that there will be a year end savings of \$140,814. This amount will be carried over to the next year's budget to reduce the cost for the County and the cities. The savings was achieved because not all of the allocated funds for consultants and intra-County professionals were used, the \$50,000 reserve was not used, and there was \$160,338 balance carried over from the previous fiscal year 2002. The proposed 2003-2004 budget is \$552,642, with net operating expenses of \$364,828.

In response to an inquiry by Commissioner Gage, Ms. Palacherla states that in case litigation occurs the reserve will be used and, if necessary, state law allows LAFCO to borrow money from the County. Commissioner Gage proposes that part of the savings be allocated as reserves for potential litigation. In response to an inquiry by Commissioner Wilson, Ms. Palacherla states that the \$50,000 in reserve is part of the \$140,814. In response to a follow-up inquiry by Commissioner Wilson, Ms. Palacherla explains that \$100,000 has been budgeted for consultant services. In response to an inquiry by Commissioner LeZotte, Ms. Palacherla explains that the savings from the previous fiscal year is apportioned to the current year's budget, thus reducing the costs to the County and cities. In response to a follow-up inquiry by Commissioner LeZotte, Ms. Palacherla explains that the reason for the current fiscal year's fund balance is because the fund earmarked for the consultant's fee was not used; however, with the

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ongoing service review that allotment will be used next fiscal year. In response to an inquiry by Commissioner LeZotte, Ms. Palacherla advises that the LAFCO Clerk is solely funded by LAFCO and works full-time on LAFCO duties. She adds that the LAFCO Counsel is paid on an hourly basis and it is anticipated that LAFCO will need 340 hours of the Counsel's services next fiscal year. In response to a follow-up inquiry by Commissioner LeZotte, Ms. Palacherla explains that the proposed budget being presented needs to be adopted by May 1, 2003 and that the final budget must be adopted by June 15, 2003. She further advises that there is still sufficient time for the City of San Jose to send any comments it desires on the proposed budget. In response to inquiries by the Chairperson, Ms. Palacherla states that the City would be paying a total amount of \$25 more than the previous year and that the \$8,918 in overhead expenses relates to the use of County space and related services. The Chairperson notes that it is unlikely that there will be any reduction because of the workload next year and requests that Ms. Palacherla provide additional information on Item 2321 of the proposed budget and clarify the budget reserve. In response to an inquiry by Commissioner LeZotte, Ms. Palacherla states that a copy of the proposed budget is sent to each of the city managers, the council members and the city clerks. Commissioner Wilson states that, in addition to the services, there is a need to ensure that there is sufficient funding allocated for legal contingencies because of the number of applications being processed each year.

There being no the speakers from the public, the Chairperson declares the public hearing closed.

On motion of Commissioner Gage, seconded by Commissioner LeZotte, it is unanimously ordered that the proposed budget be approved, and that staff be directed to note the comments and provide the requested information to the cities and the members of the Commission.

8. MAPS FOR THE SANITARY/SANITATION DISTRICTS IN SANTA CLARA COUNTY

This being the time and place set for public hearing to consider the maps depicting the boundaries and spheres of influence of sanitary/sanitation special districts, namely, Burbank Sanitary District, County Sanitation District No. 2-3, Cupertino Sanitary District, Sunol Sanitary District, West Bay Sanitary District, and West Valley Sanitary District, the Chairperson declares the public hearing open.

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There being no speakers from the public, the Chairperson declares the public hearing closed.

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the proposed maps depicting the boundaries and spheres of influence of sanitary/sanitation special districts be adopted, namely, Burbank Sanitary District, County Sanitation District No. 2-3, Cupertino Sanitary District, Sunol Sanitary District, West Bay Sanitary District, and West Valley Sanitary District.

9. EXECUTIVE OFFICER'S REPORT

9A. UPDATE ON COUNTYWIDE FIRE PROTECTION SERVICE REVIEW

Ms. Palacherla reports that Matrix Consulting Group was hired to undertake the countywide service reviews. Staff is regularly meeting with the liaisons designated by the Fire Chiefs Association and the City Managers Association. The consultant has prepared a listing of information needed for the interviews with the fire agencies and districts, the schedule for the interviews, and the target date for the draft outline data will become available for review. After review of the data by the fire agencies, the consultant will submit a preliminary list of issues, alternatives and findings to be reviewed by the fire agencies. The Technical Advisory Committee, composed of the liaisons from the Fire Chiefs Association and the City Managers Association, will review and address these issues. Ms. Palacherla further notes that the information which is derived will be used to update the SOIs of special districts, it may also be used to review other types of applications, such as annexations, and to initiate boundary changes.

9B. UPDATE ON MORGAN HILL'S MEASURE P REVISION COMMITTEE RECOMMENDATION

Ms. Palacherla reports that in the approval of the sewer extension to Holiday Lake Estates area during the April 9, 2003 LAFCO meeting, the Commission directed staff to provide an update on the status of the Morgan Hill's Measure P Committee. She states that the Measure P Committee recommended to the City Planning Commission on March 23, 2003 to exclude the area from the population ceiling established by Morgan Hill for 2020. The Planning Commission's recommendations were taken to the City Council on April 2, 2003. The Council, which will again take up the matter in July 2003, did not change the recommendations of the Committee; however, the City decided that Measure P will be included on the March 2004 ballot instead of the October

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2003 ballot as originally proposed. She advises that there will be a community survey and workshop to determine if there is voter support for this recommendation. In addition to the exclusion of the area from the population ceiling, the Committee added provisions to remove the reference to the "east-west split" and revise the method for calculating the amount of vacant.

9C. UPDATE ON GREENBELT ALLIANCE'S COYOTE VALLEY VISIONING PROJECT

Ms. Palacherla reports that staff attended the final meeting on the project where the consultant presented an overview of the Smart Growth vision for Coyote Valley. The final report on the project will be published in late May or early June 2003.

10. PENDING APPLICATIONS

Ms. Palacherla advises the Commission of the following pending applications: (a) request for annexation of 13441 and 13445 Robleda Road (Corrigan) to Purissima Hills County Water District; (b) request for annexation of 12661 Robleda Road (Wu) to Purissima Hills County Water District; (c) request by the City of Morgan Hill to extend sewer and water services to Sobrato High School; and (d) request by the City of Morgan Hill to extend water services to Anderson Lake Boat Launch.

11. WRITTEN CORRESPONDENCE

There is no written correspondence.

12. ADJOURNMENT

On order of the Chairperson, there being no objection, the meeting is adjourned at 2:19 p.m. to the next regular meeting to be held on Wednesday, June 11, 2003 at 1:15 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

Blanca Alvarado, Chairperson
Local Agency Formation Commission

ATTEST:

Emmanuel Abello, LAFCO Clerk

Date Prepared: May 27, 2003
LAFCO Meeting: June 11, 2003

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: **Evergreen #188 Reorganization
City of San Jose (Springbrook Avenue Subdivision- Lands
of Ceraolo)**

Agenda Item # 5

RECOMMENDATION

1. CEQA Action

As a Responsible Agency under CEQA, LAFCO must take the following actions regarding the Negative Declaration for any project approved by the Commission:

- a. Find that the Initial Study and Negative Declaration approved by the City of San Jose were completed in compliance with CEQA and, together with the additional information being provided by the City, are an adequate discussion of the environmental impacts of the project,
- b. 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 Negative Declaration.

These CEQA documents are the same as those used for the 2002 San Jose Urban Service Area Amendment (Area C). A copy of the LAFCO Analyst Report, Initial Study and Negative Declaration are attached for your reference:

2. Evergreen #188 Reorganization

- a. Approve the proposed annexation to the City of San Jose and concurrent detachment from the Santa Clara County Central Fire Protection District and the County Library Service Area (See Attachment A for map and legal description of boundaries of the reorganization) AND determine that the City

of San Jose succeed to the Williamson Act Contract on the property. This approval is conditioned on the following:

1. No City services shall be provided to the portion of the parcel outside the City's urban service area which is pre-zoned single family residential for one dwelling unit.
 2. No services shall be provided by the City of San Jose to the annexed property for use during the remaining life of the Williamson Act Contract for land uses or activities not allowed under the contract. The Contract will terminate on January 1, 2011.
 3. City of San Jose shall adopt the rules and procedures required by the Williamson Act, including but not limited to the rules and procedures required by Government Code sections 51231, 51237 and 51237.5.(See Attachment B for the sections)
- b. Waive further protest proceedings pursuant to Government Code Section 56663.

PROJECT DESCRIPTION AND BACKGROUND

The City of San Jose proposes a reorganization of approximately 11 acres of land (APN: 654-03-009) consisting of annexation to the City and a concurrent detachment from the Santa Clara County Fire Protection District and the County Library Service Area. Since a portion of the proposed reorganization area (about 3 acres) is outside the urban service area (USA) of San Jose, the City is required to seek annexation approval from LAFCO.

The proposal is located about 1,070 feet east of Murillo Avenue and 380 feet northerly of Quimby Road in the East San Jose foothills. At its December 11, 2002 meeting, LAFCO approved the inclusion of a portion (about 8 acres) of this parcel within the City's USA. The remaining portion of the property is located above the 15% slope line and is outside the City's USA and Urban Growth Boundary. As a condition of LAFCO's approval of the 2002 USA expansion, LAFCO required that any future annexation of the area must include the entire parcel (654-03-009) with appropriate pre-zoning designations for the portions of the parcel within as well as outside the USA boundary.

Currently there are two single-family homes on the property. Surrounding land uses include a church and residences to the south, a retention basin maintained by the Santa Clara Valley Water District for flood control to the west, hillsides to the north and east and a residential sub division to the south west of the project site. The City General Plan designation for the 8-acre portion of the site is "Very Low Density Residential" (2.0DU/AC) and on the remaining portion of the property it is "Non-Urban Hillsides".

REVIEW OF CONSISTENCY WITH LAFCO POLICIES

Pre-Zoning Designations

The City of San Jose has applied a pre-zoning designation of A(PD) to the site. The base zoning is A- Agriculture. The PD zoning is the same as that in the development plan which is on file in the City and available in the LAFCO office. The zoning includes, Single Family Residential (1.4 DU/AC) on 4.32 acres, Public Right of way on .67 acres, Private Open Space on 2.21 acres, and Single family Residential (1 Dwelling Unit) on the remaining acreage. This pre-zoning would allow seven single-family homes on the portion within the urban service area, and would allow the existing single family home to be retained in the area outside the urban service. No city services should be provided to the portion of the parcel outside the City's USA.

According to LAFCO policies and state law, no subsequent change may be made to the general plan or zoning of the annexed territory that is not in conformance to the pre-zoning designations for a period of two years after completion of annexation unless the city council makes a finding at a public hearing that a substantial change has occurred in the circumstances that necessitate the change.

Annexation Outside of the Urban Service Area

LAFCO policies strongly discourage annexations of land outside a city's urban service area except in instances where such annexations will help promote preservation of agriculture, open space and/ or greenbelts. In this case, the portion outside the USA is above the 15% slope line, lands which the City designates as non-developable. LAFCO approval of the USA was conditioned on the annexation of the entire parcel to enable the City to regulate landuse on the entire parcel by applying appropriate pre-zoning designations. See discussion above.

Williamson Act Contract

The parcel proposed for annexation is under a Williamson Act Contract (Contract # 71-108). However, a notice of non-renewal was filed with the County by the landowner. The contract will terminate on January 1, 2011. Section 56856.5 (d) of the Government Code allows annexation of lands subject to Williamson Act contracts if a notice of non-renewal has been filed and if the annexing agency agrees that no services will actually be provided by it for use during the remaining life of the contract for land uses or activities not allowed under the contract. Staff recommends that this provision be made a condition of approval.

The City of San Jose staff has indicated that the landowner is likely to file a cancellation application with the City soon.

Government Code section 56754 requires LAFCO to determine if the annexing city has an option of not succeeding to the contract. The contract on this property was executed on February 25, 1971. Government Code Section 51243.5(d) states that the annexing city may exercise its option to not succeed to the contract if both of the following occurred before

December 8, 1971: The land being annexed was within one mile of the city's boundary when the contract was executed and the City had filed a protest against the contract with the County Board of Supervisors. Since the contract file indicates that no protest was filed, LAFCO should determine that the City of San Jose must succeed to the contract. Since LAFCO determines that the City shall succeed to the contract, Section 56889 of the Government Code requires LAFCO to impose a condition that requires the city to adopt the rules and procedures required by the Williamson Act, including but not limited to the rules and procedures required by Sections 51231, 51237 and 51237.5.

Boundaries

The proposal boundaries are definite and certain. The proposal is contiguous to the current city boundary and does not create islands or areas difficult to provide services. The proposal also meets LAFCO street annexation policies. The annexation proposal splits lines of assessment. This is required as the proposal includes a portion of the SCVWD parcel (APN: 654-09-042) required for providing access to the site.

Impacts on Special Districts

Upon annexation, the City of San Jose Fire Department will provide fire protection services to the proposal area. The City of San Jose also has its own library service system which provides service to the City's residents. Therefore, concurrent with annexation to the City, the area must be detached from the Santa Clara County Fire Protection District and from the County Library Service Area.

Ability to Provide Urban Services

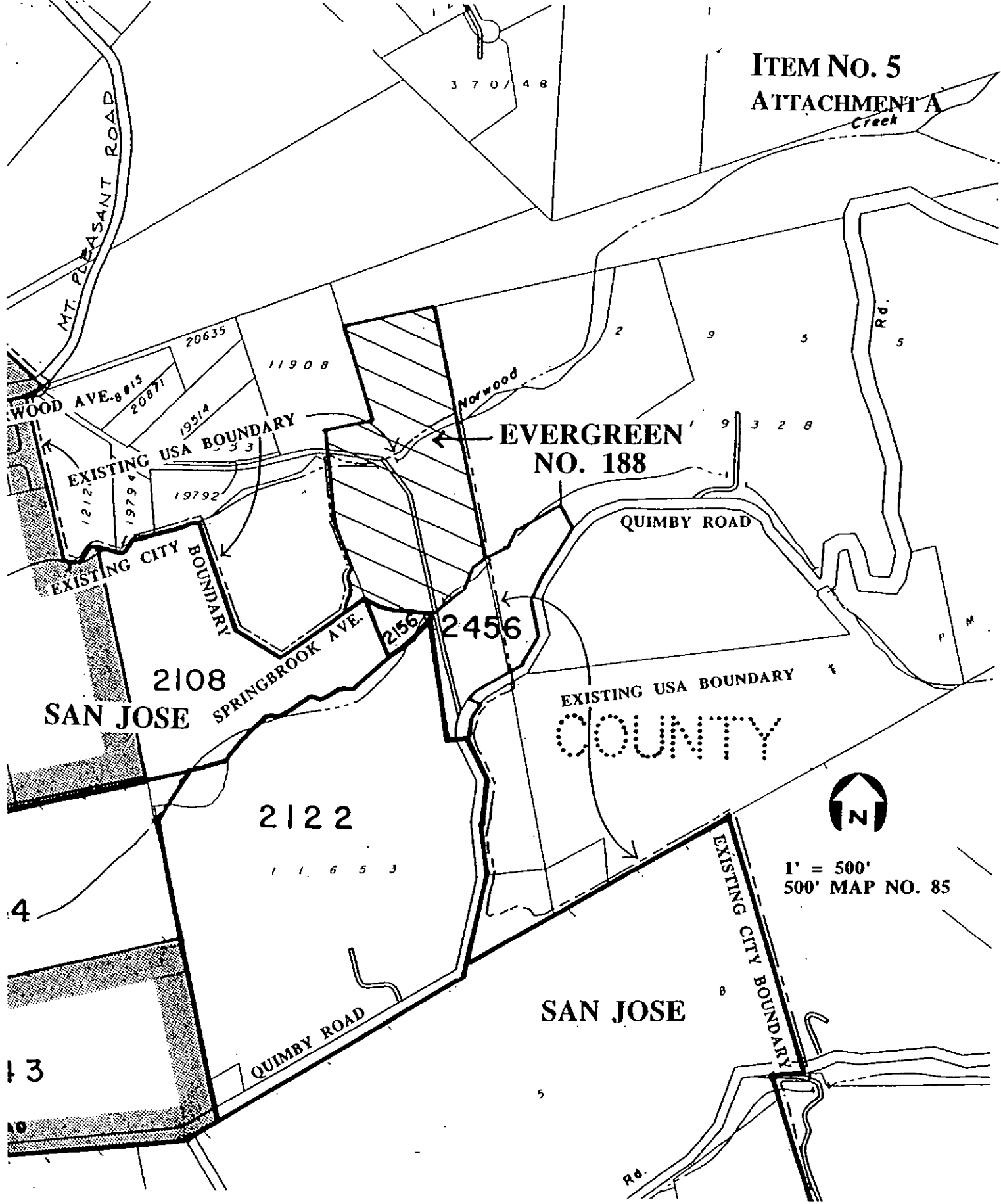
The City has the ability to provide service to the proposed development in the area upon annexation. For more information regarding services, please see the 2002 San Jose Urban Service Area Amendment staff report.

CONCLUSION

Staff recommends approval of the reorganization, including annexation to the City of San Jose and detachment from the Central Fire Protection District and the County Library Service Area subject to the listed recommended conditions. The City has established appropriate pre-zoning designation to protect the open space status of the portion of the property outside the City's urban service area.

ATTACHMENTS

Attachment A:	Map and Legal Description of the Reorganization Area
Attachment B:	Government Code Sections 51231, 51237 and 51237.5
Attachment C:	LAFCO Analyst Report



EVERGREEN NO. 188
PROPOSED ANNEXATION
TO THE CITY OF SAN JOSE

ITEM NO. 5

ATTACHMENT B

51231. For the purposes of this chapter, the board or council, by resolution, shall adopt rules governing the administration of agricultural preserves, including procedures for initiating, filing, and processing requests to establish agricultural preserves. Rules related to compatible uses shall be consistent with the provisions of Section 51238.1. Those rules shall be applied uniformly throughout the preserve. The board or council may require the payment of a reasonable application fee. The same procedure that is required to establish an agricultural preserve shall be used to disestablish or to enlarge or diminish the size of an agricultural preserve. In adopting rules related to compatible uses, the board or council may enumerate those uses, including agricultural laborer housing which are to be considered to be compatible uses on contracted lands separately from those uses which are to be considered to be compatible uses on lands not under contract within the agricultural preserve.

51237. Whenever an agricultural preserve is established, and so long as it shall be in effect, a map of such agricultural preserve and the resolution under which the preserve was established shall be filed and kept current by the city or county with the county recorder.

51237.5. On or before the first day of September of each year, each city or county in which any agricultural preserve is located shall file with the Director of Conservation a map of each city or county and designate thereon all agricultural preserves in existence at the end of the preceding fiscal year.

Date prepared: November 27, 2002

Hearing date: December 11, 2002

To: The Santa Clara County Local Agency Formation Commission
From: Dunia Noel, LAFCO Analyst
Subject: **2002 SAN JOSE URBAN SERVICE AREA EXPANSION – AREA C
(Murillo-Ceraolo)**

Recommended CEQA Action and Required Findings:

As a Responsible Agency under CEQA, LAFCO must take the following actions regarding the Negative Declaration for any project approved by the Commission:

1. Find that [a] the *Initial Study and Negative Declaration* approved by the City of San Jose was completed in compliance with CEQA and is an adequate discussion of the environmental impacts of the project, [b] prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as shown in the *Initial Study and Negative Declaration*.

Purpose:

The City of San Jose proposes to expand their Urban Service Area (USA) boundary to include a portion (8 acres) of an 11.8-acre parcel (APN: 654-03-009) located approximately 1,070 feet east of Murillo Avenue and 380 feet northerly of Quimby Road. HMH, Inc., representing the property owner, Richard Ceraolo, initiated the proposal. This area is within San Jose's Urban Growth Boundary, but is outside of San Jose's Urban Service Area boundary and City Limits. A portion of the parcel is co-terminus with the City's USA boundary. The City, on behalf of the applicant, is requesting an USA expansion to include a portion (8 acres) of the parcel in order to facilitate the further residential development of the property. Under the City's existing General plan land use designations residential development should be served by public streets and city utilities, necessitating an expansion of the Urban Service Area. According to the City of San Jose's staff, since this parcel is within the Urban Growth Boundary, an extension of services and the Urban Service Area is appropriate.

Background:

Existing and Proposed Use of the Property

The parcel is located in the eastern foothills, north of the Evergreen Planned Residential Community and Quimby Road. The site is currently occupied by a single-family residence, a barn, out-buildings, and two mobile homes.

The City is proposing to include the parcel in its USA and to eventually annex the area. A specific timeframe for the annexation has not been identified in the application. The City estimates that approximately 5-acres of the site would be developable given the 100-foot riparian setback area on the northern and southern edges of the parcel.

Applicable General Plan and Zoning Designations

The parcel currently has a County General Plan designation of "Rural Residential", with a zoning designation of "A20" Agricultural Zoning" (20 acre minimum lot size).

The City's General Plan designations for the area are "Very Low Density Residential" (2.0 DU/AC) on 6.3 acres and "Non-Urban Hillside" on 1.7 acres. Given this and the environmental constraints present on the site (i.e. required riparian setback), the development potential for the site would be 10 residential dwellings at the most.

Surrounding Land Uses

The surrounding land uses are the hillsides to the north and east, the Light of the World Apostolic Church and single-family residences to the south, and a retention basin maintained by the Santa Clara Valley Water District for flood control to the west. Norwood Creek is located along the northern property edge while the Quimby Creek borders the south. A residential subdivision is located to the southwest of the project site.

ENVIRONMENTAL ASSESSMENT:

Negative Declaration

A Negative Declaration was prepared for the site and adopted by the City of San Jose on July 26, 2001. There were no significant impacts identified by the Negative Declaration. Environmental factors of specific concern to LAFCO are discussed below.

ENVIRONMENTAL FACTORS OF CONCERN TO LAFCO:

Premature Conversion of Agricultural and Open Space Lands

According to the U.S. Department of Conservation Farmland Mapping and Monitoring Program (FMMP) Important Farmland Map, the project area is not identified as "Prime Farmland." The FMMP identifies the area as consisting of lands identified as "Grazing" and "Urban." "Grazing" land is land on which existing vegetation, whether grown naturally or through management, is suitable for grazing. "Urban" is land occupied by structures with a building density of at least 1 unit to 1.5 acres, or approximately 6 structures to a 10-acre parcel. This land is used for residential, industrial, commercial,

construction, institutional, public administration, railroad and other transportation yards, cemeteries, airports, golf courses, sanitary landfills, sewage treatment, water control structures, and other developed purposes. Based on the above information, the proposed USA boundary amendment would not result in a loss of Prime Farmland or Farmland of Statewide Importance. Lastly, the proposed project would have no significant impacts on open space resources.

Growth Inducement and Precedent Setting Implications

Approval of the proposed USA boundary expansion would allow for a portion (8 acres) of an 11.8 acres parcel to be annexed into the City of San Jose and developed for residential uses in the future. In 2000, the San Jose voters approved a Greenline/Urban Growth Boundary (UGB) for the City to ensure compact urban growth and infill development. The project area is located inside this UGB.

The UGB limits expansion of urban services over the next 20 to 30 years to only those parcels located within the UGB. The project area is also contiguous with the City's current USA boundary.

Currently there is no site-specific development application for the project area. However, the USA boundary adjustment could increase the development potential of the subject parcel. If the lack of urban services on the subject parcel is an existing constraint to development that the proposed USA boundary adjustment would overcome, the adjustment may increase the amount of development in the project area. Therefore, the proposed USA boundary adjustment would indirectly be growth inducing.

Given the subject site's location within the Evergreen Area Development Policy area, traffic capacity is a concern. Any future project for the site would need to conform to the Evergreen Development Policy adopted by the City to ensure adequate traffic capacity for existing and approved development. According to City staff, further traffic analysis and conformance with City policies may further limit the number of dwelling units in the area.

Traffic Impacts

Access to the site is also an issue for the proposed project. City staff anticipates that access to the site can be obtained in two ways, but both options would likely require the acquisition of additional land to accommodate appropriate ingress and egress. One option is to take access from the easement on the adjacent church's property. However, the City's Public Works Department indicates that approximately 15 additional feet would be needed along the length of the existing easement to accommodate construction of a public street. The other option is to take access from Springbrook Avenue. However, City staff anticipates this option would require land to be taken from adjacent Santa Clara Valley Water District property for the development of a street.

Provision of Public Services and Utilities

According to the *Initial Study and Negative Declaration*, the proposed USA boundary adjustment would not result in the need for any additional fire protection, or fire protection facilities in the project vicinity. The proposed project is located adjacent to existing residential areas that are currently provided with police services from the San Jose Police Department (SYPD). No site-specific development applications for the site have been proposed for the project area. During subsequent development and CEQA review, future development plans would be required to demonstrate to the satisfaction of the City of San Jose that adverse effects on police services would be less than significant.

The *Initial Study* indicated that adjacent properties currently have water, sanitary sewer, storm sewer, solid waste/recycling and natural gas/electric services and that these services are available for the project site. The City of San Jose will provide sanitary sewer to the project area after annexation. At the time of development, the developer of the site would be responsible for the installation and extension of existing sewer lines on Norwood Avenue to serve the future project. The San Jose Municipal Water System will provide water to the site after annexation. If annexed, the parcel could be served with existing facilities at acceptable pressures up to an elevation of about 630 feet. The site is at an average elevation of about 560 feet. Therefore, implementation of the proposed USA boundary adjustment would constitute a less than significant impact.

Schools

The Evergreen School District assumes a pupil generation rate of 0.52 students per residential unit. This equates to six students generated by the 11 homes that could potentially be developed on the site. According to Clark E. Schiller, Director of Planning, at the Evergreen School District, the additional new students generated as a result of potential development can be accommodated within existing facilities and no new facilities would be needed. According to the *Initial Study*, there is an elementary school and a middle school within 2 miles of the project site. Additionally, there is a high school within 4 miles of the project site. Therefore, implementation of the proposed USA boundary adjustment would constitute a less than significant impact.

ATTACHMENT

1. *Initial Study and Negative Declaration for San Jose Urban Service Area Expansion for Ceraolo Property*

**CITY OF SAN JOSÉ, CALIFORNIA
DEPARTMENT OF CITY PLANNING
NEGATIVE DECLARATION**

FILE NUMBER: GP01-08-01

Council District Number: 8

The Initial Study on which this Negative Declaration is based was prepared by the Director of Planning and is on file in the office of the Department of Planning, Building and Code Enforcement, Room 400, 801 North First Street, San José, California.

PROJECT LOCATION

County Assessor's Parcel Number: 654-03-009

Approximately 1,070 feet east of Murillo Avenue and 380 feet north of Quimby Road

PROJECT DESCRIPTION

The project consists of a General Plan amendment to change the Land Use/Transportation Diagram from Very Low Density Residential (2.0 DU/AC) on 6.3 acres and Non-Urban Hillside on 1.7 acres to Low Density Residential (5 DU/AC) on 8 acres; inclusion in the Urban Service Area.

CERTIFICATION

The Director of Planning certifies that the above project will not have a significant effect on the environment. This finding is based on the following considerations:

1. The proposed General Plan amendment is not inherently incompatible with the adopted environmental goals and policies of the San Jose 2020 General Plan.
2. Future development of the site will be required to conform to the City's General Plan noise guidelines.
3. All significant and ordinance-size trees on the property will be considered for preservation at the time of any subsequent proposals. Landscaping will be required to mitigate the loss of any trees proposed for removal.
4. The project will have no significant impact on fish and wildlife resources and will meet all objectives of Section 711.2 of the State Fish and Game Code (exempt from fish and game fees).
5. The project site is not within the 100-year flood plain.
6. The project is located in an area of potential archaeological and cultural sensitivity. Prior to development, a report will be required to determine potential impacts on archaeological resources and identify appropriate mitigation.
7. Future development of the site will be required to conform with the requirements of the National Pollutant Discharge Elimination System (NPDES) to reduce impacts on storm water quality from the proposed land use, construction activities, and post construction activities. A Storm Water Pollution Prevention Plan (SWPPP) may be required at the time of future development, in compliance with State regulations, to control the discharge of storm water pollutants.
8. Development under the proposed General Plan land use designation will not adversely affect existing local uses.
9. No rare or endangered species of flora and fauna are known to inhabit the site. A biological report prepared for the General Plan amendment concluded that although no special status species were found to be present on site, the possibility exists that special status species could be found on site in the future. The report recommended that prior to future development of the site, protocol level and pre-construction surveys for special status species such as burrowing owls, raptors, tiger salamander or California Red Legged frogs would be warranted.

10. The project site is located within 100 feet of a riparian corridor. A biologist's report has been prepared that indicates that future development will be designed in conformance with the City's Riparian Corridor Policy. The proposed land use on the site will not adversely impact the riparian corridor.
11. In the context of the San Jose 2020 General Plan horizon year, this project would have a less than significant traffic impact. Prior to development, this project would need to conform to the Evergreen Development Policy adopted by the City to ensure adequate traffic capacity for existing and approved development.
12. The subject site is located in an area of geologic sensitivity. A preliminary geologic investigation was conducted for a portion of the site that suggests there were no traces of the Quimby fault exposed by the trenching. Further geotechnical analysis will be necessary prior to development of the site to determine potential fault traces with respect to the site plan, and to demonstrate that all potential problems can be mitigated to a less than significant level.

PROTEST OF A NEGATIVE DECLARATION

The Negative Declaration may be protested in writing by any person prior to 5:00 p.m. on July 26, 2001. Such protest shall be filed in the Department of Planning, Building and Code Enforcement, Room 400, 801 North First Street, San José, upon payment of the \$50 filing fee and shall include a statement specifying those anticipated environmental effects which may be significant. A protest of a Negative Declaration will be heard by the Planning Commission at the earliest date.

James R. Derryberry, Director
Planning, Building and Code Enforcement

Circulated on: July 6, 2001

Susan Walton
Deputy

Adopted on:

July 26, 2001

Ron Eddow
Deputy



RECEIVED
FEB 28 2001
CITY OF SAN JOSE
PLANNING DEPARTMENT

CITY OF SAN JOSE

Department of Planning, Building and Code Enforcement
Planning Division, 801 North First Street, Room 400
San Jose, California 95110-1795

ENVIRONMENTAL CLEARANCE APPLICATION

TO BE COMPLETED BY PLANNING DIVISION STAFF		
FILE NUMBER: <i>EIR</i> GP01-08-01	RECEIPT #:	A773426
ND GRANTED:	EIR REQUIRED:	AMOUNT: 13,131.00
PROJECT MANAGER:	ENVIRONMENTAL COORDINATION:	DATE: 2-28-01
NOTES:		BY: Lesley Xavier

TO BE COMPLETED BY APPLICANT (PLEASE PRINT OR TYPE)		
I. GENERAL INFORMATION		
NAME OF APPLICANT/DEVELOPER/ENGINEERING FIRM HMH, Inc.		DATE 2/27/2001
ADDRESS 1570 Oakland Road, Suite 200	DAYTIME PHONE NUMBER (408) 487-2200	FAX NUMBER (408) 487-2222
NAME OF PROPERTY OWNER Richard Ceraolo		DATE 2/27/2001
ADDRESS 5579 Morningside Drive		DAYTIME PHONE NUMBER (408) 639-0679
NAME OF DOCUMENT PREPARER (IF DIFFERENT FROM ABOVE) OR ENVIRONMENTAL CONSULTANT		DATE
ADDRESS	DAYTIME PHONE NUMBER	FAX NUMBER
NAME OF PROJECT Quimby Road		ASSESSOR'S PARCEL NUMBER(S) 654-03-009
BRIEF DESCRIPTION OF THE PROJECT North of Quimby Road, 50' west of Springbrook Avenue and Canyon Ridge Drive.	PROJECT LOCATION/ ADDRESS 654-03-009	

Note: Information regarding the Assessor's Parcel Number can be obtained from the County Assessor's Office, County of Santa Clara 70 West Hedding Street, 5th Floor, San Jose, CA 95110, Phone (408) 299-3227.

ENVIRONMENTAL CLEARANCE APPLICATION

PROVIDE THE FOLLOWING PLANNING INFORMATION BELOW:

Note: Information regarding General Plan, Zoning and Specific Plan information can be obtained at the City of San Jose Department of Planning, Building and Code Enforcement, 801 North First Street, Room 400, San Jose, CA 95110 Phone (408) 277-4576.

ZONING DISTRICT: County - A(Ag)	GENERAL PLAN LAND USE/TRANSPORTATION DIAGRAM DESIGNATION: Non-Urban HS
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INDICATE BELOW IF THE PROJECT SITE IS LOCATED WITHIN ANY OF THE FOLLOWING AREAS:

- | | |
|---|---|
| <input type="checkbox"/> Midtown Planned Community and Specific Plan Area
<input type="checkbox"/> Jackson-Taylor Planned Residential Community
<input type="checkbox"/> Communications Hill Planned Residential Community
<input type="checkbox"/> Evergreen Planned Residential Community
<input type="checkbox"/> Berryessa Planned Residential Community
<input type="checkbox"/> Silver Creek Planned Residential Community
<input type="checkbox"/> Alviso Master Plan Area | <input type="checkbox"/> Tamien Specific Plan Area
<input type="checkbox"/> Downtown Strategy Plan Area
<input type="checkbox"/> North San Jose (Rincon de los Esteros) Redevelopment Area
<input type="checkbox"/> Ederville Redevelopment Area |
|---|---|

List and describe any other related permits to be obtained from the City of San Jose and any other public agency approvals required for this project by other local, state or federal agencies (site development permit, planned development rezoning permit, Department of Fish and Game permit, etc.):

PD Rezoning, PD Permit, Tentative Map, Grading Plans and Improvement Plans.

II. DESCRIPTION OF THE PROJECT

SIZE OF THE SITE: 11.50 gross acres	BUILDING SQUARE FOOTAGE: TBD square feet
NUMBER OF FLOORS: TBD	BUILDING HEIGHT: TBD feet
FLOOR AREA RATIO: TBD	AMOUNT OF OFF-STREET PARKING PROVIDED: TBD spaces

HOW MUCH AND WHAT PERCENT OF THE SITE WILL BE OCCUPIED BY BUILDINGS, PARKING/DRIVEWAYS, AND LANDSCAPING/OPEN SPACE:

Project Site Uses	Amount of Area	Percentage of Total Project Area
Building (footprint)	TBD	0% TBD
Parking/Driveways		0%
Landscaping/Open Space		0% ↓
Total	0.0 ↓	100 %

DOES THE PROJECT PROPOSE THE DEMOLITION OR ALTERATION OF ANY EXISTING STRUCTURES ON THE PROJECT SITE? NO YES

If yes, describe below:

There are existing single family structures on site.

ENVIRONMENTAL CLEARANCE APPLICATION

IS THE PROJECT A LAND USE PRESENTLY EXISTING IN THE SURROUNDING NEIGHBORHOOD (*within 500 feet of the projectsite*)? NO YES

HAS THERE BEEN A COMMUNITY MEETING HELD TO DISCUSS THE PROJECT WITH NEIGHBORS?

NO YES When: # attending: Notification Process:

If yes, indicate what issues were discussed with neighbors: *(mailing, newspaper, etc.)*

IF THE PROJECT IS RESIDENTIAL PROVIDE THE INFORMATION BELOW:

Type of units: (i.e., single-family detached, multi-family, etc.)
Number of each type of unit: Density per gross acre:
Bedroom count: Estimated population*:

*Persons per Household: SF Detached = 3.43; SF Attached = 2.88; 2-4 units = 3.12; 5+ units = 2.29; Mobile Homes = 2.23

IF THE PROJECT IS COMMERCIAL PROVIDE THE INFORMATION BELOW:

Neighborhood or Regionally oriented:
Number and type of establishments: (i.e., restaurant, department store, etc.)
Square footage of each:
Size and population of market area: Number of employees anticipated:
Number of shifts per workday: Number of employees per shift:
Hours of Operation: Drive-through uses:

IF THE PROJECT IS INDUSTRIAL PROVIDE THE INFORMATION BELOW:

Number and type of establishments:
Square footage of each:
Size and population of market area: Number of employees anticipated:
Number of shifts per workday: Number of employees per shift:
Hours of Operation:

IF THE PROJECT IS INSTITUTIONAL PROVIDE THE INFORMATION BELOW:

Major functions:
Square footage and other relevant characteristics:
Number of employees:
Number of shifts per workday: Number of employees per shift:
Service area:
Hours of Operation:

Other: If the project does not fit into the categories listed above, include information from the above which is relevant:

ENVIRONMENTAL CLEARANCE APPLICATION

WILL HAZARDOUS MATERIALS BE USED AS A PART OF THE OPERATION OF ANY OF THE ESTABLISHMENTS ON THE PROJECT SITE? NO YES

If yes, discuss below:

IF REQUIRED, HAS A HAZARDOUS MATERIALS STORAGE PERMIT BEEN OBTAINED FOR THE OPERATION OF THE PROJECT? NO YES

IF REQUIRED, LIST THE APPROPRIATE STATE AND FEDERAL PERMITS THAT HAVE BEEN OBTAINED FOR THE USE, HANDLING, AND STORAGE OF HAZARDOUS MATERIALS ON THE SITE:

DISCUSS BRIEFLY THE PHYSICAL AND ENGINEERING ASPECTS OF THE PROJECT, INCLUDING THE FOLLOWING:

Grading or excavation contemplated: NO YES

If Yes: Cut: volume in cubic yards; depth in feet max
 Fill: volume in cubic yards; depth in feet max

Landscaping proposed (landscape strips, open space areas, etc.):

To be determined.

DESCRIBE EXTERIOR LIGHTING PROPOSED FOR SECURITY, PARKING LOTS, AND PEDESTRIAN PATHS, INCLUDING TYPE OF LIGHTING, PROPOSED HEIGHT, AVERAGE FOOTCANDLE, PROXIMITY TO SENSITIVE RECEPTORS, ETC.

To be determined.

DISCUSS ANY CHANGES IN THE DRAINAGE PATTERNS, ABSORPTION RATES, AND AMOUNT OF SURFACE RUNOFF RESULTING FROM THE PROJECT:

To be determined.

UTILITIES

Indicate the availability of the utilities for the project and name the provider of the utility below:

Utility	Availability	Name of Provider or other:
Water	<input type="text" value="Utilities serve Adj. Prop."/>	<input type="text" value="San Jose Municipal Water"/>
Sanitary Sewer	<input type="text" value="Utilities serve Adj. Prop."/>	<input type="text" value="City of San Jose"/>
Storm Sewer	<input type="text" value="Utilities serve Adj. Prop."/>	<input type="text" value="City of San Jose"/>
Solid Waste/Recycling	<input type="text" value="Utilities serve Adj. Prop."/>	<input type="text" value="GreenTeam"/>
Natural Gas/Electric	<input type="text" value="Utilities serve Adj. Prop."/>	<input type="text" value="PG&E"/>

PUBLIC IMPROVEMENTS: INDICATE ANY PUBLIC IMPROVEMENTS NECESSARY FOR THE PROJECT (DEDICATIONS, HALF-STREETS, STOPLIGHTS, ETC.):

To be determined

RESERVATION OF LAND FOR PUBLIC FACILITIES: INDICATE ANY RESERVATION OF LAND FOR PUBLIC FACILITIES NECESSARY FOR THE PROJECT (SCHOOLS, PARKS, TRANSIT FACILITIES, ETC.):

To be determined

PROJECT OBJECTIVES: INDICATE THE FUNCTION AND COMMUNITY BENEFITS DERIVED FROM THE PROJECT:

To provide much needed housing in the City of San Jose.

ENVIRONMENTAL CLEARANCE APPLICATION

III. ENVIRONMENTAL SETTING

Describe the project site and the surrounding area as it currently exists (prior to the commencement of the project). In general, the size of the area described should be within one-half mile of the project site.

LIST THE CURRENT LAND USES ADJACENT TO THE PROJECT SITE (undeveloped, commercial, residential, etc.)

The site is surrounded by residential uses and a detention facility operated by the Santa Clara Valley Water District.

LIST ANY PROFESSIONAL REPORTS PREPARED FOR THE PROJECT SITE KNOWN TO THE APPLICANT (I.E., GEOLOGIC, HAZARDOUS MATERIALS, ARCHAEOLOGICAL, ENVIRONMENTAL IMPACT REPORTS, ETC.)

Lands of Stewart - Biological Constraints Report, June 21, 2000
Engineering Geologic Study for Four Homesites off Norwood Avenue - JCP Geologists, Dec. 5, 1977

LAND USE

List the current land uses on the project site (undeveloped, commercial, residential uses, etc.)

Residential Uses

DOES THE PROJECT SITE CONSIST OF AGRICULTURAL LAND? NO YES

If yes, describe below the type of use (orchards, row crops, greenhouses, etc.):

List specific land uses that were previously on the site. This list should identify the past use of the site for a minimum of 5 years. If agricultural land uses were present on the site, these uses should be listed for the past 10 years, or as close to this time period as records will provide.

Residential

GEOLOGIC HAZARDS

DESCRIBE THE GEOLOGICAL CHARACTERISTICS OF THE SITE INCLUDING TOPOGRAPHY AND ANY UNIQUE GEOLOGIC FEATURES (I.E. ROCK OUTCROPS, ETC.)

Refer to JCP Report.

LIST KNOWN FAULT(S) CLOSEST TO THE PROJECT SITE AND DISTANCE AND LOCATION IN RELATION TO THE PROJECT SITE (E.G., SILVERCREEK FAULT LOCATED ONE MILE TO THE NORTHEAST OF THE PROJECT SITE):

Refer to JCP Report

ENVIRONMENTAL CLEARANCE APPLICATION

IS ANY PART OF THE PROJECT SITE SUBJECT TO GEOLOGIC HAZARDS INCLUDING EROSION, LANDSLIDE, LIQUEFACTION, EXPANSIVE SOILS, SUBSIDENCE OF THE LAND? NO YES

If yes, describe below.

Refer to JCP Report

DESCRIBE THE SOIL TYPES ON THE PROJECT SITE (I.E., CLASS I, CLASS II).

Refer to JCP Report

WATER RESOURCES

Note: Information regarding waterways and flooding conditions can be obtained from the City of San Jose Public Works Department, 801 North First Street, Room 308, San Jose, CA 95110, Phone (408) 277-3133.

ARE THERE ANY NATURAL WATERWAYS OCCURRING THROUGH THE PROJECT SITE AND/OR WITHIN 300 FEET OF THE PROJECT SITE? NO YES

If yes, discuss below the name, type of waterway and the distance to the project site:

Two seasonal creeks border the study area, Refer to Hartesveldt report for further information.

LIST THE FLOOD ZONE AND PANEL NUMBER WITHIN WHICH THE PROJECT SITE IS LOCATED.

Flood Zone: Panel Number:

IS THE PROJECT SITE LOCATED WITHIN AN AREA SUBJECT TO FLOODING (I.E., WITHIN THE 100-YEAR FLOODPLAIN): NO YES

BIOLOGICAL RESOURCES

Note: Information regarding heritage trees and riparian corridor habitat can be obtained from the San Jose Heritage Tree Survey report and the Riparian Corridor Policy report, respectively, available for review at City of San Jose Department of Planning, Building and Code Enforcement, 801 North First Street, Room 400, San Jose, CA 95110, Phone (408) 277-4578.

DESCRIBE THE BIOTIC FEATURES OF THE SITE, INCLUDING OPEN SPACES, LANDSCAPING ON THE SITE AND ANY UNIQUE BIOLOGICAL FEATURES.

The project site is bounded on both sides by seasonal creeks.

DOES THE SITE CONTAIN ANY KNOWN ENDANGERED THREATENED, SPECIAL STATUS ANIMAL OR PLANT SPECIES? NO YES

If yes, list below:

ENVIRONMENTAL CLEARANCE APPLICATION

DOES THE SITE CONTAIN ANY KNOWN IMPORTANT WILDLIFE BREEDING, NESTING OR FEEDING AREAS?

NO YES

If yes, list below:

Refer to Hartesveldt Report

IS THERE RIPARIAN CORRIDOR HABITAT OCCURRING ON OR WITHIN 300 FEET TO THE SITE (I.E. VEGETATION OCCURRING ALONG THE BANKS OF A WATERWAY)?

NO YES

If yes, discuss below:

Refer to Hartesveldt Report

WILL THE PROJECT BE CONSTRUCTED WITHIN 100 FEET OF RIPARIAN CORRIDOR HABITAT (WITHIN 100 FEET OF THE TOP OF BANK OF ANY WATER WAY)?

NO YES

If yes, discuss below:

ENVIRONMENTAL CLEARANCE APPLICATION

Are existing trees on the project site to be removed as part of the project? NO YES

Are existing trees on the project site to be retained and incorporated as part of the project landscaping? NO YES

Will grading on the project site occur within the dripline of existing trees to be retained? NO YES

In the table provided below, list any existing trees on the project site, including size and species, indicate if any of the trees are ordinance-size trees. In addition, indicate trees to be removed and trees to be retained as part of the project. If additional space is required, attach supplemental pages.

(Note: Trees size is determined by measuring the circumference of the tree trunk at 24 inches above natural grade— Ordinance-size trees are defined as trees measuring 56 inches in circumference at 24 inches above natural grade).

Photos of each ordinance-size tree must be submitted and the location of the trees on the site must be defined.

Number	Tree Species	Size	Ordinance-Size Trees	Tree to be Removed	Condition of Tree	Tree to be Retained
<i>Example</i>	<i>Coast Live Oak</i>	<i>62 inches</i>	<i>Yes</i>	<i>No</i>	<i>Good</i>	<i>Yes</i>
1.						
2.						
3.						
4.						
5.						
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10.						
11.						
12.						
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20.						

ARE THERE HERITAGE TREES ON THE PROJECT SITE? NO YES

If yes, list the number of trees, size of trees and species below:

Heritage Tree List Number:	Address/Location:	Location of Tree on Project Site:	Species

ENVIRONMENTAL CLEARANCE APPLICATION

TRANSPORTATION/CIRCULATION

Note: Information regarding transportation and circulation issues can be obtained from the, City of San Jose Public Works Department, 801 North First Street, Room 308, San Jose, CA 95110, Phone (408) 277-5161.

NAME AND DESCRIBE THE ROADWAYS PROVIDING ACCESS TO THE PROJECT SITE (E.G., FOUR-LANE ROADWAY WITH MEDIAN, ETC.):

The project proposes to connect to Springbrook Road and Canyon Ridge Drive.

IS THE PROJECT SITE CURRENTLY SERVED BY MASS TRANSIT (I.E., BUS SERVICE, LIGHT-RAIL, ETC.): NO YES

If yes, list routes below:

Route 39 and 39A run along Quimby Road

IS THE PROJECT SITE WITHIN 2,000 FEET OF A LIGHT RAIL STATION? NO YES

If yes, list which station:

MINERAL RESOURCES

DOES THE PROJECT SITE CONTAIN ANY KNOWN IMPORTANT MINERAL RESOURCES? NO YES

If yes, list below:

AIR QUALITY

Note: Information can be found in the City of San Jose Planning, Building and Code Enforcement Department, 801 North First Street, Room 400, San Jose, CA 95110, Phone (408) 277-4576.

WILL THE PROJECT GENERATE OBJECTIONABLE ODORS OR PLACE SENSITIVE RECEPTORS ADJACENT TO A USE THAT GENERATE ODORS (I.E. LANDFILLS, COMPOSTING, ETC.)? NO YES

If yes, discuss below:

HAZARDOUS MATERIALS

Note: Information regarding hazardous materials issues can be obtained from the City of San Jose Environmental Services Department, 777 North First Street, Suite 400, San Jose, CA 95110, Phone (408) 277-5161.

ARE PESTICIDES CURRENTLY USED ON THE SITE FOR USE IN EITHER AGRICULTURAL PRODUCTION AND/OR LANDSCAPE MAINTENANCE OPERATION? NO YES

If yes, discuss below:

ARE THERE ACTIVE OR ABANDONED WELLS ON THE PROJECT SITE? NO YES

If yes, discuss below:

ENVIRONMENTAL CLEARANCE APPLICATION

ARE HAZARDOUS MATERIALS CURRENTLY BEING USED AS A PART OF THE PRESENT BUSINESS OPERATING ON THE SITE? NO YES

If yes, discuss below:

IF REQUIRED, DOES THE CURRENT OWNER/OPERATOR HAVE A HAZARDOUS MATERIALS STORAGE PERMIT? NO YES

IF REQUIRED, LIST THE APPROPRIATE STATE AND FEDERAL PERMITS THAT HAVE BEEN OBTAINED FOR THE USE, HANDLING, AND STORAGE OF HAZARDOUS MATERIALS FOR PREVIOUS OPERATIONS ON THE PROJECT SITE:

HAS THE PROJECT SITE EVER BEEN OCCUPIED BY A GAS STATION AND/OR AUTO REPAIR FACILITY? NO YES

DOES THE SITE HAVE UNDERGROUND STORAGE OF CHEMICALS OR USED UNDERGROUND STORAGE TANKS? NO YES

If yes, describe below the type of storage use (i.e., gasoline, diesel, etc.):

IS THE PROJECT SITE LISTED ON ANY LOCAL, STATE AND/OR FEDERAL REGULATORY DATABASE DUE TO HAZARDOUS MATERIALS CONTAMINATION (I.E., LEAKING UNDERGROUND STORAGE TANKS DATABASE, ETC.): NO YES

If yes, discuss below:

HAVE ANY SOILS/GROUNDWATER TESTS EVER BEEN CONDUCTED ON THIS PROPERTY IN RELATION TO POTENTIAL HAZARDOUS MATERIALS CONTAMINATION? NO YES

If yes, discuss below:

HAS THE REMEDIATION OF HAZARDOUS MATERIALS EVER BEEN PERFORMED ON THE PROJECT SITE? NO YES

If yes, discuss below:

DOES THE PROJECT PROPOSE THE DEMOLITION OF ANY STRUCTURE THAT MAY CONTAIN HAZARDS SUCH AS ASBESTOS OR LEAD PAINT? NO YES

If yes, discuss below:

DATE OF TESTS FOR PRESENCE OF ASBESTOS AND LEAD BASED PAINT:

ENVIRONMENTAL CLEARANCE APPLICATION

NOISE

Note: Information regarding noise issues can obtained from City of San Jose Department of Planning, Building and Code Enforcement, 801 North First Street, Room 400, San Jose, CA 95110 Phone (408) 277-4576.

IS THE PROJECT SITE LOCATED WITHIN THE AIRPORT LAND USE COMMISSION PLAN NOISE ZONE (65 CNEL)? NO YES

WILL THE PROJECT GENERATE EXCESSIVE LONG-TERM NOISE/VIBRATION FROM OPERATIONS OR MACHINERY (E.G., GENERATORS, LATE-NIGHT ACTIVITIES, ETC.) NO YES

If yes, discuss below:

IS THE PROJECT LOCATED ADJACENT TO A MAJOR NOISE/VIBRATION SOURCE (I.E., RAILWAY, MAJOR ROADWAY, ETC.): NO YES

If yes, list below:

WILL THE PROJECT GENERATE EXCESSIVE NOISE/VIBRATION DURING CONSTRUCTION OF THE PROJECT (I.E. PILE DRIVING, HEAVY MACHINERY, ETC.) NO YES

If yes, discuss below:

PUBLIC SERVICES

LIST THE NAME, ADDRESS AND APPROXIMATE DISTANCE OF THE NEAREST FIRE STATION:

Fire Station No. 31

IF THE PROJECT IS RESIDENTIAL PROVIDE THE INFORMATION BELOW:

LIST THE NAME, ADDRESS AND APPROXIMATE DISTANCE OF THE NEAREST ELEMENTARY, MIDDLE AND HIGH SCHOOL:

Evergreen Elementary, 3010 Fowler Road, San Jose 95135 - 2 miles
Chaboya Middle School, 3276 Fowler Road, San Jose 95135 - 2 miles
Silvercrest High School, 3434 Silvercreek Road, San Jose, CA 95121 - 4 miles

LIST NAME OF NEAREST LOCAL AND REGIONAL PARKS AND RECREATIONAL FACILITIES:

Groesbeck Hill Park
Lake Cunningham Park

ENVIRONMENTAL CLEARANCE APPLICATION

AESTHETICS

Note: Information regarding aesthetics can be obtained from the San Jose 2020 General Plan available for review at City of San Jose Department of Planning, Building and Code Enforcement, 801 North First Street, Room 400, San Jose, CA 95110 Phone (408) 277-4576.

IS THE PROJECT SITE LOCATED ADJACENT TO A SCENIC HIGHWAY?

NO YES

If yes, list below:

[Empty box for listing scenic highway information]

CULTURAL RESOURCES

Note: Information regarding historical and archaeological resources can be obtained from the San Jose Historic Resources Inventory available for review at City of San Jose Department of Planning, Building and Code Enforcement, 801 North First Street, Room 400, San Jose, CA 95110 Phone (408) 277-4576.

LIST THE NUMBER AND APPROXIMATE AGE OF ANY STRUCTURES ON THE PROJECT SITE (USE ASSESSOR'S INFORMATION TO IDENTIFY THE DATE OF CONSTRUCTION):

Two Residential structures and several outbuildings exist on the site.

DESCRIBE THE ARCHITECTURAL STYLE OF ANY STRUCTURES ON THE PROJECT SITE (I.E., VICTORIAN, MEDITERRANEAN, COLONIAL, RANCH, SAN JOSE PROVINCIAL, ETC.)

Ranch

ARE ANY STRUCTURES ON THE PROJECT SITE LISTED AS CITY LANDMARKS, CANDIDATE CITY LANDMARKS, STRUCTURES OF MERIT, OR LISTED OR DETERMINED ELIGIBLE FOR LISTING ON THE NATIONAL OR CALIFORNIA REGISTER OF HISTORIC PLACES?

NO YES

If yes, describe below:

[Empty box for describing historic structures]

IS THE PROJECT SITE LOCATED WITHIN AN AREA OF KNOWN ARCHAEOLOGICAL SENSITIVITY? (STAFF)

NO YES

IV. CERTIFICATION AND DISCLOSURE STATEMENT FOR THE APPLICATION FOR ENVIRONMENTAL CLEARANCE

The attached Application for Environmental Clearance File No. _____, has been prepared by PHD, Inc. doing business as (indicate the legal name for dba designation, such as individual, "a partnership", "a corporation", etc.) A California Corporation

The above-named, now has or will have the following direct or indirect economic interest in the development of, or after its completion, the operation of the project for which the Application for Environmental Clearance has been submitted.

I/We declare, under penalty of perjury, that the statements furnished above, and in the attached exhibits, pertaining to the environmental information of the proposed project and to my/our economic interest or interests in that project are complete, true and correct to the best of my/our knowledge and belief.

If any of the facts represented here change it is my responsibility to inform the City of San Jose.

Executed on 2/27/2001 at San Jose, California

PREPARER'S SIGNATURE(S) Tim Carter

Date Prepared: May 30, 2003
LAFCO Meeting: June 11, 2003

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

**SUBJECT: Purissima Hills County Water District Sphere of Influence (SOI)
Amendment and Annexation of:**
A. Lands of Wu
B. Lands of Corrigan
Agenda Item # 6

STAFF RECOMMENDATION

1. CEQA Action for Proposal A and B.

Approve categorical exemption under CEQA Class 19, section 15319 (a) and Section 15319 (b). See attached LAFCO Analyst Reports for the two areas. (Attachment A)

2. Sphere of Influence Amendment and Annexation to Purissima Hills County Water District

A. Lands of Wu

Approve proposed expansion of the District's SOI to include the parcel (175-47-016) and approve proposed annexation to the District (See Attachment B for map and legal description of annexation boundaries) and waive protest proceedings.

B. Lands of Corrigan

Approve proposed expansion of the District's SOI to include the parcels (175-36-036 & 003) and approve proposed annexation to the District. (See Attachment C for map and legal description of annexation boundaries) and waive protest proceedings.

Direct staff to write a letter on behalf of the commission to the District, informing them about the provision in state law requiring LAFCO approval prior to extending services beyond an agency's boundaries and that any future such extensions should first be approved by LAFCO.

PROJECT DESCRIPTION

A. Lands of Wu (APN: 175-47-016)

Purissima Hills County Water District proposes to annex the above parcel of 1.42 acres, located on the west side of Robleda Road between Alta Tierra Road and Purissima Road and on the east side of the Town of Los Altos Hills (12661 Robleda Road). There was an 1,826 square foot single-family home that was built in 1954 and was demolished to accommodate a new single-family home on the property.

The District was unaware of state law which states that an agency must seek LAFCO approval prior to extending services outside its boundaries. The District is currently serving the parcel contingent on annexation. The property is located outside of the District's SOI. Therefore, the District is also requesting to expand its SOI boundary to include this property.

B. Lands of Corrigan (APNs: 175-36-036 & 003)

Purissima Hills County Water District proposes to annex the above two parcels totaling 8.87 acres, located on the west side of Robleda Road between Quail Lane and Wildcrest Drive on the east side of Town of Los Altos Hills (13441 and 13445 Robleda Road). One of the parcels has an existing home while a new home is being constructed on the other parcel.

Again, the District was unaware of state law which states that an agency must seek LAFCO approval prior to extending services outside its boundaries. The District is currently serving the two parcels contingent on annexation. The two properties are located outside the District's SOI. Therefore, the District is also requesting to amend its SOI boundary to include these properties.

MINOR SPHERE OF INFLUENCE AMENDMENT

LAFCO has received a request by the Purissima Hills County Water District to include the three parcels within the SOI of the District to allow the District to annex these parcels. (See Attachment D for map showing proposed SOI amendment)

Effective January 1, 2001, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 requires that a service review be conducted prior to the establishment or update of a SOL. The requested SOI amendment is minor, no objections have been received from any other agencies in the area and there are no other agencies that are authorized to provide the services that the District provides in this area. Therefore, the SOI amendment is being processed without conducting or requiring a service review.

Sphere of Influence Findings

In approving the sphere amendment, LAFCO must consider the following issues and adopt findings on each of the issues. Provided below is an analysis of the issues.

1. The present and planned land uses in the area, including agricultural and open space lands.

Finding: The present and planned land use on the three parcels in the Town of Los Altos Hills is residential in nature. The zoning for the parcels is Residential –Agricultural (R-A) with a one-acre minimum lot size requirement. All three parcels have existing homes or are in the process of constructing single-family homes on the parcels subject to the Town's land use and zoning regulations. The proposed inclusion in the District's sphere would not alter existing land uses on the parcels.

2. The present and probable need for public facilities and services in the area.

Finding: The District is the only utility in the area of the Wu property with a main that fronts the property. The property had no previous water utility service. A single family home is being constructed on the property and is currently being served by the District contingent on annexation.

The Corrigan properties were previously served by the California Water Service Company, a private water service. Low water pressure due to the elevation of the properties prompted the property owners to request water service from the District. The District can deliver water pressure of 105 pounds per square inch which eliminates the need for pumping and is reliable in power outages. Its service also provides necessary fire flows required by code for the size of homes being built.

The surrounding area is mostly developed with single-family homes and is served by the District or by the California Water Service Company.

3. The present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide.

Finding: The addition of these lands to the District's SOI will not impact the capacity or adequacy of its services. Also see above.

4. The existence of any social or economic communities of interest in the area.

Finding: The parcels are located within the Town of Los Altos Hills which is partially served by Purissima Hills County Water District and by a private water company. Inclusion of the parcels within the SOI of the District will not affect the community.

PROPOSED ANNEXATION

The District is proposing to annex 3 parcels in two areas (see description above) and include them within the District SOI.

Logical and Efficient Boundaries

All three parcels are contiguous to the District's current boundaries. Inclusion of the two areas will result in logical boundaries for the District.

Provision of Services

District is currently providing service to all three parcels and has indicated that it has adequate water capacity to continue to provide services to these properties without detracting from existing service levels within the area.

Conversion of Agricultural or Open Space Lands

None of the parcels are currently in agricultural production or designated as open space.

Alternatives to Annexation

There are no feasible alternatives to annexation into the District. The District, as mentioned previously is currently providing service to the parcels. State law and local LAFCO polices encourage annexation to agency over extension of services beyond an agency's boundaries. There exist no other feasible alternatives for public water service provision to these parcels.

Duplication of Services

Annexation will not result in a duplication of services. The parcels under consideration are all within the Town of Los Altos Hills which does not provide water service. The location and elevation of the properties does not make it feasible for the California Water Company to serve these properties.

CONCLUSION

Staff recommends expansion of the SOI of the District to include both the areas and annexation of both the areas. The District is currently providing water service to these parcels. The SOI expansion will enable annexation of the parcels to the District.

ATTACHMENTS

- A. LAFCO Analyst's Environmental Assessment Report for the two areas.
- B. Map and legal description of proposed annexation boundary for Lands of Wu
- C. Map and legal description of proposed annexation boundary for Lands of Corrigan
- D. Map showing the proposed SOI boundary for the District

Date prepared: May 19, 2003

Hearing date: June 11, 2003

To: The Santa Clara County Local Agency Formation Commission

From: Dunia Noel, LAFCO Analyst

Subject: **Purissima Hills Water District: Annexation and Sphere of Influence (SOI) Amendment for 12661 Robleda Road, Los Altos Hills**

Recommended Environmental Action:

Approve Categorical Exemption. The project is categorically exempt from the requirements of CEQA.

Reasons for Recommendation:

The project is exempt under CEQA Class 19, Section 15319 (a) and Section 15319 (b) that states:

Section 15319(a): Annexation to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing environmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities.

Section 15319(b): Annexation of individual small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small Structures.

Purissima Hills Water District proposes to annex one parcel totaling 1.42 acres (APN: 175-47-016), located on the west side of Robleda Road between Alta Tierra Road and Purissima Road and on the east side of the Town of Los Altos Hills. The exact address of the property is 12661 Robleda Road. There is an existing 1,826 square foot single-family home that was built in 1954 that will be demolished to accommodate a new single-family home on the property. The property owner wants to abandon their well and connect to the water system through the Purissima Hills Water District. The property is located outside of the District's boundary and outside of the District's Sphere of Influence (SOI). Therefore, the District is also requesting to expand their SOI boundary to include this property.

Regarding the annexation into the Purissima Hills Water District, the parcel at 12661 Robleda Road is under the jurisdiction of the Town of Los Altos Hills and is zoned Residential-Agricultural (R-A) which has a 1-acre minimum lot size requirement. The property is not eligible for further subdivision. The proposed annexation to the Purissima

Hills Water District and SOI amendment are thus exempt from CEQA because they meet the requirements of the Class 19 exemption.

Date prepared: May 19, 2003

Hearing date: June 11, 2003

To: The Santa Clara County Local Agency Formation Commission

From: Dunia Noel, LAFCO Analyst

Subject: **Purissima Hills Water District: Annexation and Sphere of Influence (SOI) Amendment for 13441 & 13445 Robleda Road, Los Altos Hills**

Recommended Environmental Action:

Approve Categorical Exemption. The project is categorically exempt from the requirements of CEQA.

Reasons for Recommendation:

The project is exempt under CEQA Class 19, Section 15319 (a) and Section 15319 (b) that states:

Section 15319(a): Annexation to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing environmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities.

Section 15319(b): Annexation of individual small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small Structures.

Purissima Hills Water District proposes to annex two parcels (3.8 acres and 4.7 acres) totaling 8.87 acres in size (APN: 175-36-036 and 175-36-003), located on the west side of Robleda Road between Qail Lane and Wildcrest Drive and on the east side of the Town of Los Altos Hills. The exact addresses of the properties are 13441 & 13445 Robleda Road. One parcel has an older home located on it while a new home is being constructed on the other parcel.

According to Purissima Hills Water District staff, both properties are located outside of the District's boundary and the District's Sphere of Influence (SOI). However, both parcels are currently receiving water service from the District. Both properties were receiving substandard (low pressure) water service from the California Water Service Company, a private water service, which prompted the property owners to request to receive water service from the District. The District can deliver water pressure of 105 pounds per square inch, which eliminates the need for pumping and is reliable in power outages. Its service also provides necessary fire flows required by code for the size of

homes being built. In the case of the parcel with a new house under construction, the District agreed to provide water service in order to enable the property owner to construct a single-family home on the property and subject to the property's annexation into the Water District.

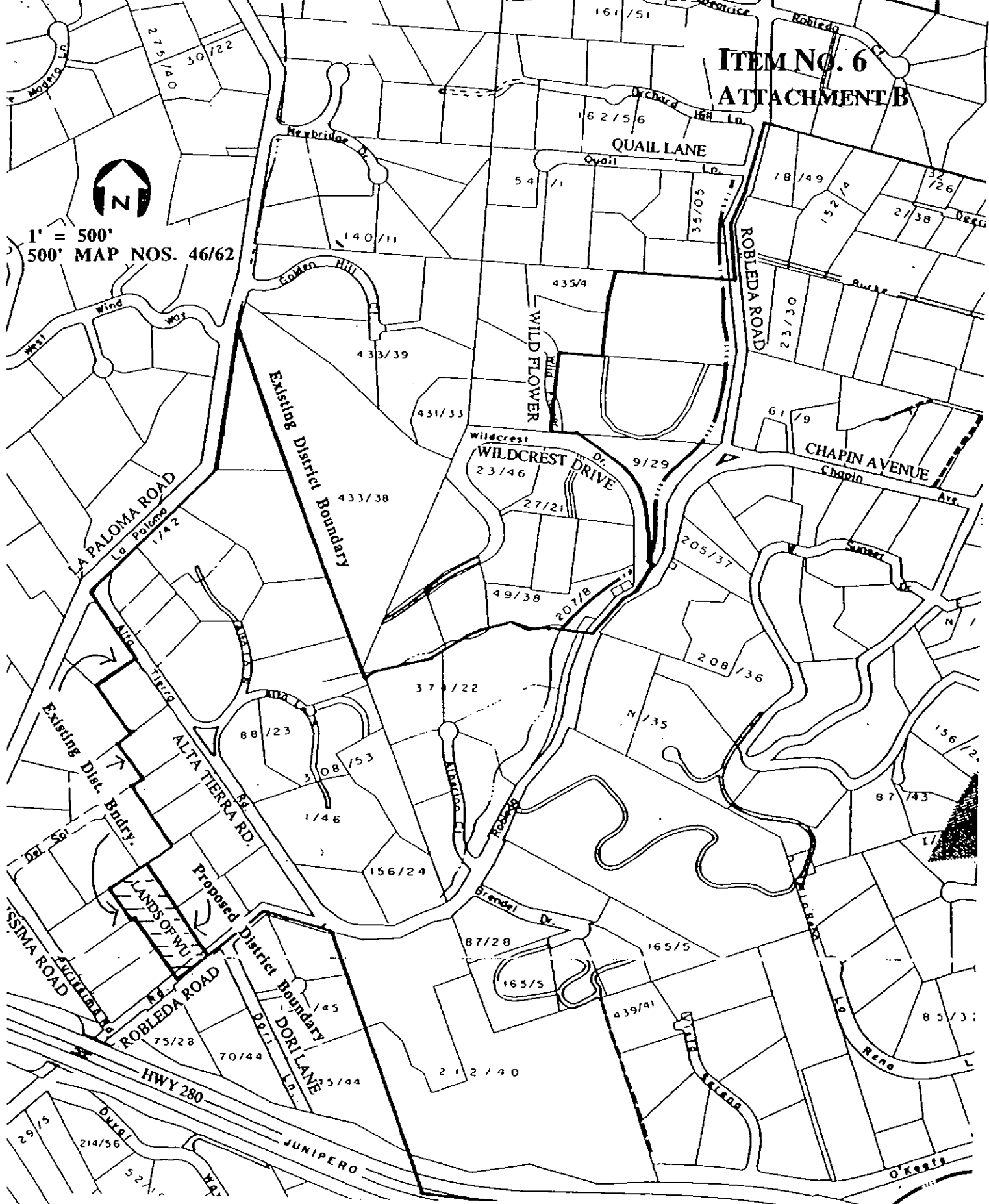
In the case of the other property, the District agreed to provide water to the previous property owner conditioned on the property being eventually annexed into the District. However, the previous property owner resisted the District's efforts to annex the property. Wilfred and Sigrun Corrigan eventually purchased this property. The Corrigans currently own both of the properties and are requesting that both properties be annexed into the District in order to continue to receive water service from Purissima Hills Water District. However, both properties are located outside of the District's SOI boundary. Therefore, the District is also requesting to expand their SOI boundary to include the two properties.

Regarding the annexations into the Purissima Hills Water District, both parcels are under the jurisdiction of the Town of Los Altos Hills and zoned R-A (Residential-Agricultural) that has a 1-acre minimum lot size requirement. Both properties may have the potential to be subdivided under the Town's subdivision requirements. The proposed annexation to the Purissima Hills Water District and SOI amendment are thus exempt from CEQA because they meet the requirements of the Class 19 exemption.

**ITEM NO. 6
ATTACHMENT B**



1' = 500'
500' MAP NOS. 46/62



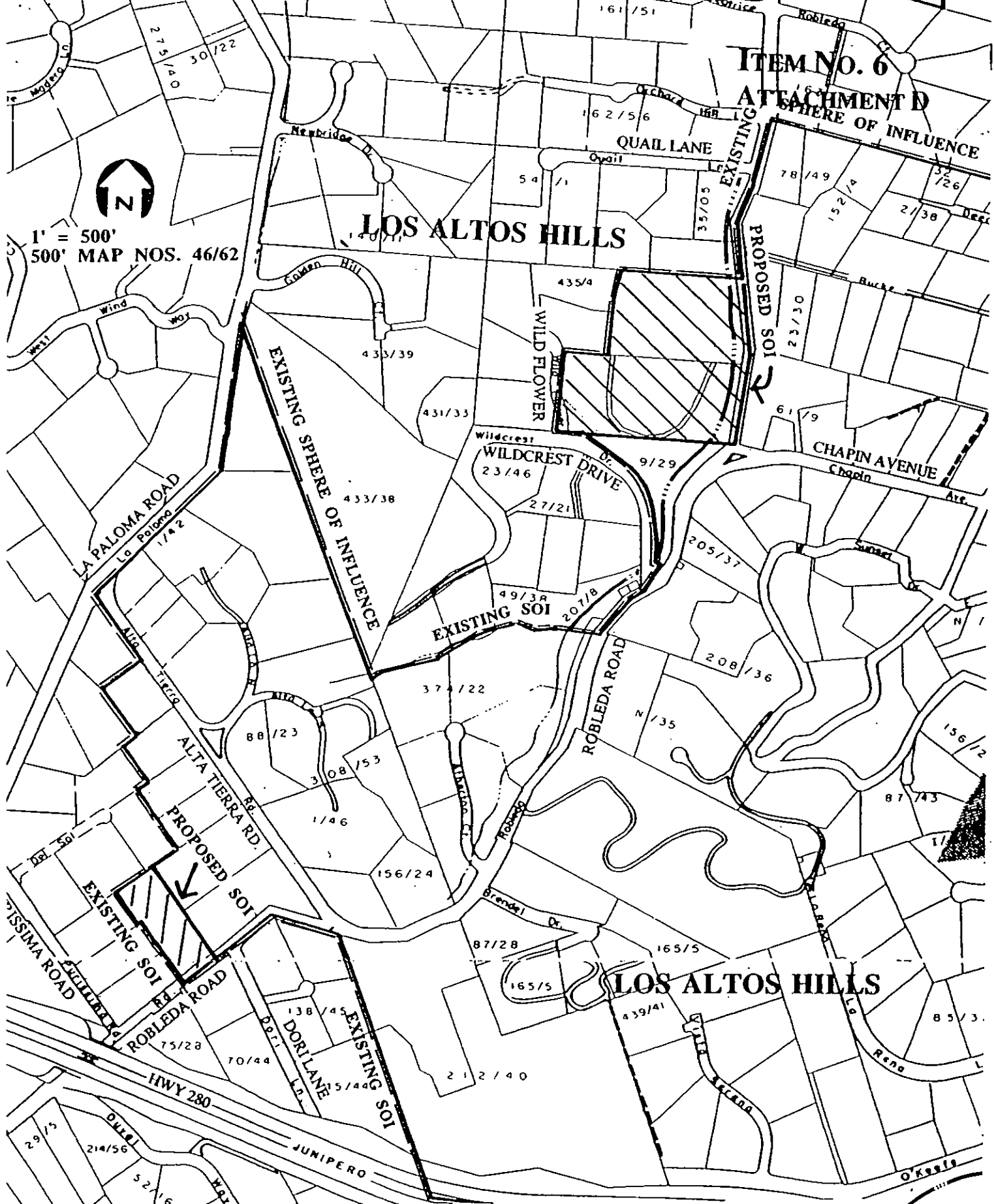
**ANNEXATION TO
PURISSIMA HILLS COUNTY WATER DISTRICT
12661 Robledo Road (Wu)**

This map was created by the Santa Clara County Surveyor's Office from information provided by Purissima Hills County Water District. The boundaries shown hereon were not verified by said County Surveyor's Office.

ITEM NO. 6
ATTACHMENT D
SPHERE OF INFLUENCE



1" = 500'
500' MAP NOS. 46/62



PURISSIMA HILLS COUNTY WATER DISTRICT SPHERE OF INFLUENCE AMENDMENT 2003

This map was created by the Santa Clara County Surveyor's Office from information provided by Purissima Hills County Water District. The boundaries shown hereon were not verified by said County Surveyor's Office.

ITEM #7 Morgan Hill USA Expansion Request (LANDS OF KUBO)
Was Continued from the April 9, 2003 LAFCO Meeting

Please Refer to Your April 9, 2003 Packet for the
LAFCO Executive Officer's Report, LAFCO Analyst's Report and Associated Documents

Contact Emmanuel Abello, LAFCO Clerk (408.299.5088) if you require an additional copy

Date Prepared: May 30, 2003
LAFCO Meeting: June 11, 2003

TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
SUBJECT: Out of Agency Contract for Sewer and Water Service to Sobrato High School by City of Morgan Hill
Agenda Item # 8

STAFF RECOMMENDATION

Proposal

Approve request for extension of water and sewer service to the two unincorporated parcels (APNs: 725-01-012 & 013), located within the sphere of influence of the City of Morgan Hill and part of the larger Sobrato High School project site.

CEQA Action

See LAFCO Analyst Report for recommendation and environmental analyses.
(Attachment B) \

PROJECT DESCRIPTION

The City of Morgan Hill is seeking LAFCO approval for extending water and sewer service to the Sobrato High School currently under construction. The high school is located on 4 parcels, with a total acreage of 151.7 acres. Two of the parcels (APNs: 725-01-012 & 013) totaling 27.1 acres are within the unincorporated area and Morgan Hill's sphere of influence (SOI) and the other two parcels (APNs: 725-01-019 & 020) totaling 124.6 acres are outside Morgan Hill's SOI and within the City limits of San Jose and its SOI. The proposed service request is for only the two unincorporated parcels within the SOI of Morgan Hill. Since the proposed extension of services will be outside of Morgan Hill's jurisdictional boundaries, LAFCO approval is required. See attached map for project site and existing jurisdictional boundaries. (Attachment A)

BACKGROUND

In December 2000, the City of Morgan Hill and the Morgan Hill Unified School District (MHUSD) entered into an agreement whereby Morgan Hill would provide services to the

Sobrato property (within San Jose City Limits) under certain nine conditions. The City of San Jose opposed the development of the Sobrato property and the provision of services by Morgan Hill and filed a lawsuit against the City and MHUSD challenging the proposed development and services. The three agencies negotiated a settlement agreement (See Attachment C) to modify the location of certain portions of the high school, to make arrangements to effectuate the open space portion of the high school project and to preserve the open space aspect of the Sobrato property to be used consistent with greenbelt policies.

Based on that agreement, MHUSD has acquired a new site in the unincorporated area – the 27.1-acre property on Burnett Avenue. A portion of the high school would be located on that property in the unincorporated County and a portion would be located on the Sobrato property located in San Jose. The high school would accommodate 1,500 students and is scheduled to open in the fall of 2004. The first phase of construction of classrooms would take place on the 27.1-acre project site. The athletic fields, agriculture program and buildings, student parking lot and phase 2 classrooms would be constructed on the parcels within San Jose. About 75 acres of the site within San Jose would be dedicated to the City for open space purposes, of which, about 50 acres would be occupied by a shallow drainage basin for the high school. As per the settlement agreement, San Jose has agreed to allow Morgan Hill to provide services to the entire high school site. In July 2002, Morgan Hill, San Jose and MHUSD adopted a MOU describing the terms and conditions under which Morgan Hill would provide water, sewer, police and fire services to the high school location. (See Attachment D)

As mentioned previously, this request for LAFCO approval is ONLY for extension of sewer and water services to the high school parcels within the unincorporated area. Therefore, analysis in this staff report pertains to only this request even though the MOU is broader and addresses other service issues. Any future extension of other services by the city or service extensions to other parcels within the school site would require a separate application to LAFCO.

Water service is required immediately for fire suppression purposes in order to allow construction of the facility to proceed. Sewer service is not required immediately but would be required to support the high school use.

Adjacent land uses include a mobile home park to the west of the site, rural residential to the east, agricultural uses to the south and the Sobrato parcels currently in non-irrigated oat hay production to the north.

CONSISTENCY WITH LAFCO POLICIES

Project Within Sphere of Influence (SOI)

Local LAFCO policies state that proposals for extending services outside an agency's SOI will not be considered by LAFCO. The proposal is located within the SOI of the City of Morgan Hill.

Annexation as Alternative to Service Extension

LAFCO policies require annexation prior to extension of services beyond an agency's boundaries. In this case, the property is located outside the USA and urban growth boundary (UGB) of Morgan Hill. The site is contiguous to the city boundary on the west side.

The settlement agreement between San Jose, Morgan Hill and MHUSD requires that Morgan Hill and MHUSD actively pursue annexation of the unincorporated school site in Morgan Hill's SOI. However, annexation into the city would require that the site first be included in the City's USA. The City's policies require that only parcels within the City's UGB be considered for inclusion in its USA. As per Morgan Hill General Plan, the City will consider adjustment of the UGB as part of a comprehensive General Plan Update every 10 years. It also states that it may be necessary to reevaluate the UGB in conjunction with the greenbelt study currently underway. The City expects to complete the study in Spring 2004, which means that the USA application cannot be processed until after that date.

Consistency with Policies and General Plans

The joint urban development policies adopted by the cities and the county allow for development and urban services only within cities or their USAs. Unincorporated areas outside the cities' USA are intended for non-urban, low density uses. However, the City intends to seek LAFCO approval for including this area within its USA after expanding its UGB.

The City is requesting this service extension in anticipation of future annexation which is a requirement in the agreement between the MHUSD, Morgan Hill and San Jose.

Growth Inducing and Precedent Setting Impacts

Development of this parcel involves infrastructure expansions into the unincorporated county such as widening of Burnett Avenue for about 1,000 feet east from the mobile home park, recent upgrading to the 12-inch water line and extending the sewer line about 164 east on Burnett. Parcels to the south of Burnett Avenue are in agricultural use with row crops and nursery production. Availability of nearby services would make it more feasible for the adjacent undeveloped lands in the unincorporated county to be developed.

Health and Safety/Public Benefit Issues

The city indicates that there are no other feasible on-site options for service to this project. According to City staff, the wells on this site have tested positive for high nitrate levels. With regard to the potential use of a septic system, the City indicates that a standard septic system would not be feasible because of the size of this facility. A mini sewage treatment plant would be required subject to review and approval by the Regional Water Quality Control Board. This would be an expensive option especially as the settlement

agreement between the three agencies requires active pursuit of annexation to Morgan Hill.

Ability of the City to Provide Services

The City of Morgan Hill has indicated that it does have the capacity to serve this property and that serving this property outside its boundary will not reduce the level of services it provides its residents.

Water

A 12-inch City water line was recently installed along the north side of Burnett Avenue (to replace a previous eight-inch line), extending along the school site frontage. An 8-inch sewer line stops 164 feet west of the school site. The City's water system has a capacity of 12.9 mgd. The City currently uses 7.19 mgd of water. Water consumption at the high school would be .012 mgd.

Sewer

An 8-inch sewer line stops 164 feet west of the school site. The sewer line will need to be extended east on Burnett Avenue to reach the project site. According to City staff, the size of the sewer line is sufficient to serve the high school site. The City's sewer system capacity is 3.5 mgd and the City currently uses 2.6 mgd. The proposed high school would generate .012 mgd of sewage. The City will be proceeding with an expansion of the sewer plant in 2007-2008. This would increase the plant's capacity by 12 mgd, with 5 mgd reserved for the City of Morgan Hill. The South County Regional Waste Water Authority (SCRAW) reviewed the Sobrato High School request in April 2003 and unanimously approved the request.

Premature Conversion of Agricultural or Open Space Land

The site is currently in non-irrigated oat hay production and has been for the last 20 years. Prior to that time, the site used to be a prune yard. Irrigation wells on the site are currently non-operable. About 60% of the site is designated Prime Farmland and the remaining 40% is designated as Farmland of Statewide Importance on the Important Farmlands Map for Santa Clara County. The project would result in the conversion and loss of about 27 acres of farmland in addition to the 124.6 acres of the Sobrato properties to the north which are also currently in non-irrigated oat hay and planned to developed with primarily athletic fields and other open space uses.

A California Agricultural Land Evaluation and Site Assessment (LESA) model was prepared for the 21.7-acre site. The LESA model scores indicate a less than significant impact on agricultural land. A LESA model prepared for the two most feasible alternative sites had higher LESA scores indicating a larger impact to agricultural lands.

Unincorporated lands that are in agricultural use exist to the south of this project site. The project would further surround the large parcels of unincorporated lands currently in agricultural use and could potentially impact the existing uses on those lands.

CONCLUSION

This project is seeking services in anticipation of annexation. However, the parcel is not within the City's UGB or USA. Without first seeking LAFCO approval for USA expansion, the involved agencies have entered into an agreement to develop the high school, extend City services to the site and pursue annexation to the City. It is unfortunate that in this case, LAFCO was not part of the project at the beginning so that LAFCO goals and policies could have been considered at the front-end. In recommending approval, staff would like to remind the agencies that LAFCO should be involved at the beginning, especially when the project would involve potential boundary changes over which LAFCO has authority.

ATTACHMENTS

- A. Map showing subject properties and jurisdictional boundaries and detailed map
- B. LAFCO Analyst's Environmental Report
- C. Settlement Agreement between San Jose, MHUSD and Morgan Hill
- D. MOU between the City of Morgan Hill, City of San Jose and MHUSD

Date prepared: May 29, 2003

Hearing date: June 11, 2003

To: The Santa Clara County Local Agency Formation Commission
From: Dunia Noel, LAFCO Analyst
Subject: **Out of Agency, City of Morgan Hill, Extension of Water and Sewer to the Proposed Ann Sobrato High School (new site)**

Recommended CEQA Action and Required Findings:

The Morgan Hill Unified School District is the Lead Agency for the Out of Agency Contract for Water and Sewer Services. LAFCO, as a Responsible Agency under CEQA, must take the following actions regarding the Final EIR for this project:

1. Find that [a] the *Final EIR* certified by Morgan Hill Unified School District (MHUSCD) on October 18, 2000 and *Final Supplemental EIR* certified by the MHUSD on April 8, 2002 were completed in compliance with CEQA and are an adequate discussion of the environmental impacts of the project for LAFCO Purposes, and [b] prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as shown in both the *Final EIR* and *Final Supplemental EIR*.
2. Find that [a] the *Final EIR* and *Final Supplemental EIR* identified potentially significant adverse impacts resulting from the project in the areas listed below, and [b] appropriate mitigation measures have been proposed for each of the potential impacts identified in each of the listed categories that will reduce the impacts to a less than significant level.
 - Aesthetics Open Space
 - Biological Resources
 - Geology and Soils
 - Hazards and Hazardous Materials
 - Noise
3. Find that the *Final EIR* and *Final Supplemental EIR* identified one significant impacts resulting from the project that cannot be mitigated to a less than significant level. The impact is listed below:
 - Noise affecting adjacent residences from the marching band during practice
4. Find that a monitoring program was submitted by the Morgan Hill Unified School District, and that the monitoring program ensures compliance with the mitigation measures identified in the *Final EIR* and *Final Supplemental EIR* that would mitigate or avoid significant impacts associated with the Out of Agency Contract for Sewer and Water Services, over which LAFCO has responsibility.

5. Find that, despite the imposition of all feasible mitigation measures and alternatives, the project's noise impacts will remain significant. Therefore, in order to approve the project, LAFCO must find that the project's public benefits outweigh the project's significant, unavoidable environmental impacts. LAFCO staff suggest the following overriding considerations:

Overriding Consideration for LAFCO Approval of Project:

Noise by the marching band during practice affecting adjacent residences in Santa Clara County is in excess of the established acceptable noise levels for residences in Santa Clara County.

LAFCO finds that there are no feasible mitigation measures available to reduce this impact to a less than significant level, and that the benefits of the marching band outweigh its potential adverse impacts from generation of noise. In particular LAFCO finds that the following specific benefits of the Project outweigh this impact:

1. A music program, including a marching band, is an important element of a high school curriculum;
2. District educational objectives for a new high school include the need to maintain individual campus identity for each of the District's high schools, and the marching band contributes to this identity; and
3. Noise generated by the marching band will be occasional in its occurrence, as the marching band will only practice on the campus.

BACKGROUND

Request for an Out of Agency Service Contract for Water and Sewer

The City of Morgan Hill is requesting on behalf of the Morgan Hill Unified School District (MHUSD), LAFCO approval of an Out-of-Agency contract for water and sewer service to Ann Sobrato High School (new site). The Ann Sobrato High School Project (new site), which is scheduled to open in the fall of 2004 and would accommodate 1,500 students, will be located on 27.08 acres of unincorporated lands (APNs: 725-01-012, 013) on the north side of Burnett Avenue, approximately 1900 feet east of the Burnett Avenue/Monterey Rd. intersection. According to City staff, water service is required for fire suppression purposes immediately in order to allow construction of the facility to process. Sewer service is not immediately required at this time, however, water and sewer service will ultimately be necessary to support the high school use.

The city indicates that there are no other feasible on-site options for service to this project. According to City staff, the wells on this site have tested positive for high nitrate levels. With regard to the potential use of a septic system, the City indicates that a standard septic system would not be feasible because of the size of this facility. A mini sewage treatment plant would be required subject to review and approval by the Regional Water Quality Control Board. This would be an expensive option especially as the settlement agreement between the three agencies requires active pursuit of annexation to Morgan Hill.

A 12-inch water line was recently installed along the north side of Burnett Avenue, extending along the project frontage. According to City staff, the size of the water line is sufficient to support the high school use. An 8-inch sewer line stops 164 feet west of the high school site. The sewer line will need to be extended east on Burnett Ave. to reach the project site. According to City staff, the size of the sewer line is sufficient to serve the high school site.

The high school is within the City's Sphere of Influence, but is located outside of the Morgan Hill's City limits, Urban Service Area (USA), and Urban Growth Boundary (UGB). Morgan Hill is conducting an Urban Limit Line "Greenbelt" study that may allow for amendment of the UGB to include the High School site. If the site is added to the UGB, applications for inclusion into the USA and City Limits can be processed. Morgan Hill is expected to complete the Urban Limit Line study in early 2004. The City must have approval from the Local Agency Formation Commission (LAFCO) in order to extend water and sewer service prior to the annexation of the facility. The City of Morgan Hill and MHUSD have entered into a memorandum of understanding under which the District has agreed to annex the property into the City.

Ann Sobrato High School is Part of a Larger Project

The request for an Out of Agency Contract for sewer and water services involves a 27.1-acre project site and is part of the much larger Ann Sobrato High School Campus Project. The proposed Ann Sobrato High School Campus will be constructed on an approximately 77-acre portion of a 151.7-acre project site. The remaining acreage, approximately 75 acres, would become the property of the City of San Jose for open space purposes, of which, approximately 50 acres would be occupied by a shallow drainage basin for the high school. The high school would be comprised of ten buildings totaling approximately 173,000 square feet at the completion of Phase 1, and 15 buildings totaling approximately 290,000 square feet at build-out. The high school athletic fields, agriculture program and buildings, student parking lot, and Phase 2 classrooms would be on a portion of the project site located in the City of San Jose, and within the "Coyote Valley Greenbelt."

Monitoring Program

A monitoring program (see attached) is required for all environmental documents when significant impacts are identified. In addition, specific monitoring compliance with mitigations described in the *Final EIR* and *Final Supplemental EIR* should occur at the time of annexation, pre-zoning, and use permit approval.

ENVIRONMENTAL FACTORS OF CONCERN TO LAFCO

Premature Conversion of Agricultural Lands and Open Space

The 27.1-acre high school site is currently in non-irrigated oat hay and has been in oat hay for approximately 20 years. Irrigation wells on the site are not currently operable. Prior to that time, from at least 1939, the site was a prune yard. Land immediately to the south of the new campus site is in field crop production and nursery and greenhouse production. Non-agricultural land uses are mixed with the agricultural uses farther to the south of the site.

According to the Supplemental EIR, the northern 60 percent of the Ann Sobrato High School site is designated as Prime Farmland and the approximate southern 40 percent of the new campus site is designated as Farmland of Statewide Importance on the Important Farmlands Map for Santa Clara County. The site contains two soil types: Arbutle gravelly loam and San Ysidro loam. The subject parcels not under a Williamson Act contract. The estimated annual crop value at the site for the most recent crop grown, oat hay, was approximately \$6,075. The proposed project would result in the conversion of approximately 27.1 acres of farmland in addition to the 124.6 acres on the Sobrato parcels. A California Agricultural Land Evaluation and Site Assessment (LESA) model was prepared for the 27.1 acres site. The LESA model scores of 47.7 overall, 33.4 for Land Evaluation and 14.3 for Site Assessment indicate a less than significant impact on agricultural land.

According to City staff, alternative sites considered for the high school also involved the conversion of land in agricultural production. In most cases, the agricultural production has a higher value than the non-irrigated oat hay on the project site. A LESA analysis was prepared for the two most feasible alternative sites, and the LESA scores for those sites were higher than the project site.

North of the project site are the Sobrato parcels, which are currently in non-irrigated oat hay and planned to be developed primarily as athletic fields for the Ann Sobrato High School. A portion (75-acres) of the Sobrato parcels has been dedicated to the City of San Jose as open space as a part of the larger Ann Sobrato High School Campus and the remaining portions of the Sobrato parcels will consist of athletic fields, a drainage basin, parking, agricultural program, and a portion of the Phase 2 high school buildings. This revision to the earlier plan for Ann Sobrato High School Campus has eliminated the *Final EIR's* original finding of an unavoidable significant impact from the loss of designated open space land.

Provision of Public Services and Utilities

According to the EIR, the 27.1 acres are located in unincorporated Santa Clara County. Fire and police protective services are currently provided by Santa Clara County Fire Department and the Santa Clara County Sheriff's Office, respectively. According to the City of Morgan Hill staff, these two agencies will continue to provide these services until the site is annexed into the City of Morgan Hill. Burnett Avenue is partially in the jurisdiction of Santa Clara County, with traffic enforcement provided by the California Highway Patrol, and partly in the jurisdiction of the City of Morgan Hill. Demand for the services of the Fire District and County Sheriff's Office would increase, however, no new facilities would be required to accommodate the increased demand.

The City is requesting approval from the Local Agency Formation Commission to provide water and sewer service to the 27.1 acres site through an out of agency contract for services in order to facilitate the construction of a high school. The City has stated that City sewer and water lines currently exist in proximity to the project frontage and are sufficiently sized to accommodate the high school.

The City's sewer system capacity is 3.5 mgd and the City currently uses 2.6 mgd. The proposed high school would generate .012 mgd of sewage. The City will be proceeding with an expansion of the sewer plant in 2007-2008. This would increase the plant's capacity by 12 mgd, with 5 mgd reserved for the City of Morgan Hill. The South County

Regional Waste Water Authority reviewed the Ann Sobrato High School request in April and unanimously approved the request. The City's water system has a capacity of 12.9 mgd. The City currently uses 7.19 mgd of water. Water consumption at the high school would be .012 mgd.

Existing electricity and gas facilities adjacent to the project site are available and adequate to serve the proposed project.

Growth Inducement

Approval of the out of agency contract for water and sewer services would facilitate the development of a high school on unincorporated lands designated in the *Santa Clara County General Plan* for agricultural uses. Furthermore the site is located outside of Morgan Hill's Urban Service Area and Urban Growth Boundary. According to the *Supplemental EIR*, the construction of the proposed project would not necessarily result in the decline of adjacent agricultural uses, or development of surrounding parcels. The *Supplemental EIR* states that Live Oak High School, east of Morgan Hill was constructed in 1970 and agricultural uses remain adjacent to the high school on the north and south and rural residences are adjacent to the west and east. Therefore, the proposed Ann Sobrato High School would not necessarily induce growth on adjacent land.

According to the *Supplemental EIR*, the proposed high school development is not likely to result in the addition of any nearby parcels to be added to the urban service area or incorporated area in the near term, but may have long-lasting effects on growth patterns in the northern part of Morgan Hill, as the areas between the project site and the developed areas of Morgan Hill are further surrounded. Furthermore, development of the proposed project would establish a strong urban edge to the land north of Burnett Avenue, however it would also service to isolate the remaining agricultural land to the south of Burnett Avenue and north of the development areas of Morgan Hill. This area is already largely developed with structure-dependant agricultural uses and rural residential uses. The extension of a four-lane road to the front of this area, combined with the upgraded water line recently constructed by the City of Morgan Hill, would make development of this area more feasible.

Any future requests by property owners in the area to connect to city water and sewer would require LAFCO approval and would be evaluated for consistency with state law and LAFCO policies. Therefore, the project would not set a precedent for other water or sewer connections in the area or result in any growth-inducing impacts.

Because no other parcels on or adjacent to the subject properties have signed under the sewer extension agreement for this application, future applications for extension of water service would be subject to further CEQA analysis.

Traffic and Circulation

According to the EIR, the proposed project would increase on Burnett Avenue. Although the overall intersection would remain at acceptable levels, the worst movement level of service would fall below acceptable levels at two of the three mobile home park driveway intersections during the morning peak hour. Left turn movement delays would increase from 4.3 seconds (LOS A) under existing conditions, to 30.1 seconds (LOS E) under Phase 1 conditions, and more than 100 seconds (LOF F) under build-out and cumulative conditions. Because the overall level of service is acceptable, and signal light is not

warranted, the impact is considered to be less than significant. The EIR recommended that beginning in the second year of operation of the high school, in collaboration with the City of Morgan Hill Engineering Division, the MHUSD should conduct annual monitoring of the intersections of the mobile home park driveways and Burnett Avenue to determine if a traffic signal, or other traffic control, is warranted.

School District's Adoption of Overriding Considerations Statement

The Morgan Hill Unified School District is the Lead Agency for the Out of Agency Contract for Water and Sewer Services. On April 8, 2002 the Morgan Hill Unified School District adopted a Statement of Overriding Considerations for the Ann Sobrato High School Project. The Statement is attached as a part of Morgan Hill Unified School District Resolution Number 01/02-033.

ATTACHMENTS:

1. Morgan Hill Unified High School District Resolution Number 01/02-033.
2. *Second Comprehensive High School Supplemental Draft Environmental Impact Report*
3. *Second Comprehensive High School Final Supplemental Environmental Impact Report*
4. Draft Mitigation Monitoring Program for the Ann Sobrato High School *Final EIR* and *Final Supplemental EIR*

**MORGAN HILL UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION RESOLUTION NO. 01/02-033**

A RESOLUTION OF THE BOARD OF EDUCATION OF THE MORGAN HILL UNIFIED SCHOOL DISTRICT CERTIFYING THE SECOND COMPREHENSIVE HIGH SCHOOL FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT AS ADEQUATE AND PREPARED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the Board of Education ("Board") of the Morgan Hill Unified School District ("District") has identified a need to build a new 2,500-student high school to accommodate the needs of the District ("Project"); and

WHEREAS, the registered voters within the District approved a bond for construction of the Project; and

WHEREAS, the Board of Education ("Board") of the Morgan Hill Unified School District ("District"), after reviewing and considering the information contained therein, certified a revised environmental impact report ("EIR") on October 18, 2000, prepared in compliance with the California Environmental Quality Act ("CEQA"), for the Project on property located in the City of San Jose identified as a 124.58-acre site with Assessor's parcel numbers 725-01-019 and 725-01-020, located at 11230 Monterey Road, between Monterey Road and U.S. Highway 101, north of Burnett Avenue and Tilton Avenue, and immediately north of the city limits of Morgan Hill ("Sobrato Site"); and

WHEREAS, the Board approved acquisition of the Sobrato Site on October 18, 2000 for the purpose of constructing the Project and the District acquired and now owns the Sobrato Site; and

WHEREAS, the City of San Jose filed suit against the City of Morgan Hill and the District challenging the Project and the District has agreed to conditions contained in a settlement agreement and judgment dated August 31, 2001 with the cities of San Jose and Morgan Hill, including conditions that restrict the uses of the Sobrato Site and require further study of an alternative site for the high school, specifically two properties located immediately south of the Sobrato Site; and

WHEREAS, Haruyo Shintani owns the property located in the unincorporated County of Santa Clara identified as a 15.68-acre site with Assessor's parcel number 725-01-012 and Timothy Miyasaka owns the property located in the unincorporated County of Santa Clara identified as an 11.42-acre site with Assessor's parcel number 725-01-013, both located north of Burnett Avenue, between Monterey Road and U.S. Highway 101 and immediately south of the Sobrato Site, (the "Shintani and Miyasaka Site"); and

WHEREAS, the Board has identified the Shintani and Miyasaka Site as a preferred location for development of the majority of the high school buildings for the Project; and

WHEREAS, the Board is considering acquiring the Shintani and Miyasaka Site for purposes of developing the high school; and

WHEREAS, the Board adopted the role of lead agency for purposes of environmental review of the Project under CEQA; and

WHEREAS, due to the change in location of the Project, a draft supplemental environmental impact ("Draft SEIR") was prepared and circulated in accordance with CEQA and thereafter a final supplemental environmental impact report ("Final SEIR") has been prepared for the revised high school plan; and

WHEREAS, the SEIR consists of the Draft SEIR dated December 2001 and the Final SEIR dated March 2002, and the Final SEIR includes all comments received during the public comment period, the response to those comments on the Draft SEIR, and minor changes to the Draft SEIR; and

WHEREAS, the complete environmental impact report for the Project consists of the EIR certified by the Board on October 18, 2000 and the SEIR; and

WHEREAS, the SEIR fully analyzes the environmental impacts that would occur from development of the revised high school plan at the Shintani and Miyasaka Site and the Sobrato Site and identifies the potential significant environmental impacts of such development; and

WHEREAS, the SEIR identifies and recommends feasible mitigation measures for the identified potential significant environmental effects from the revised high school plan, which will reduce such potential environmental effects to a less than significant level; and

WHEREAS, the SEIR identifies one potential significant environmental effect (noise from the marching band during practice at adjacent residences) for which no feasible mitigation measures exist; and

WHEREAS, the SEIR has been prepared in compliance with the procedural and substantive requirements of CEQA; and

WHEREAS, the SEIR, based upon the Investigative Workplan for a Preliminary Environmental Assessment prepared by D&M Consulting Engineers, Inc. on December 18, 2001 concluded:

1. The Shintani and Miyasaka Site is neither currently nor formerly a hazardous waste disposal or solid waste disposal site;
2. The Shintani and Miyasaka Site is not a hazardous substance release site identified by the State Department of Health Services in a current list adopted pursuant to Section 25356 for removal or remedial action pursuant to Chapter 6.8 of Division 20 of the Health and Safety Code; and
3. The Shintani and Miyasaka Site does not contain pipelines, situated underground or above ground, which carry hazardous substances, acutely hazardous materials, or hazardous wastes.

WHEREAS, the District consulted with the Bay Area Air Quality Management District (BAAQMD), and based on a letter from the BAAQMD dated November 30, 2001, finds that no facilities have been identified within one-quarter mile of the Shintani and Miyasaka Site which might reasonably be anticipated to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste; and

WHEREAS, the Board has determined that, as a result of its inspections and investigations and of studies made on its behalf, the best interests of the District would be served by certifying, as required by Section 15090 of the State CEQA Guidelines, that the SEIR was completed in compliance with the requirements of CEQA, that the SEIR was presented to and considered by the Board prior to final consideration of the merits and selection of the Shintani and Miyasaka Site for the Project, and that said SEIR adequately addresses the potential environmental effects of the Project.


NOW, THEREFORE, THE MORGAN HILL UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION HEREBY DETERMINES AS FOLLOWS:

1. The foregoing recitals are hereby adopted as true and correct.
2. The SEIR was presented to the Board and the Board reviewed and considered the information contained in the SEIR prior to approving the Project.
3. Findings of the Board with respect to those matters identified as potential significant effects are set out in Exhibit A attached hereto and incorporated herein by this reference.
4. The SEIR has been prepared in compliance with the requirements of CEQA.
5. Except for noise from the marching band during practice at adjacent residences, which has been determined to be a significant and unavoidable impact, changes or alterations have been required in, or incorporated into, the Project which avoid or substantially lessen the significant environmental effect as identified in the SEIR, as part of the mitigation monitoring program.
6. The SEIR reflects the Board's independent judgement and analysis.
7. The SEIR is hereby certified as adequate and found to have been prepared in compliance with CEQA.

PASSED AND ADOPTED by the Board of Education of the MORGAN HILL UNIFIED SCHOOL DISTRICT at a regular meeting held on April 8, 2002 by the following vote:

AYES: Danielson, Postez, Herder, Kennert, Kinosita, Masuda, Panos
 NOES: None
 ABSENT: None
 ABSTAIN: None

DATED: April 8, 2002

SIGNED: 
 Jan Masuda, President
 Board of Education

I, Carolyn McKennan, Secretary of the Board of Education, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Board of Education of the MORGAN HILL UNIFIED SCHOOL DISTRICT at the regular meeting on April 8, 2002, which resolution is on file in the office of said Board.

DATED: April 8, 2002

SIGNED: 
 Carolyn McKennan, Secretary
 Board of Education

EXHIBIT A
Resolution No. 01/02-033

FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS
MORGAN HILL UNIFIED SCHOOL DISTRICT
SECOND COMPREHENSIVE HIGH SCHOOL

The following findings are made by the Board of Education ("Board") of the Morgan Hill Unified School District ("District") in compliance with section 21081 of the Public Resources Code and 14 California Code of Regulations, section 15000 et seq ("CEQA Guidelines"), in particular, section 15091 and concern the selection of a site for, and development of, the Second Comprehensive High School (the "Project") for the District.

The final supplemental environmental impact report ("Final SEIR") for the Project is certified along with the following findings:

GENERAL FINDINGS

- Finding 1:** The District, as lead agency for the SEIR, contracted with EMC Planning Group Inc. to conduct an independent analysis of the proposed project in preparation of the SEIR. EMC Planning Group Inc., under contract with the District, developed the scope of the analysis that was required of the SEIR in consultation with the District.
- Finding 2:** All mitigation measures identified in the SEIR will be made conditions of the Project.
- Finding 3:** The District has prepared a program to report on and monitor mitigation measures for the Project, as set out in Appendix A of the Final SEIR, in order to avoid significant effects on the environment in accordance with the recommendations of the SEIR. This mitigation monitoring plan also includes and incorporates those mitigation measures required by the EIR.
- Finding 4:** Documents and other material constituting the record of the proceedings upon which the District's decision and its findings are based will be located at the Office of the Superintendent for the District.
- Finding 5:** The environmental review for the Project includes the EIR certified for the Project on October 18, 2000 and the SEIR.
- Finding 6:** Fifteen (15) copies of the Draft SEIR were forwarded, along with a Notice of Completion ("NOC") to the California Office of Planning and Research on December 27, 2001, in accordance with CEQA Guidelines §15085. The NOC briefly described the Project and location and indicated that the Draft SEIR was available, where it was available, how long it was available for review, together with the deadline for submittal of comments on the Draft SEIR.
- Finding 7:** The availability of the Draft SEIR was publicly noticed in accordance with CEQA Guidelines §15087. A Notice of Availability was published in the Morgan Hill Times on December 31, 2001. It was also posted at the Santa Clara County Clerk's Office. Copies of the Draft SEIR were sent to responsible and trustee

agencies and to individual members of the public who had previously requested a copy in accordance with CEQA Guidelines §15086. Copies of the Draft SEIR were made available at the Morgan Hill Unified School District office in Morgan Hill, as well as at the Morgan Hill Public Library in Morgan Hill, and the Santa Teresa Branch of the City of San Jose Public Library.

Finding 8: A public review period of forty-five days commenced on December 31, 2001, and ended on February 13, 2002.

Finding 9: All comments on environmental issues received from persons who reviewed the Draft SEIR were evaluated by the District and their consultant and a written response was prepared in accordance with the requirements of CEQA Guidelines §15088. Both the comments and responses thereto are incorporated into the Final SEIR.

Finding 10: The SEIR contains all the necessary components of a supplemental environmental impact report required by CEQA Guidelines §15163, that is, all the supplemental information necessary to make the EIR certified for the Project on October 18, 2000 adequate for the Project. The SEIR consists of the Draft SEIR dated December 27, 2001, and the Final SEIR dated April 2002. The Final SEIR includes all comments received during the public comment period, the responses to those comments on the Draft SEIR, and minor changes to the Draft SEIR. The SEIR contains the following:

1. A description of the minor changes to the Project and the changes to the analysis and mitigation contained in the EIR certified for the Project on October 18, 2000 (SEIR Summary and Draft SEIR Section 1);
2. Identification, description, and discussion of all potential significant environmental effects of the Project (SEIR Summary);
3. A description of those potential significant environmental effects which cannot be avoided or which can be mitigated, but not reduced to a less than significant level (Draft SEIR Section 3.1); and
4. A description of mitigation measures proposed to minimize each potential significant environmental effect of the Project identified in the SEIR (SEIR Summary and more specifically in the Draft SEIR text for each analyzed area).

Finding 11: No new information of substantial importance to the Project covered in the SEIR has become available that was not known and could not have been known at the time the SEIR was recommended to be certified as complete.

Finding 12: The SEIR analyzed and evaluated the potential significant environmental effects of the Project and recommended mitigation measures to avoid or reduce the potential significant environmental effects to a less than significant level.

Finding 13: With the exception of noise from the marching band during practice, for each significant adverse environmental impact identified in the SEIR, changes or alterations have been required in, or incorporated into the Project, which avoid or

substantially reduce the significant adverse environmental impacts to a less than significant level.

Finding 14: Each of the proposed mitigation measures contained in the EIR has been incorporated into the Project. Appendix A of the Final SEIR contains the Mitigation Monitoring Program, which briefly explains how each of the recommended mitigation measures has been incorporated into the Project and supplies the rationale for the finding that each significant adverse environmental impact, as identified in the SEIR, has been reduced to a less than significant level, with the exception of impacts from marching band noise during practice, for which findings of overriding consideration have been made. The findings and monitoring reflected in Appendix A of the Final SEIR are incorporated herein by this reference.

SUMMARY OF IMPACTS FOUND TO BE LESS THAN SIGNIFICANT

Finding 15: Based upon the analysis set out in the SEIR and the Board's own independent judgment, the District finds and concludes that the Project located on the Shintani and Miyasaka Site and the Sobrato Site will not create significant impacts with respect to the following matters:

1. **Development in the Coyote Greenbelt.** The relocation of most of the high school buildings out of the Coyote Greenbelt, and the dedication of an approximately 75-acre open space to the City of San José has eliminated the unavoidable significant impact from loss of designated open space land. Only the athletic fields, drainage basin, parking, agricultural program, and a portion of the Phase 2 buildings remain in the greenbelt area. All uses proposed for the Coyote Greenbelt area are consistent with the terms of the settlement agreement and judgment;
2. **Loss of Prime Agricultural Land.** Shintani and Miyasaka Site. The Shintani and Miyasaka Site has a Land Evaluation and Site Assessment (LESA) score of 47.7, with a Land Evaluation score of 33.4 and a Site Assessment score of 14.3. According to the California Department of Conservation, the loss of agricultural land with a LESA score of between 40 and 59 is considered significant if both the Land Evaluation and the Site Assessment subcategories have scores of 20 or higher. Because the Shintani and Miyasaka Site scores do not meet those significance thresholds, the conversion of these lands is a less than significant impact;
3. **Pesticide Spray Drift.** Significant concentrations of pesticide drift have been documented to travel at least 150 feet from the edge of the sprayed area. Agricultural areas are located upwind and adjacent to the project site. However, the relocation of the high school buildings to the Shintani and Miyasaka Site and the shifting of athletic fields to the south have eliminated this potentially significant impact. The proposed project is no longer adjacent to agricultural uses;

- 4. **Traffic Noise Along Student Parking Lot Access Driveway.** The noise exposures at residences closest to the access road will be within the 60 dB DNL standard of the City of Morgan Hill Noise Element. The increase in noise due to the proposed project will be no more than 2 dB for a DNL of 59;
- 5. **Level of Service on Burnett Avenue.** The proposed project would increase traffic on Burnett Avenue. However, the overall intersection levels of service would remain at acceptable levels. The worst movement level of service would fall below acceptable levels at two of the three mobile home park driveway intersections during the morning peak hour. Left turn movement delays would increase from 4.3 seconds (LOS A) under existing conditions, to 30.1 seconds (LOS E) under Phase 1 conditions, and more than 100 seconds (LOS F) under build-out and cumulative conditions. Because the overall level of service is acceptable, and a signal light is not warranted, the impact is considered to be less than significant; and
- 6. **Inadequate Water Supply System.** In the event that non-potable water supplies are not a feasible source of irrigation water, the proposed project would require the use of potable water from the City of Morgan Hill for irrigation. The City of Morgan Hill has stated that it would be unable to meet the additional demand of irrigation water due to inadequate storage capacity in the City's water supply system. However, it is unlikely that City of Morgan Hill water would be required for irrigation, and if it were, demand for that water would occur at night when the City of Morgan Hill water system would have less demand, and greater available capacity.

FINDINGS ON POTENTIALLY SIGNIFICANT IMPACTS THAT ARE BEING MITIGATED TO A LEVEL OF INSIGNIFICANCE

Finding 16: The District has considered the identified potential significant environmental effects presented in the SEIR and finds that, with the exception of impacts from noise from the marching band during practice on adjacent residences, all the potentially significant environmental effects presented in the SEIR resulting from the implementation of the Project could be reduced to a less than significant level. This would be accomplished through implementation of the mitigation measures presented in the SEIR. Based upon the information provided in the SEIR and the Board's own independent judgment, the District finds and concludes that the Project, by implementation of the mitigation measures set out in Appendix A of the Final SEIR, will not create significant impacts with respect to the following matters:

- 1. **Aesthetics and Open Space** impacting visual character of urban development along a scenic corridor;
- 2. **Biological Resources** potentially impacting a state species of concern;
- 3. **Geology and Soils** impacting safety and structural suitability of the buildings;

4. Hazards and Hazardous materials regarding potential hazards from past uses of the site including pesticide use, petroleum storage tanks, and septic tanks;
5. Noise regarding exposure of high school buildings to noise from U.S. Highway 101;
6. Noise regarding noise generated by project related traffic, and
7. Noise from use of the amphitheater;

FINDINGS ON SIGNIFICANT UNAVOIDABLE IMPACTS

Finding 17: The Board has found an unavoidable and significant adverse impact of the Project to be the generation of noise by the marching band during practice at adjacent residences in Santa Clara County in excess of established acceptable noise levels for residences in Santa Clara County. The Board finds that there are no feasible mitigation measures available to reduce this impact to a less than significant level, and that the benefits of the marching band outweigh its potential adverse impacts from generation of noise. In particular the Board finds that the following specific benefits of the Project outweigh this impact:

1. A music program, including a marching band, is an important element of a high school curriculum;
2. District educational objectives for a new high school include the need to maintain individual campus identity for each of the District's high schools, and the marching band contributes to this identity; and
3. Noise generated by the marching band will be occasional in its occurrence as the marching band will only practice on the campus.

Date Prepared: May 27, 2003
LAFCO Meeting: June 11, 2003

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: Out of Agency Extension of Water Service to Anderson Reservoir
Boat Launch by the City of Morgan Hill
Agenda Item # 9

STAFF RECOMMENDATION

Proposal

Approve request for extension of water service to the Anderson Boat Launch facility located east of the City limits of Morgan Hill adjacent to the Anderson Reservoir and within the sphere of influence of the City of Morgan Hill. This approval of the water service is limited to the uses in the boat launch facility. Any future additional connections or extensions are subject to LAFCO approval.

CEQA Action

Approve categorical exemption from CEQA under Class 3, section 15303(d).

PROJECT DESCRIPTION

The City of Morgan Hill is requesting on behalf of the Santa Clara County Parks and Recreation Department, LAFCO approval for extending water service to the Anderson Lake County Park for the County's boat ramp and day use improvements. The project site (APN: 728-34-017) is located east of the City of Morgan Hill in the unincorporated area outside the City's urban service area (USA) but within its sphere of influence (SOI) adjacent to Anderson Reservoir. Since the proposed extension of services will be outside of the City's jurisdictional boundaries, LAFCO approval is required. See attached map for subject property and jurisdictional boundaries. (Attachment # A)

The proposed water extension request is to provide service to the newly constructed 8 unit restrooms, drinking water fountain, and landscape irrigation within the parking area at the renovated boat ramp. The boat ramp is located at the top of the dam of Anderson Lake Park. The County has recently installed a 4,350-foot long and 3-inch wide waterline which extends from the facility through the adjacent County Parks parcel (APN: 729-46-001) and ends at the City limits near Holiday Drive. The County needs to extend this line about 50 feet to connect to the City's existing water line located under Holiday Drive.

An old well exists on the site. This well has a broken sanitary seal — as a result of which it is taking in surface water. It therefore does not meet the standards of the California Department of Health Services for a Public Water System.

Adjacent land uses include single-family homes in the Holiday Lake Estates area to the south and rural/ agricultural uses to the west.

ENVIRONMENTAL ASSESSMENT

See LAFCO Analyst report (Attachment B)

CONSISTENCY WITH LAFCO POLICIES

Project Within Sphere of Influence (SOI)

Local LAFCO policies state that proposals for extending services outside an agency's SOI will not be considered by LAFCO. The proposal is located within the SOI of the City of Morgan Hill but outside its current urban service area and urban growth boundary.

Annexation as Alternative to Service Extension

LAFCO policies require annexation prior to extension of services beyond an agency's boundaries. In this case, the property is located outside the USA and urban growth boundary of Morgan Hill. Annexation into the city would require that the area first be included in the City's USA. The project site is not contiguous to the City's boundaries and is part of an existing County park. For these reasons, at this time, annexation is not a feasible alternative to extending services beyond the city's boundaries.

The contract for services between the City and the County contains a provision that requires the property owner to waive their right to protest if an annexation of the project site were proposed in the future. (See Attachment C)

Consistency with Policies and General Plans of all Affected Agencies

County General Plan and Other Policies

Extending urban services beyond a city's urban service area would be generally inconsistent with the cities-county joint urban development policies. In this case, the existing land use on the project site is a County Park. The proposed extension is not being requested to serve urban level of development. The County General Plan for the site is "Existing Regional Parks" and the zoning is "Hillsides", which would not allow urban development.

City of Morgan Hill Policies

In approving this water extension, the Morgan Hill City Council found that there may be a threat to public health and safety if water service were not extended to the site and that

unique circumstances of the project provided public benefits that outweighed the negative impacts of continued decentralization of the city service area.

Growth Inducing and Precedent Setting Impacts

Extending service to this site could potentially encourage other adjacent private parcels to seek extensions of water service from the City. Staff has received one inquiry about service extension since sending out public hearing notices regarding this project. Any additional requests for service extension would require LAFCO approval and would be evaluated for consistency with state law and LAFCO policies.

Health and Safety/Public Benefit Issues

Currently portable restrooms are used on the site. The new restrooms at the boat launch facility were recently constructed and will not be used until water service is provided to the site. There is an old existing well on site that has a broken sanitary seal and does not meet the state standards for public water systems (PWS). No specific attempts have been made to drill a new well on site. However, as noted in the e-mail from Eric Lacy of the California Department of Health Services, drilling a new well may not be a feasible option for water service to the site. (See Attachment # D) The letter states that in general, PWSs located in the east foothills have had problems finding sufficient water. Also, due to the hydrogeology of the site, there is no guarantee that an adequate water source would be found in the area. City water serving the adjacent residential Holiday Lake Estates area is pumped from wells located on the valley floor.

To serve the new restrooms, a septic system has been recently installed on the site for sewage disposal. According to County Department of Environmental Health, the leach fields and tanks are located well beyond the required 200 feet from the high water mark of the reservoir and would not pose a threat to its water quality.

Ability of the City to Provide Services

The City of Morgan Hill has provided documentation stating that it does have the capacity to serve this property and that serving this property outside its boundary will not reduce the level of services it provides its residents.

Premature Conversion of Agricultural or Open Space Land

The project site is a County Park, and the requested water service is to expand the recreational uses on the site. The 4,350 feet long water line runs through the parklands but the environmental analyses does not identify any significant impact on the parklands.

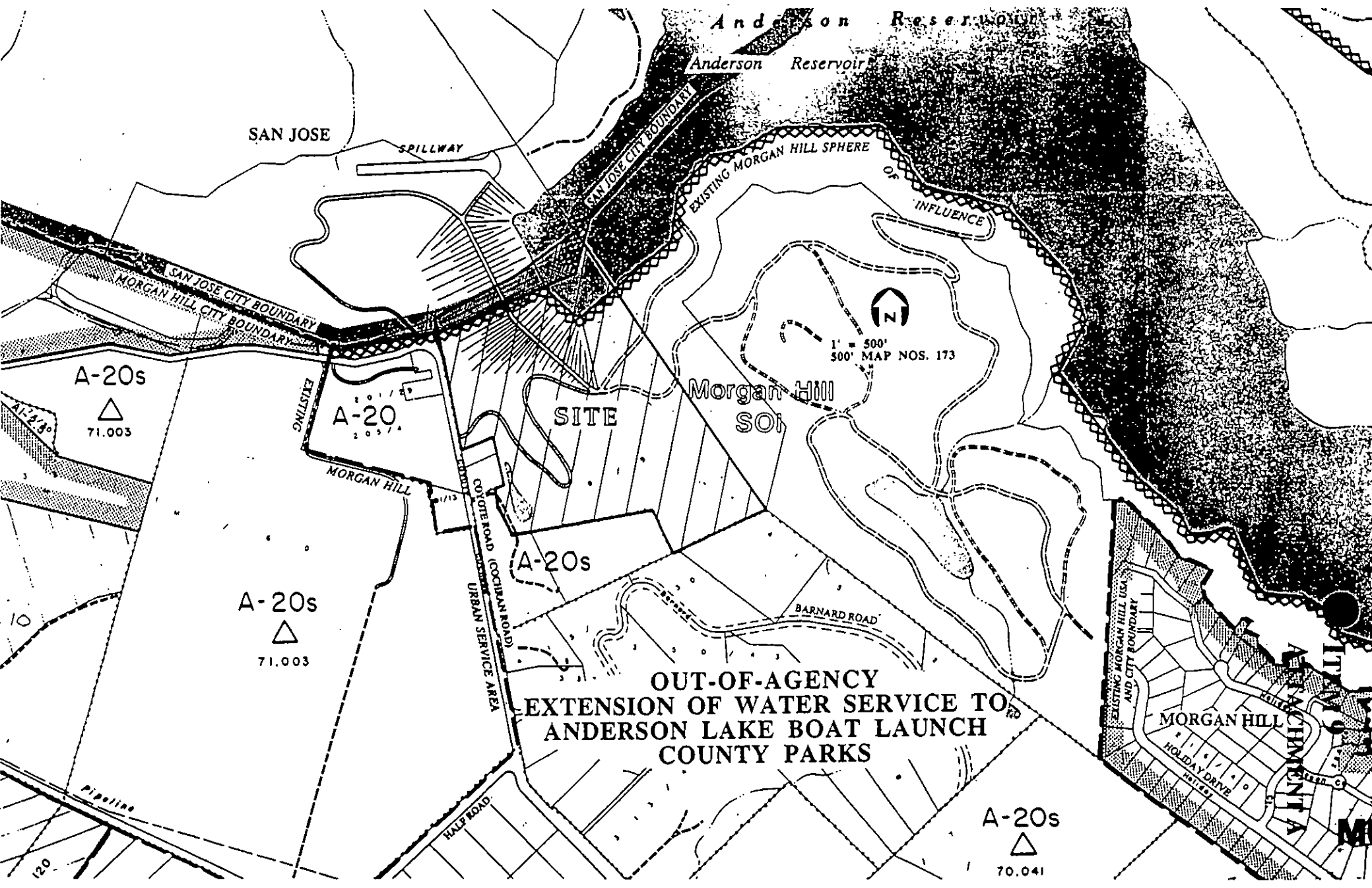
CONCLUSION

Providing City water service to the site would allow the County to provide a safe and reliable water source for the restrooms, for the drinking water fountain and for

maintaining the landscape in the boat launch area resulting in a public benefit. No other feasible options for service seem to be available to the site. Annexation is also not a feasible alternative at this time. Even though there is potential for other such future service requests in the area as a result of this project, there are no direct impacts to agricultural or open space lands. Therefore, staff recommends extension of water service to the Boat Launch Facility.

ATTACHMENTS

- A. Map showing subject properties and jurisdictional boundaries and detailed map
- B. LAFCO Analyst's Environmental Report
- C. Water Service Agreement between the City of Morgan Hill and Santa Clara County
- D. E-mail dated 6/3/03 from Eric Lacy of the State Department of Health Services regarding the option of drilling a new well on the site.



Anderson Reservoir

Anderson Reservoir

SAN JOSE

SPILLWAY

SAN JOSE CITY BOUNDARY

EXISTING MORGAN HILL SPHERE OF INFLUENCE

INFLUENCE

SAN JOSE CITY BOUNDARY
MORGAN HILL CITY BOUNDARY



1" = 500'
500' MAP NOS. 173

A-20s



71.003

A-20
2017
2017

SITE

Morgan Hill
SOI

A-20s

A-20s



71.003

BARNARD ROAD

OUT-OF-AGENCY
EXTENSION OF WATER SERVICE TO
ANDERSON LAKE BOAT LAUNCH
COUNTY PARKS

A-20s



70.041

MORGAN HILL

HOLIDAY DRIVE

ATLANTA

MO

ITEM 9
ATTACHMENT B

Date prepared: May 29, 2003

Hearing date: June 11, 2003

To: Local Agency Formation Commission of Santa Clara County
From: Dunia Noel, LAFCO Analyst
Subject: **Out of Agency, City of Morgan Hill, Extension of Water Service to Anderson County Park Boat Launch Facilities**

Recommended CEQA Action:

Approve Categorical Exemption. The project is categorically exempt from the requirements of CEQA.

Reasons for Recommendation:

The project is exempt under CEQA Class 3, Section 15303(d), "New Construction or Conversion of Small Structures" which states:

Section 15303(d) Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve construction and location of limited numbers of new, small facilities or structures.

BACKGROUND

Project Description

The City of Morgan Hill is requesting on behalf of the Santa Clara County Parks and Recreation Department, LAFCO approval of an Out-of-Agency contract for water service in order to provide water for the newly constructed 8 unit restrooms, drinking water fountain, and landscape irrigation within the parking area at the boat ramp. The boat ramp is located at the top of the dam of Anderson Lake County Park. The County is requesting approval to connect the County Park's newly constructed 4,350-foot long and 3-inch wide waterline, which ends at the City Limits near Holiday Drive, to the City's 6-inch water line located under Holiday Drive. The County needs to extend this new line approximately 50 feet in order to connect to Morgan Hill's water line on Holiday Drive. The project site consists of one unincorporated parcels, Assessor Parcel Numbers: 728-34-017 (48.9 acres), which is located east of the City of Morgan Hill and adjacent to Anderson Reservoir. The nearby roads include Coyote Road to the west of the site and Holiday Drive to the south.

The project site is within the Sphere of Influence and outside the Urban Service Area and Urban Growth Boundary of Morgan Hill. However, the parcel is adjacent to Morgan Hill's Urban Service Area.

Purpose and Need

The County is requesting this service agreement in order to receive City of Morgan Hill's water, due to the contamination and failure of the existing well on the boat launch property. This well became contaminated when the seal broke and began to take in surface water. The well therefore does not meet the standards of the California Department of Health Services for a Public Water System. According to City staff, the existing well would need to be repaired or a new well drilled. In addition, all drinking water coming from any well would need to be treated. According to City staff, building a treatment plant for one well to serve the restrooms and drinking fountain is not practical. In addition, City staff believes that there may be a threat to public health and safety because of a lack of restrooms and drinking water at the project site if water service is not provided.

The eight unit restroom facility for the boat launch site has already been completed and the County plans on finishing the boat ramp and landscaping by May 2003 and they hope to open the boat launch to the public in May or June 2003. According to Morgan Hill staff, the County will truck in water to maintain the landscaping and use portable restrooms until the site has water service.

City of Morgan Hill staff recommended approval of the request at the March 19, 2003 City Council meeting because they found that without water service for drinking and sanitation, there may be a threat to public health and safety and that there are no other options available for providing water for the property and that there are unique circumstances such that the public benefits of providing water service to the proposed project outweigh the negative aspects of the continued decentralization of the City service area.

According to Eric Lacy of the California Department of Health Services, "the City of Morgan Hill's water system best serves the interest of the public and that an adequate and dependable water supply could not be found at, or near, the Anderson Reservoir boat launch facility." He bases this statement on the fact that his office's general experience has been that public water systems (PWSs) located in the foothills on the eastern side of Santa Clara County, have had problems finding sufficient water supplies to meet their PWS needs. He also states the State of California has stricter well construction requirements for PWSs than private well owners in terms of demonstrating that they have a dependable and adequate water supply. Furthermore, he states that "a well constructed near the Anderson Boat launch would have to be drilled significantly deeper than most due to its relative elevation and proximity of the regional groundwater aquifers" and "that there is no guarantee that an adequate water source would be found in this location due to the nature of the hydrogeology in this area."

Environmental Assessment

The Out of Agency Contract for Water Service is part of a larger project currently underway to improve facilities at the boat launch area of Anderson Lake Park. A Negative Declaration was prepared for the larger project and was adopted by the County of Santa Clara Board of Supervisors in August 1, 1995. When the Negative Declaration was prepared, LAFCO was not considered as a responsible agency for the project because contracts for extension of services between two public agencies were considered exempt from LAFCO review and approval at that time. However new legislation effective as of January 1, 2001 requires that extension of services between two public agencies to have

LAFCO approval. In this case the proposed project involves the extension of services between two public agencies (the County of Santa Clara and the City of Morgan Hill) and therefore an out-of-agency approval is required from LAFCO.

Environmental factors of specific concern to LAFCO are discussed below.

ENVIRONMENTAL FACTORS OF CONCERN TO LAFCO

Premature Conversion of Agricultural and Open Space Lands

Both properties involved are part of the Anderson Lake County Park. The Environmental Assessment prepared for the project did not identify the existence of prime agricultural soils on the already developed project site. Furthermore, the County has installed a 4,350 foot long, and 3-inch wide, water pipeline infield. The installation of the line should not adversely impact these parklands. Therefore, the project will not result in the premature conversion of either agricultural or open space lands on the site or in the surrounding area.

Growth Inducement and Precedent Setting Implications

According to the County Zoning Ordinance, the current zoning designation for the subject property and other surrounding parcels in this unincorporated area is HS (Hillsides). Adjacent parcels to the south include the single-family residences of Holiday Lake Estates and to the west are existing agricultural uses. The project site and surrounding area's developed parcels have been developed to the maximum density allowed by the current zoning (HS). However, it is possible that the extension of water service to the County Park properties could encourage neighboring developed and undeveloped properties to seek similar services from the City of Morgan Hill. Staff has received one inquiry about service extension since sending out public hearing notices regarding this project.

Providing water service to the site would allow the County to abandon the existing contaminated well, would provide a safe water source for restrooms and drinking water fountains, and would also assist the County in maintaining the landscaping around the boat ramp area, and thus result in a public health benefit.

Any future requests by property owners in the area to connect to city water would require LAFCO approval and would be evaluated for consistency with state law and LAFCO policies. Therefore, the project would not set a precedent for other water connections in the area or result in any growth-inducing impacts.

Because no other parcels on or adjacent to the subject properties have signed under the sewer extension agreement for this application, future applications for extension of water service would be subject to further CEQA analysis.

Provision of Public Services

The City of Morgan Hill has provided documentation stating that it does have the capacity to serve this property and that serving the boat launch property, which is outside its boundary, will not reduce the level of services it provides to its residents.

A septic system for sewage disposal was recently installed on site to serve the new restrooms. According to the County Department of Environmental Health, the leach

fields and tanks are located well beyond the required 200 feet from the high water mark of the reservoir and would not pose a threat to Anderson Reservoir's water quality.

ATTACHMENT:

1. **Negative Declaration for Improvements to the Anderson Lake County Park Boat Launch Facility, Approved July 18, 2003 by the Board of Supervisors of the County of Santa Clara**

County of Santa Clara

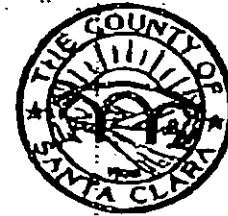
Environmental Resources Agency
Parks and Recreation Department

20 Garden Hill Drive
18000 Santa Clara, California 95030
(408) 358-3741 FAX 358-3245
TDD (408) 358-3751

BY THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CLARA
Phyllis A. Parks, Clerk of the Board

By: *[Signature]*

Date: AUG 1 - 1995



BOARD TRANSMITTAL

TO: Richard Wittenberg, County Executive
FROM: David Franklin, Director, ERA
DATE: July 18, 1995
SUBJ: Approval of a Proposed Negative Declaration & Approval of a Resolution Requesting Grant Funding & Authorizing the Filing of an Application with the California Department of Boating & Waterways to Improve the Boat Launch Facility at Anderson Lake County Park

Prepared by: *[Signature]*
Reviewed by: *[Signature]*
Reviewed by: *[Signature]*
Submitted by: *[Signature]*
Alan Laffner, Deputy Director

RECOMMENDED ACTION

It is recommended that the Board of Supervisors take the following actions:

1. Approve the attached Proposed Negative Declaration for improvements to the Anderson Lake County Park boat launch facility.
2. Approve the attached resolution requesting grant funding from the California Department of Boating and Waterways to improve the boat launch facility at Anderson Lake County Park.
3. In the event the Parks and Recreation Department receives grant funding, it is further recommended that the Board of Supervisors agree to accept the grant and authorize the Director of the Parks and Recreation Department to sign the grant agreement and accept the grant.

CONTRACT HISTORY

None

FISCAL IMPLICATION

There is no impact to the General Fund as a result of approving the recommended actions. The Boat Launch Facility Grant Program provides 100% funding and does not require matching funds. The Parks and Recreation Department is applying for \$1,228,573. Funding under this grant is anticipated to begin in FY 95-97. Awarded grant funding will be budgeted in the Parks Capital Improvement Program grants fund (0067).

BACKGROUND AND REASONS FOR RECOMMENDATION

Anderson Reservoir was named for Leroy Anderson, a conservationist and member of the Santa Clara Valley Water Conservation Committee. Construction of the lake and dam was funded from a \$3 million Bond Act in 1949. Anderson Reservoir is now part of the Santa Clara Valley Water District's system of reservoirs. Since 1969 the Santa Clara County Parks and Recreation Department has leased the reservoir for recreational purposes compatible with the goals of the Water District.

Anderson Reservoir is the largest recreational lake in Santa Clara County. The lake experiences great demand from boaters as a recreational resource. On average approximately 13,000 craft are launched into Anderson Lake annually. Minimal boat launch facilities were constructed by the Department in the 1960's. In 1987 the Water District raised the level of Anderson dam thereby decreasing the number of parking

Board of Supervisors: Michael M. Honda, Blanca Alvarado, Ron Gonzalez, James T. Beall Jr., Dianne McKenna
County Executive: Richard Wittenberg

spaces for boaters. Development of boating facilities has not kept pace with demand for this recreational resource. The 1990 Anderson Lake Master Plan Program Document recommended that existing facilities receive upgrades to improve customer service until such time as a new boating center can be established.

The California Department of Boating and Waterways offers a grant program to develop and improve boat launch facilities throughout the State of California. The Boat Launch Facilities Grant will fully fund planning, design, and construction activities. Approximately \$5 million in grant monies are available annually in the State of California. These funds are provided by boaters from the State's gasoline tax of 9 cents per gallon. Criteria for grant funding includes demonstrated ability to operate the launch facility for 20 years at no cost to the State, demonstrated economic feasibility, and completion of a Proposed Negative Declaration by November 1995.

The proposed improvements were examined for environmental impact per the California Environmental Quality Act (CEQA). It was found that the proposed improvements to the boat launch will not adversely impact other park facilities, or the environmental integrity of the site or surrounding area. It was also determined the proposed improvements are within Preliminary Master Plan recommendations developed by the Anderson Lake Master Plan Task Force.

Santa Clara County Parks and Recreation Department intends to submit an application to the California Department of Boating and Waterways to improve the existing boat launch facilities at Anderson Lake County Park. Our proposal includes extension of the existing boat launch ramp, installation of courtesy docks, circulation improvements to maximize efficiency, expansion of the boat trailer parking area, installation of a restroom, and area upgrades to comply with ADA requirements. During their regular meeting on June 8, 1995 the Parks and Recreation Commission heard public testimony regarding the grant proposal and endorsed the conceptual plan for the boat launch facility improvements. Minutes from the public hearing are included in the application package.

Approval of the Negative Declaration and resolution by the Board of Supervisors is necessary in order for the California Department of Boating and Waterways to consider our grant application. For this reason, the Board of Supervisors is being asked to approve the recommended actions.

CONSEQUENCES OF NEGATIVE ACTION

Without approval of the Proposed Negative Declaration the project will not have the required CEQA certification necessary to qualify for grant funding by the California Department of Boating and Waterways. Implementation of this project to upgrade customer service at Anderson Lake is contingent on completion of the Proposed Negative Declaration.

Without a resolution authorizing submission of the grant application, the Director will not be able to accept the grant, the California Department of Boating and Waterways will not consider an application from the Santa Clara County Parks and Recreation Department for the Boat Launch Facility Grant Program, and the opportunity for making major improvements to the park would be lost.

STEPS FOLLOWING APPROVAL

The Clerk of the Board will forward signed, certified copies of the approved resolution as follows: One (1) copy to the Clerk of the Board Librarian, Two (2) copies to the Parks and Recreation Department. The Parks and Recreation Department will forward the approved resolution to the California Department of Boating and Waterways. Following approval of the Proposed Negative Declaration, the Parks and Recreation Department will file a Notice of Determination to complete the CEQA process. The Board of Supervisors will be advised if the grant application is approved.

Attachments

H:\HOME\HARVEY\WP61\BOAT\TRANS.BOD

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CLARA REQUESTING A GRANT IN THE AMOUNT OF \$1,228,573 FROM THE DEPARTMENT OF BOATING AND WATERWAYS FOR THE IMPROVEMENT OF A BOAT LAUNCH FACILITY AT ANDERSON LAKE COUNTY PARK

WHEREAS, the County of Santa Clara is desirous of improving a boat launching facility at Anderson Lake County Park to meet the needs of the boaters and to provide public access to the water; and

WHEREAS, the Department of Boating and Waterways is authorized to provide grants to cities, counties, districts, and other public agencies for the construction and development of small craft launching facilities; and

WHEREAS, the County of Santa Clara has conducted an inventory of existing boat launching facilities in the area and has determined that the proposed project will not be detrimental to the operations of private boating businesses in the area; and

WHEREAS, the County of Santa Clara has provided a forum for comments and has determined that the proposed project is needed to provide the public with access to the waterfront. A copy of the public notice, the Parks and Recreation Commission meeting agenda, and public comments concerning the proposed project are submitted as a part of this application; and

WHEREAS, the County of Santa Clara has conducted a feasibility report which showed the proposed project to be engineeringly and financially feasible and economically justified; and

WHEREAS, the County of Santa Clara is willing to enter into an agreement to provide for the operation and maintenance of the proposed facilities at no cost to the State;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Santa Clara by adoption of this resolution hereby requests that the Department of Boating and Waterways provide a grant for the purpose of improving a public use boat launching facility at Anderson Lake County Park; and

BE IT FURTHER RESOLVED, that the County of Santa Clara agrees to accept the grant and hereby authorizes the Director of the Parks and Recreation Department to sign the grant agreement and accept the grant for the purposes stated above.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Clara, State of California, on JUL 18 1995 by the following vote:

YES: Supervisors ALVARADO, BEALL, GONZALES, HONDA, MCKENNA

NOES: Supervisors NONE

ABSENT: Supervisors NONE

APPROVED:

Michael Honda
Michael Honda,
Chairperson, Board of Supervisors

JUL 18 1995
Date

ATTEST:

Ann Sloan
Ann Sloan
Deputy Clerk
of the Board
of Supervisors
Phyllis A. Perez
Phyllis A. Perez,
Clerk, Board of Supervisors

APPROVED AS TO FORM AND LEGALITY:

Kathryn A. Berry
Kathryn A. Berry,
Deputy County Counsel

County of Santa Clara, California • Public Services Agency • Parks and Recreation Dept.

Proposed Negative Declaration

A notice, pursuant to the California Environmental Quality Act of 1970, as amended (Public Resources Code 1,000, et seq.) that the following project when implemented will not have a significant impact on the environment:

File #	727-13-18	Date	08/05/95
Project Name	Anderson Lake Boat Launch Improvements		
Project Description	Construction of Facilities at existing use site		
Agency	Santa Clara Valley Water District		
Project Location	Santa Clara County Parks and Rec Department Cochrane Road and Anderson Dam Road, Morgan Hill, California		

Project Description: Project to improve existing County Park facilities for Anderson Lake boat launch ramp, vehicle parking, and general operations at top of dam. For detailed description, see attached Supplemental Information.

Approved
 Accepted
 Adopted
 Denied
 Presented

BY THE BOARD OF SUPERVISORS
 OF THE COUNTY OF SANTA CLARA
 Phyllis A. Perez, Clerk of the Board

By: *[Signature]*
 Deputy Clerk

Date: July 18 1995

Approval of Notice

The purpose of this notice is to inform you that the Parks and Recreation Dept. has recommended that a Negative Declaration be approved for this project. Action is scheduled on this proposed Negative Declaration before the County of Santa Clara Board of Supervisors on July 18, 1995 in Board Hearing, Board Chambers, 79 West Hedding

If the Negative Declaration is approved, the decision may be protested upon filing an appeal with the Central Permit Office. It should be noted that approval of a Negative Declaration does not constitute approval of the project under consideration. The decision to approve or deny the project will be made separately.

Public Comments

Public comments regarding the correctness, completeness, or adequacy of this Negative Declaration are invited and must be received on or before the hearing date listed above. Such comments should be based on specific environmental concerns. Written comments should be addressed to the County of Santa Clara, Department of Parks and Recreation, Design and Development Section, 298 Jordan Hill Drive, Los Gatos, CA 95030, Tel (408) 358-3741. A file containing additional information on this project may be reviewed at the Department of Parks and Recreation. When requesting to view this file, please refer to the file number appearing at the top of this form.

Santa Clara Valley Water District
 California Department of Fish and Game
 Santa Clara County Planning Department
 Morgan Hill

State Clearinghouse
 California Department of Boating & Waterways

County of Santa Clara, California • Public Services Agency • Parks and Recreation Dept.

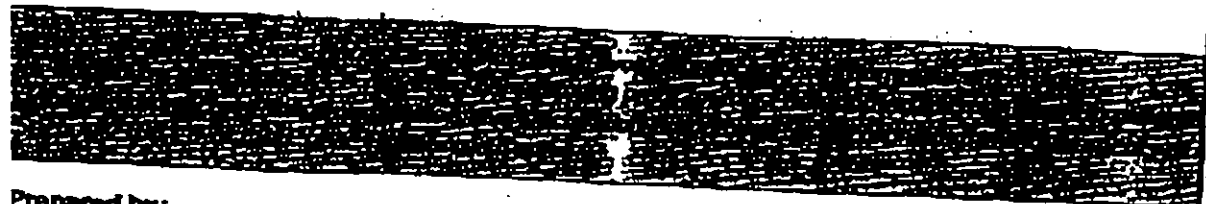
Project Negative Declaration Recommendation

The Design and Development Section of the Department of Parks and Recreation has reviewed the initial study for the project and, based upon substantial evidence in the record, finds that the proposed project could not have a significant effect on the environment, or, although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case since the mitigation measures have been added to the project.

Findings are based on the following considerations: See Note below.

1. Project is located entirely within the lease hold of Anderson Lake County Park.
2. Project is located within existing use areas of Anderson Lake County Park and does not in any way alter existing land use of park or surrounding area.
3. Project does not propose development of new user facilities that will increase park visitation. ?
4. Project is located in an area previously cleared and graded for construction and monitoring of Anderson Dam by the Santa Clara Valley Water District.
5. Project will not increase overall traffic or peak period traffic within the park or surrounding areas.
6. Project will improve user safety at existing boat launch and user areas at the top of the dam.
7. Project is not within flood plain, not within 150 feet of a stream or channel, not in an area containing sensitive or endangered plant or animal species, will not require the construction of major utilities or infrastructure, will not impact existing drainage patterns in the area, is not located in an area of extreme fire danger, not in an area of archaeological or historic significance, or require increased public services.

Water line?
Water connection?



Prepared by:
Elish Ryan, Park Planner

Approved by:
Van La Fleur, Deputy Director

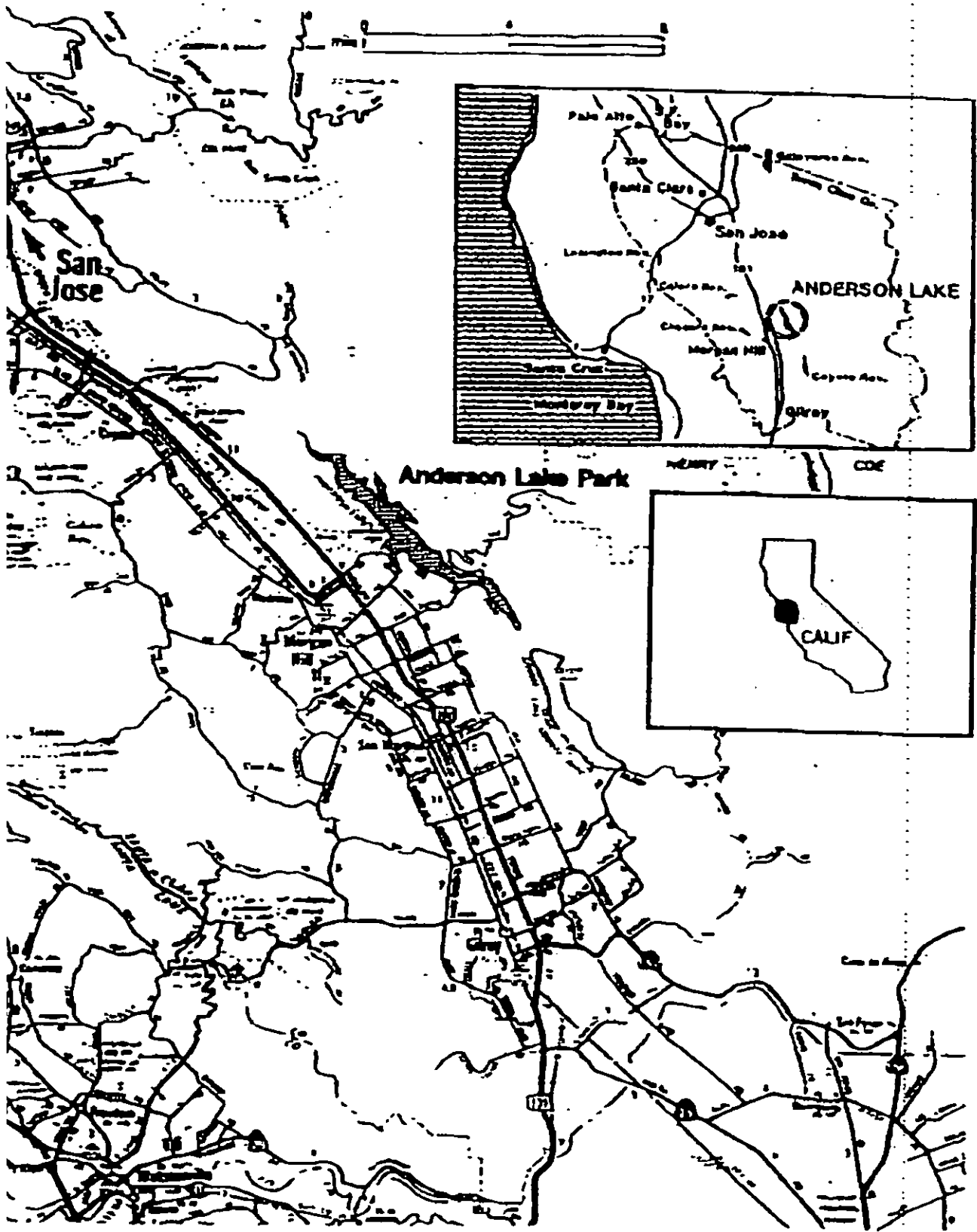
Elish Ryan
signature

Van La Fleur
signature

June 1995
date

6/8/95
date

ICATION MAP



Anderson Lake Park

ANDERSON LAKE

CALIF

Environmental Evaluation Checklist for Santa Clara County

Title: Anderson Lake County Park - Entrance Date: 06-05-95

Number: N/A APN(s): 727-13-18

Parcel #: 173 Zoning: HS Gen. Plan Designation: Parkland

Priority: N/A Project Type: Improvement of Existing Facilities

Client Name & Address: Santa Clara County Department of Parks & Recreation

298 Garden Hill Dr. Los Gatos, CA 95030 Telephone: (408) 358-3741

Location (address or description):
Anderson Lake County Park
Anderson Dam Entrance Road at Cochran Road, Morgan Hill, California

Description:
Project to improve existing boat launch, parking and vehicular circulation at the top of Anderson Lake Dam.

Initial Setting:
A proposed for improvement of park facilities is a site created south the western face of the dam when the dam is constructed. Site is primarily level, of compacted native soils and sparsely vegetated. Site is not within 150' stream or channel, has no evidence of sensitive or endangered species of plants or animals. Project has been determined not to have impacts on air quality, land use, drainage, public utilities, services, transportation, or safety.

Environmental factors checked below may be potentially affected by this project. See Appendix attached to this report for a discussion of these environmental factors and any possible mitigation or avoidance measures proposed.

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

- | | | |
|-------------------|---|---|
| USE/GENERAL PLAN | <input type="checkbox"/> TRANSPORTATION | <input checked="" type="checkbox"/> ENERGY |
| GIC | <input type="checkbox"/> HOUSING | <input type="checkbox"/> HISTORICAL/ARCHAEOLOGICAL |
| RESOURCES / PARKS | <input type="checkbox"/> SAFETY / HEALTH | <input type="checkbox"/> PUBLIC SERVICES & UTILITIES |
| RISKS / FLOODING | <input type="checkbox"/> AIR QUALITY | <input type="checkbox"/> MANDATORY FINDINGS OF SIGNIFICANCE |
| PLANTS AND FAUNA | <input checked="" type="checkbox"/> AESTHETIC | |

is relating to the California Department of
 time "de minimus impact finding" for the
) of Fee Exemption are listed in *italics*.

JSE / GENERAL PLAN

is a change from the land use designated in the
 General Plan?

is a change of zoning?

is a change from adopted specific plans or
 policy goals?

is in an area with special policies or of critical
 importance?

is in Marin &/or South County

is in Gatos/Lexington or Guadalupe Watershed
 or Foothills

is in Almaden Historical Area

is in Concord

is in Jose

are there any substantial changes in the present land
 use on or off the project site?

are there any changes in the physical arrangement of an
 established community?

are there any changes with established recreational, educational,
 cultural or scientific uses in the area?

GEOLOGIC

is located in an area designated as having a poten-
 tially major geological hazard?

is located on, or adjacent to a known earthquake

is located in a Geologic Study Zone?

is located in an area of soil instability (subsidence,
 liquefaction, shrink/swell potential, soil creep or severe
 erosion)?

is there substantial erosion or siltation?

is there substantial disruption, displacement, compac-
 tion or over-covering of soil either on-site or off-site?

is there substantial change in topography or in a
 surface relief feature?

is there construction of a building, road or septic
 system on a slope of:

10% or greater?

10% to 30%?

10% to 20%?

RESOURCES / PARKS

is there the removal rate or result in the removal of a
 resource for commercial purposes (including
 sand, gravel, oil, trees, minerals or top soil)?

	NU	Signif- cant	cant Unless Mitiga- ted	cant. No ap- parent Mitiga- tion	ative	
is a change from the land use designated in the General Plan?	■	□	□	□	□	6a,10a
is a change of zoning?	■	□	□	□	□	7.9a
is a change from adopted specific plans or policy goals?	■	□	□	□	□	6a,7,10a
is in an area with special policies or of critical importance?	■	□	□	□	□	6a,b,10a
is in Marin &/or South County	■	□	□	□	□	6a,10a,13,14
is in Gatos/Lexington or Guadalupe Watershed or Foothills	■	□	□	□	□	6a,10a
is in Almaden Historical Area	■	□	□	□	□	6a,7,10a
is in Concord	■	□	□	□	□	6a,15,16
is in Jose	■	□	□	□	□	8,10a
are there any substantial changes in the present land use on or off the project site?	■	□	□	□	□	1,2,3,12b
are there any changes in the physical arrangement of an established community?	■	□	□	□	□	2,4
are there any changes with established recreational, educational, cultural or scientific uses in the area?	■	□	□	□	□	2,4
GEOLOGIC						
is located in an area designated as having a poten- tially major geological hazard?	□	■	□	□	□	9b,10c,11a, 12a,17,18
is located on, or adjacent to a known earthquake	□	■	□	□	□	9c,10c,11a
is located in a Geologic Study Zone?	□	■	□	□	□	9c,11a
is located in an area of soil instability (subsidence, liquefaction, shrink/swell potential, soil creep or severe erosion)?	■	□	□	□	□	9c,12a,12d,20, 21
is there substantial erosion or siltation?	■	□	□	□	□	1,2,3
is there substantial disruption, displacement, compac- tion or over-covering of soil either on-site or off-site?	■	□	□	□	□	1,2,3
is there substantial change in topography or in a surface relief feature?	■	□	□	□	□	1,2,3,11c
is there construction of a building, road or septic system on a slope of:	■	□	□	□	□	1,3,10,11c
10% or greater?	■	□	□	□	□	1,3,10,11c
10% to 30%?	■	□	□	□	□	1,3,10,11c
10% to 20%?	■	□	□	□	□	1,3,10,11c
RESOURCES / PARKS						
is there the removal rate or result in the removal of a resource for commercial purposes (including sand, gravel, oil, trees, minerals or top soil)?	■	□	□	□	□	1,2,3,19

THE PROJECT:	IMPACT					SOURCES
	NO	YES				
		Not Significant	Significant Unless Mitigated	Significant No apparent Mitigation	Cumulative	
<p>ions relating to the California Department of Game "de minimus impact finding" for the state of Fee Exemption are listed in 2afcs.</p>						
<p>It in substantial depletion of any non-renewable natural resource?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3
<p>Convert 10 or more acres of prime agricultural lands (I to II) to non-agricultural use or impair the cultural productivity of nearby prime land?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,20,21
<p>Are lands protected by the Williamson Act (agricultural preserve) or an Open Space Easement?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,9a
<p>Will it substantially affect any existing agricultural uses?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2
<p>Will it be within, or near a public or private park, wildlife refuge, or trail (includes those proposed for future)?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,9d,10h
<p>Will it result in loss of open space rated as high priority for preservation?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	38
WASTE / WATER QUALITY						
<p>Will it be in a septic field being constructed on soil with severe septic drainfield limitations?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12d,20,21,22
<p>Will it be in a septic field being located within 50 feet of a drainage swale; 100 feet of any well, water course or water body or 200 feet of the high water mark of a reservoir?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,2,3,4
<p>Will it be in a septic field being located in an area where the groundwater table extends close to the natural land surface?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10e,11b,20,21,24
<p>Will it be in extensions of a sewer trunk line with capacity for new development?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3
<p>Will it be in an area of special water quality concern (e.g., Los Gatos or Guadalupe Watershed)?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,11b,21
<p>Will it be in an area of special water quality concern (e.g., Los Gatos or Guadalupe Watershed)?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4,10a,13,23
<p>Will it be in use of well water previously contaminated with nitrates, mercury, asbestos, etc. existing in the groundwater supply?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10e,23
WATER / FLOODING						
<p>Will it be in an area substantially with ground water recharge?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3,10e,11b
<p>Will it substantially change the direction, rate of flow or quantity of ground waters, either through direct discharges or withdrawals, or through interception of an aquifer by cuts or excavations?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3
<p>Will it change absorption rates, drainage patterns, or the timing and amount of surface runoff?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3,28
<p>Will it be in a natural drainage channel or streambed or water course such as to alter the location, course, or flow of its waters?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,11c,28
<p>Will it be excavated within a floodway or floodplain area?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9c,12c

E PROJECT:	IMPACT					SOURCES
	NO	YES				
		Not Significant	Significant Unless Mitigated	Significant No apparent Mitigation	Cumulative	
relating to the California Department of the "de minimus impact finding" for the of Fee Exemption are listed in italics.						
AND FAUNA						
h, wildlife, reptiles, or plant life, by (a) change ty or numbers or (b) introduction of new or (c) restrictions to migration or movement or ing habitat?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,2,3,4,10b, 11d,e
cause changes to existing habitat, food resting place, breeding place for a rare or red plant or animal species?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10b,11d,e
unique biological area, such as a fresh rsh or salt water tide land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,2,3,10b,11d,e
onstruction within 150 feet of a watercourse in area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3,12b,39
utting of unique or heritage trees or a large ol trees over 12" in diameter?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,2,3,25
PORTATION						
n increase in traffic which is substantial in o the existing traffic load and capacity of the stem? (Exceed LOS level 'D' in vicinity-GP 8.3.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4,6a,26,27,28, 29,44
l traffic hazards to pedestrians, bicyclists and ?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3,4
l access to nearby uses or fail to provide for reet right of way?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3,12e
ncreases in demand for existing on or off- arking because of inadequate project parking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,30
IG						
the supply of low-income housing or displace or businesses?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3,4
ie type or cost of housing in the area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3,4
a demand for additional housing?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3
Y/HEALTH						
the application, use or disposal of potentially us materials, including pesticides, herbicides, bstances, or radioactive materials?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,4,5
risk of explosion or release of hazardous ces?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,4,5
o #2, be within 1/4 mile of a school (public	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	40
ted within 200' of a 230KV or above electrical ission line	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,4
any health hazard?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,4,5
ted in an ALUC Safety Zone?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	31

PROJECT:	IMPACT					SOURCES
	NO	YES				
		Not Significant	Significant Unless Mitigated	Significant No apparent Mitigation	Cumulative	
<p>s relating to the California Department of the "de minimus impact finding" for the of Fee Exemption are listed in <i>Table 1</i>.</p>						
<p>ed in an area of extreme fire hazard?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10g
<p>use of cut-de-sacs over 800 ft in length, secondary access which will be difficult to</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,4,32,33
<p>technology which could adversely affect case of a breakdown?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>d site plan result in a safety hazard (i.e., layout, access, closed community, etc.)?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3
<p>breeding grounds for vectors?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>QUALITY</p>						
<p>any ambient air quality standard, contribute materially to an existing or projected air quality; or expose sensitive receptors to substantial concentrations?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5,34
<p>objectionable odors?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>substantially the ambient noise levels for areas during and/or after construction? unusually high noise or vibration levels at times?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5,6a
<p>ect to an unusually high noise level? ed in an ALUC noise zone?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5 2,4 31
<p>ETIC</p>						
<p>1 to ASA, be generally in non-compliance with es for Architecture and Site Approval? in aesthetically offensive site open to public</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	35,36
<p>Intrude into an area having natural scenic ?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3,37
<p>ent to a designated Scenic Highway or within : Corridor?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7,10,37
<p>l scenic views from existing residential areas, nds, public water body or roads?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3
<p>ed on or near a ridge line visible from the or?</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,10,11c,37
<p>ly affect the architectural appearance of an hed neighborhood?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3
<p>le new light or glare?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3
<p>Y</p>						
<p>l, water or energy in large quantities or in a l manner?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5

THE PROJECT:	IMPACT					SOURCES
	NO	YES				
		Not Significant	Significant Unless Mitigated	Significant No apparent Mitigation	Cumulative	
<p>ons relating to the California Department of Same "de minimus impact finding" for the le of Fee Exemption are listed in <i>italics</i>.</p>						
<p>e the removal of vegetation capable of providing or shade to a building?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3
<p>cantly affect solar access to adjacent property?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2,3
HISTORICAL / ARCHAEOLOGICAL						
<p>ated in an area of potential archaeological or ological resources?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10d,42
<p>t or adversely affect a prehistoric or historic ological site or a property of historic or cultural ance to a community or ethnic or social group; eontological site except as a part of a scien- dy?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3,10d,10i,41, 42,43
<p>ated in a Historic District (e.g., New Almaden ic Area)?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7,10a
<p>hin 500' of a historic landmark?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10i,43
PUBLIC SERVICES AND UTILITIES						
<p>ce significant amounts of solid waste or litter?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>a substantial growth or concentration of popula- (Growth Inducing?)</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>y equipment which could interfere with existing unications or broadcast systems?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>i substantial impact or increase in the need for re Protection</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>lica Protection</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>i substantial impact or increase in the need for: hool facilities</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>arks or recreation facilities</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>aintenance of public facilities</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>ther governmental services</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>i substantial impact or increase in the need for: lectricity</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>atural gas</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>ater</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>ewage disposal</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>orm water runoff</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,5
<p>rate any demands that create the need for or a public facility or utility to approach, reach or d its capacity (i.e., sewer line, sewage plant, etc.)?</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1,3,4,5

INITIAL STUDY SOURCE LIST

Environmental Information Form
 Inspection
 Plans
 Planner's Knowledge of Area
 Consistency With Other Project of This Size and
 General Plan
 with County Joint Area Plan
 Zoning Regulations (Ordinance)
 Amendment to Agreement [with San Jose] for
 on of Tax Increment Funds
 (various scales)
 City Zoning (500' or 1,000')
 "On Shaky Ground" - Santa Clara County Map
 (2 miles)
 City's Santa Clara County Local Street Atlas
 (31)
 City Regional Parks, Trails and Scenic High
 Ways Map (10,000')
 One mile Scale MAPS
 City General Plan Land Use
 Critical Habitat Areas
 Seismic Stability
 Geological Resources
 Resources & Water Problems
 Paved and Scenic Roads
 Hazard
 Parks and Public Open Space
 Geologic Resources (Key found in: Historic Re-
 sources Map Key—computerized list accompany
 map)
 Constraint
 Scale MAPS
 of California. Special Studies Zones (Revised
 Local Map)
 Problem/Resource
 S Topo Quad (7 1/2 minutes)
 of Fish & Game, Natural Diversity Data
 Map Overlays & Textual Reports
 Natural Resources (Key to map found in: Natural
 Resource Sensitivity Areas - Locality Data, Har-
 & Stanley Associates— Contact County staff)
 Scale MAPS / Air Photos
 Geologic Hazards
 Air Photos (MPSI)
 Santa Clara Valley Water District - Maps of Flood
 Control Facilities & Limits of 1% Flooding
 Overlay Air Photos
 "Core Width Line" map set
 Lexington Basin Ordinance Relating to
 Disposal
 Los Hillside Specific Area Plan
 University Master Use Permit and Environ-
 Impact Report [EIR]

16. Stanford Protocol and Land Use Policy Agreement
17. County Geologist
18. Site Specific Geologic Report
19. State Department of Mines and Geology, Special
Report #146
20. USDA, SCS, "Soils of Santa Clara County"
21. USDA, SCS, "Soil Survey of Eastern Santa Clara
County"
22. County Environmental Health / Septic Tank Sewage
Disposal System - Bulletin "A"
23. San Martin Water Quality Study
24. County Environmental Health Department Tests
and Reports
25. County Heritage Trees Inventory
26. Official County Road Book
27. County Transportation Agency
28. County Standards and Policies Manual (Vol. I - Land
Development)
29. Public Works Departments of Individual Cities
30. County Off-street Parking Standards
31. ALUC Land Use Plan for Areas Surrounding
Airports
32. County Fire Marshal
33. California Department of Forestry
34. BAAQMD Annual Summary of Contaminant Excesses
& BAAQMD, "Air Quality & Urban Development -
Guidelines for Assessing Impacts of Projects &
Plans"
35. Architectural and Site Approval Committee
Secretary
36. County Guidelines for Architecture and Site
Approval
37. County Development Guidelines for Design Review
38. Open Space Preservation, Report of the Preservation
2020 Task Force, April 1987 (Chapter IV)
39. Riparian Inventory of Santa Clara County, Greenbelt
Coalition, November 1988.
40. Section 21151.4 of California Public Resources Code.
41. Site Specific Archaeological Reconnaissance
Report
42. State Archaeological Clearinghouse, Sonoma State
University
43. Santa Clara County Heritage Resource Inventory
44. Transportation Research Board, "Highway Capac-
ity Manual", Special Report 209, 1985.

Items listed in bold are the most important sources and
 should be referred to during the first review of the project,
 when they are available. The planner should refer to the
 other sources for a particular environmental factor if the
 former indicate a potential environmental impact.

INITIAL STUDY - SUPPLEMENTAL INFORMATION

PROJECT TITLE: Anderson Lake Boat Launch Area Improvements

PROJECT LOCATION: Anderson Lake County Park, Morgan Hill, California

LEAD AGENCY: Santa Clara County Department of Parks and Recreation:
298 Garden Hill Drive
Los Gatos, CA 95030

PROJECT PLANNER: Elish Ryan

DATE: June 15, 1995

INTRODUCTION

This initial study and accompanying Negative Declaration for proposed improvements to Anderson Lake dam boat launch area was prepared in accordance with the California Environmental Quality Act (CEQA) of 1970 and the County of Santa Clara County Guidelines. It discusses the potential adverse environmental impact of this project and concludes that impacts are not significant.

PROJECT PROPOSAL

The Santa Clara County Parks and Recreation Department, with support from the Santa Clara County Board of Supervisors, plans to submit a grant application to the California Department of Boating and Waterways to fund improvements to the boat launch area of Anderson Lake County Park.

PROJECT BACKGROUND

Anderson Lake, located in Santa Clara County's foothills just east of the city of Morgan Hill, was built by the Santa Clara Water District in 1950. While built primarily to serve as a drinking water and ground water recharge source, the lake has been open to recreation since the 1960's. It is operated under a lease agreement with the Water District by the Santa Clara County Parks and Recreation Department. Access to the lake is limited due

to the lack of publicly owned land around the shoreline and steep terrain. Boat launching and lake access has primarily been from the top of the dam via an entrance road off of Cochrane Road just east of Morgan Hill.

As the largest body of water in Santa Clara County, Anderson Lake has a capacity of 92,280 acre feet of water and a surface area of 1,244 acres. It is accessible via Dunne Avenue and Cochrane Road in Morgan Hill and is less than a mile from U.S. Highway 101.

The lake is in very close proximity to an urban area and is very popular for boating recreation. It is estimated that by the end of fiscal year 1995 in June, over 14,000 craft will be launched with an estimated total of 45,000 boating visitors. Counts are not kept on non boating visitors since non boating facilities are severely limited.

In 1987 the Santa Clara Valley Water District raised the dam an additional 15 feet and completed a seismic upgrade of the earthen dam. This construction reduced the area at the top of the dam available for recreation and boat launch facilities support. The new high water elevation also reduced the functional efficiency of the boat launch when the lake is full.

The Parks Department recognized the need to upgrade facilities at Anderson, both to compensate for loss of recreational value and to meet the ever increasing demands for a higher level of service. In 1989 the Department began a master plan for the lake and its watershed. As part of the long term plan, a new boating center site was identified. Interim improvements for the existing launch area were recommended to maintain and improve operation of the site until such time as the new boating center could be established.

PROPOSED PROJECT

Improvements recommended for construction with grant funding are to be located entirely at the top of the dam, within the general vicinity of existing use areas for the current boat launch. They will include:

1. Widening existing boat launch to a consistent width of 60' to increase number of boats that can be launched and retrieved at one time, speed pullout operations, and increase safety zones.
2. Extend boat launch ramp from current low elevation of 570 to elevation 545 to allow boating recreation in late summer and fall during draw down of the reservoir.
3. Improve traffic flow and safety by reconfiguring existing parking lots and launch ramp approach road.
4. Improve pedestrian circulation and disabled access to existing and proposed facilities.
5. Repair and repave existing parking lot, and add structures needed to comply with latest NPDES standards.

6. Increase parking capacity for single vehicles by approximately 75 spaces and increase parking capacity for vehicles with tow rigs by approximately 16 spaces. This will be accomplished by a combination of reconfiguring existing layout, grading of shale pits adjacent to top of dam, and formalizing use of overflow gravel parking lot.
7. Underground existing electrical utilities to eliminate hazards to sail boats.
8. Provide permanent sanitary facilities at the top of the dam, accessible to the parking lot and the launch ramp.
9. Reactivate existing on-site well and develop drinking water source at the top of the dam for boaters.
10. Provide telephone service at the parking lot in addition to existing service on current launch ramp.
11. Provide landscaping and irrigation in select areas.
12. Stabilize side slopes of reservoir in the immediate vicinity of the launch ramp which are being undermined by wave action.

INITIAL STUDY FINDINGS

The following describes any potentially significant environmental factors that have been identified at the Initial Study stage of the environmental review. Evidence to support the findings are disclosed and measures proposed which will mitigate their impact both during and after construction are duly noted.

B. GEOLOGY

1. Will the project be located in an area designated as having potential for major geologic hazard?...
2. Will the project be located on or adjacent to a known earthquake fault?...
3. Is the project located in a Geologic Study Zone?...

Not Significant - Yes, according to the Alquist-Priolo Special Study Zones Maps for Santa Clara County, the project is located in the Geologic Study Zone for Coyote Creek Fault. Project area would be impacted by a failure of the dam in the event of a major geological occurrence. However, in a W. A. Wahler & Associates report "Evaluation of Stabilization and Performance of Anderson Dam", commissioned by the Santa Clara Valley Water District in 1977, it was determined that Anderson Dam would be able to withstand a

earthquake on the Calaveras Fault of a magnitude of 7.5. Studies conducted by the same firm in 1987 for the raising of the dam and construction of a new spillway found traces of the Coyote Creek Fault upstream of the toe of the dam but determined that the fault was not active. The dam itself is continually monitored electronically for seismic safety.

Project proposes improvements to boat launch, parking lot, utilities, and traffic circulation at the top of the dam. No structures for habitation are proposed. All work will be in compliance with generally accepted engineering practices and subject to review by the Santa Clara Valley Water District and the California Division of Dam Safety.

GEOLOGIC IMPACTS NOT SIGNIFICANT

C. RESOURCES/PARKS

6. "Will the project be on or near a public park?"

Yes, the proposed project is within the area that Santa Clara County leases from Santa Clara Valley Water District as part of Anderson County Park. Land use designation is parkland. Project will not adversely affect this designation or be in violation of conditions of lease.

IMPACTS TO PARKS/RESOURCES NOT SIGNIFICANT

I. SAFETY

7. "Is the project in an area of extreme fire hazard?"

Yes, according to the County of Santa Clara County Fire Hazards Map, this project is located in the vicinity of an area designated as having the potential for extreme fire hazard. However, within the project area itself, the earthen dam, gravel and paved parking lots, and exposed shale cliffs surrounding the parking lot serve as fire break between this project and the surrounding grasslands. Existing vegetation is sparse and what grasslands that do come up to the perimeter of the use areas are regularly trimmed or fire breaks are disked by field staff. Secondary access is also available from Holiday Lakes Avenue to the south east.

SAFETY IMPACTS ARE NOT SIGNIFICANT

L. AESTHETIC

6. "Will this project be located on or near a ridgeline visible from the valley floor?"

Yes, while not technically a ridge line, existing parking on the dam and western overflow parking lot is currently visible from the valley floor. This situation is not expected to change.

though screening of western overflow lot with a earthen berm and landscaping is part of this project. As the vegetation matures, this will minimize views of facilities from the valley floor and provide afternoon shade over some percentage of the parking lot.

IMPACTS TO AESTHETICS NOT SIGNIFICANT

O. PUBLIC SERVICES AND UTILITIES

6. "Will this project cause substantial impact or increases in the need for electricity, natural gas, water, sewage disposal, or storm drain runoff?"

Yes, while minimal, some minor increases in electrical, water, and sewage disposal should be anticipated as a result of this project. Increased demand for electricity will be generated by a permanent rest room, additional phone service, and reactivated well pump.

At the time of this writing, it has not been determined as to the type or size of a permanent rest room. Traditional municipal services are not available at the site and are cost prohibitive to install. Location of proper soils at appropriate distance from the dam have not yet been identified for a possible septic system. It is more likely that a low flow system with holding tank will be seriously considered. This would be monitored by County Environmental Health, County Parks, and the Santa Clara Valley Water District. Therefore increased demand for water and sewage disposal of some method should be anticipated with this project.

IMPACTS TO PUBLIC SERVICES AND UTILITIES NOT SIGNIFICANT

INITIAL STUDY CONCLUSIONS AND DETERMINATION

Based on the initial study, this project will not have a significant effect on the environment. It is anticipated that the project as proposed will increase park user satisfaction and operation safety with no significant impact to environmental quality.

County of Santa Clara

Environmental Resources Agency
San Jose Public Works Department
1000 Hill Drive
San Jose, California 95128
Tel: (408) 288-9751
Fax: (408) 288-9752



CALIFORNIA DEPARTMENT OF FISH AND GAME CERTIFICATE OF FEE EXEMPTION

[De Minimis Impact Finding]

Lead Agency: Santa Clara County

Environmental Assessment: An initial study has been conducted by Santa Clara County so as to evaluate the potential for adverse environmental impact associated with this project.

Project Title/Location:

Cochrane Road and Anderson Dam Road, Morgan Hill, California.

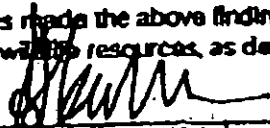
Project Description:

Project to improve existing County Park facilities for Anderson Lake boat launch ramp, vehicle parking, and general operations at top of dam. For detailed description, see attached Supplemental Information.

Findings of Exemption (attach as necessary):

There is no evidence that the project will have an adverse effect, either individually or cumulatively, on wildlife resources, defined as "all wild animals, birds, plants, fish, amphibians, and related ecological communities, including the habitat upon which the wildlife depends for its continued viability". (Section 711.2, Fish and Game Code).

Certification: I hereby certify that Santa Clara County has made the above finding and that the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2, of the Fish and Game Code.



(Chief Planning Official)
Title: Deputy Director Parks
Lead Agency: SCC Parks
Date: 6/28/05

ITEM 9
ATTACHMENT C

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
City Attorney)
City of Morgan Hill)
17555 Peak Avenue)
Morgan Hill, CA 95037)
)
)
)

(Space above for Recorder.)

03185

This document is exempt from payment of a recording fee pursuant to Government Code Section 27383.

Dated: MAY 16, 2003

WATER ANNEXATION AGREEMENT
NAME OF OWNER

THIS AGREEMENT is made this 16 day of MAY, 2003, by the CITY OF MORGAN HILL, a municipal corporation, ("CITY"), and County of Santa Clara ("OWNER").

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to the City of Morgan Hill's City Council approval on March 19, 2003.
2. This Agreement is contingent upon written approval from LAFCO authorizing the extension of services in accordance with Government Code Section 56133. In the event that LAFCO does not approve the proposed extension of services, the CITY shall not provide water service.
3. As of the date of execution of this Agreement, CITY has not annexed the property described in this Agreement.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement.** With the exception of Paragraph 14 and Paragraph 15 below, this Agreement shall expire: 1) upon annexation of the real property described in Section 2 to CITY

or 2) in the event that the property is not annexed to CITY in accordance with Paragraph 5.1.

2. **Legal Description of Property.** The land to which this Agreement applies is the real property located in the County of Santa Clara, State of California, described as follows:

Anderson County Park, Morgan Hill, CA

Anderson Lake Boat Launch Ramp

Parcel No. 728-34-017

A legal description of the real property is attached hereto and incorporated herein by this reference as Exhibit "A."

3. **Water Service .** OWNER is granted the right to connect to the CITY's water system. CITY retains the right to disconnect the water service for OWNER's failure to pay the monthly water bills upon giving proper notice to OWNER.

4. **Fees and Rates:** OWNER agrees to pay the following fees and rates:

4.1 **Connection Fees.** Prior to connection, OWNER agrees to pay to CITY the customary fees charged for all persons who connect to the CITY's water system.

4.2 **Water Rates.** OWNER shall be charged the same rate that is charged to similar customers outside city limits for which water service is being provided. The rates shall be set forth by ordinance or resolution of the City Council. Should the CITY annex the parcel for which water service is being provided for pursuant to this Agreement OWNER shall be charged the same rate as all customers within CITY limits.

5. **Future Annexation:** OWNER agrees that in consideration for CITY granting water service pursuant to this Agreement, OWNER, his or her heirs, personal representatives, successors, and assigns will not protest the annexation of the real property to CITY, whether such annexation proceedings are inhabited or uninhabited territory and whether such annexation proceedings are commenced by CITY or by private parties desiring to annex to the CITY. Should the property be annexed to the CITY, OWNER shall be responsible to pay to CITY the standard annexation fee at the time of annexation. In the event that several adjoining parcels join in the proceedings the fee will prorated accordingly.

5.1 **Withdrawal of Services.** In the event that the real property described in Section 2 is not annexed to CITY due to actions of the OWNER or his or her successors in interest, CITY reserves the right to withdraw its water services under this Agreement upon thirty (30) days' written notice.

6. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable for any default or liability under this Agreement.

7. **Non-Discrimination.** OWNER covenants there shall be no discrimination based upon race, color, creed, religion, gender, marital status, age, disability, national origin, or ancestry, in any activity pursuant to this Agreement.

8. **Compliance with Law.** OWNER shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

9. **Notices.** All notices shall be personally delivered or mailed, via first class mail to the below listed addresses. These addresses shall be used for delivery of service of process. Notices shall be effective five (5) days after date of mailing, or upon date of personal delivery.

a. Address of OWNER is as follows:

GSA Property Management Administration
701 Miller Street
San Jose, CA 95110-2121

b. Address of CITY is as follows:

Public Works Director
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

With a copy to:

City Clerk
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037

10. **Licenses, Permits and Fees.** OWNER shall obtain all permits and licenses as may be required by this Agreement and shall be responsible for all fees associated with such permits and licenses.

11. **Time of Essence.** Time is of the essence in the performance of this Agreement.

12. **Limitations Upon Subcontracting and Assignment.** Neither this Agreement or any portion shall be subcontracted or assigned by OWNER without prior written consent of CITY.

13. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement.

14. **Indemnification.** OWNER agrees to protect, defend and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by OWNER, OWNER'S agents, officers, employees, subcontractors, or independent contractors hired by OWNER. The only exception to

OWNER'S responsibility to protect, defend, and hold harmless CITY, is due to the negligence of CITY. This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by OWNER.

15. **Waiver and Release.** In consideration for this Agreement and Release, OWNERS, on behalf of themselves, any and all person or entities having any interest in the Property, their respective officers and agents, both in their official and individual capacities, and their successor(s) in interest and assigns, hereby covenant not to sue and do fully release and discharge the City, its past and present City Council members, officers, agents, employees, attorneys, successors and assigns from all actions, damages, liabilities of whatsoever kind and character, including but not limited to administrative appeal, writ of mandate, attorneys' fees, any common law contract or tort cause of action, or violation of any other federal, state, local or City ordinance, regulation, rule or order arising out of the subject matter of this Agreement, specifically the provision of water service to the Property. The OWNERS specifically understand and agree that this includes any future water back-up, overflow, or other contamination of the Property due to the City's water operations. OWNER, on behalf of themselves, any and all persons or entities having any interest in the Property, their respective officers and agents, both in their official and individual capacities, and their successor(s) in interest and assigns, represents, and warrants that it has not requested, authorized, or assigned any other person or entity to assert any such claim on their behalf, and will not do so in the future.

16. **Agreement Runs with the Land.** All of the provisions, rights, terms, covenants, and obligations contained in this Agreement shall run with the land, be binding upon, and inure to the benefit of, the Parties and their respective heirs, successors and assignees, representatives, lessees, and all other persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. This agreement shall be duly recorded, and shall operate to give future owners notice of the restrictions imposed on the land.

17. **Binding Effect.** The provisions of this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their heirs, executors, administrators, successors, and assigns.

18. **Modification.** This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified on provisions waived only by subsequent mutual written agreement executed by CITY and OWNER.

19. **California Law.** This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Santa Clara County Superior Court.

20. **Interpretation.** This Agreement shall be interpreted as though prepared by both parties.

21. **Preservation of Agreement.** Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

CITY OF MORGAN HILL

By: [Signature]
Edward Tewes, City Manager
Date: 5.16.03

ATTEST:

By: [Signature]
Irma Torrez, City Clerk
Date: 5/19/03

**"OWNER"
NAME OF OWNER**

By: _____
Blanca Alvarado, Chairperson
Board of Supervisors, County of Santa Clara
Date: _____

APPROVED:

By: [Signature]
Jack Dilles, Risk Manager
Date: 5/14/03

Attest:

By: _____
Phyllis A. Perez, Clerk
Board of Supervisors, County of Santa Clara

APPROVED AS TO FORM:

By: [Signature]
Helene Leichter, City Attorney
Date: 5/15/03

APPROVED AS TO FORM and LEGALITY:

By: [Signature]
Kathryn A. Berry, Deputy County Counsel
County Counsel, County Santa Clara

May 1, 2003

MEM 9
ATTACHMENT D



Neelima Palacherla
06/05/2003 12:13 PM

To:
cc:
cc:
Subject: RE: Anderson Boat Ramp extension of water services

— Forwarded by Neelima Palacherla/CEO/SCC on 06/05/2003 12:04 PM —



"Lacy, Eric
(DHS-DDWEM)"
<ELacy@dhs.ca.gov>
06/03/2003 12:17 PM

To: "Bill Grimes" <Bill.Grimes@mail.PRK.CO.Santa-Clara.CA.US>,
"Neelima.Palacherla@ceo.co.santa-clara.ca.us"
<Neelima.Palacherla@ceo.co.santa-clara.ca.us>
cc:
Subject: RE: Anderson Boat Ramp extension of water services

It has been our office's general experience that public water systems (PWSs), located in the foothills on the eastern side of Santa Clara County, have had problems finding sufficient water supplies to meet their PWS needs. To find sufficient water, several of our PWSs have had to drill wells located nearer the valley floor and pump the water up to their distribution systems.

Several other PWSs are currently having problems meeting their supply needs and continue to drill new wells.

It may be possible for many existing and future landowners to meet their existing and future water supply needs because they can drill shallower wells and draw water from shallow aquifers. PWSs do not have this opportunity due to the strict well construction requirements that are placed upon them by our agency. In addition, private well owners must only demonstrate that they have a water supply that can produce ~2 gallons/minute. But PWSs must provide significantly more water to demonstrate a dependable and adequate water supply.

We agree with the County Parks Department's assessment that the most dependable water supply, from a public health perspective, is the water delivered via the City of Morgan Hill's water system. A well constructed near the Anderson Boat launch area would have to be drilled significantly deeper than most due to its relative elevation and the proximity of the regional groundwater aquifers. Also, there is no guarantee that an adequate water source would be found in this location due to the nature of the hydrogeology in this area. A case in point is the City of Morgan Hill itself. Although the City serves a fairly significant population immediately adjacent to the County Park, Holiday Lakes Estates, all water serving this area is pumped from wells located on the valley floor.

In summary, our Department supports the County Park's determination that a connection to the City of Morgan Hill's water system best serves the interests of the public and that an adequate and dependable water supply could not be found at, or near, the Anderson Reservoir boat launch facility.

If you have any additional questions, I can be reached at (510) 540-2413.

Date Prepared: May 27, 2003
LAFCO Meeting: June 11, 2003

TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
SUBJECT: LAFCO Final Budget FY 2003-2004
Agenda Item # 10

STAFF RECOMMENDATION

1. Adopt the Final LAFCO Budget for fiscal year 2003-2004.
2. Find that the Final FY-04 Budget is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the proposed budget adopted by the Commission including the estimated agency costs to each of the cities, the County and the Cities Association.
4. Direct the County Auditor-Controller to apportion LAFCO costs to cities and the County and collect payments pursuant to Government Code Section 56831.

BACKGROUND

The CKH Act requires LAFCO to annually adopt a proposed budget by May 1 and a final budget by June 15 at noticed public hearings. Both the proposed and the final budgets are required to be transmitted to the cities and the County. The CKH Act establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled into next fiscal year budget. After the adoption of the final budget, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

CHANGES TO THE PRELIMINARY BUDGET

The Commission on April 9, 2003, adopted the preliminary budget for Fiscal Year 2003-2004. The preliminary budget was prepared using the best information available at that time. Since then, new information has become available and it has become possible to propose revisions to the budget items. LAFCO has received significantly higher revenues in

the current year than was estimated. Staff proposes to use a portion of these funds to offset costs for the next year budget and use a portion to strengthen LAFCO's reserves. These changes increase the total LAFCO budget by \$10,000 bringing it to total of \$562,642. However, the actual operating expenses are reduced by about \$14,787, which is about a 4% reduction in LAFCO's net operating costs from the proposed budget. Presented below are the specific items with proposed revisions:

1. REVENUES

**9198 LAFCO Application Fees
(Increase from \$45,000 to \$66,825)**

The significant increase in revenues from application fees is a result of an increase in the application activity during this fiscal year, and especially in the last few months. LAFCO so far, has collected about \$ 21,825 more than was anticipated in its current budget during this fiscal year. Depending on application activity prior to the close of this fiscal year, it is possible that additional revenues may be collected.

**9251 LAFCO Interest from Deposits and Investments
(Increase from \$2,500 to \$5,462)**

The amount in interest from LAFCO deposits and investments was estimated at \$1,500 in the current year budget. In preparing the proposed budget for FY-04, staff had estimated \$2,500 in revenues from interest. Staff has since determined that LAFCO will receive about \$5,462 for this fiscal year, in interest on LAFCO investments. This would be about \$ 2,962 more in than was estimated in the proposed budget.

**6001 RESERVES \$50,000
(Increase from \$50,000 to \$60,000)**

This item includes reserves for two purposes: for use if LAFCO is involved with any litigation and as a contingency to deal with any unexpected expenses. At the April LAFCO budget hearing, there was some discussion about the adequacy of the LAFCO reserves in case of LAFCO's involvement in litigation. Staff is proposing that the Commission add another \$10,000 to bring the amount in reserves to a total of \$60,000. This amount is about 10.5% of the total LAFCO budget for Fiscal Year 04.

**NET LAFCO OPERATING EXPENSES
(Decrease from \$364,828 to \$350,041)**

As a result of the increase in revenues collected, the net operating expenses of LAFCO for FY-04 are reduced from \$364,828 in the Proposed Budget to \$350,041 in the Final Budget. This would correspondingly reduce the costs to the agencies.

COST APPORTIONMENT TO CITIES AND COUNTY

The CKH Act requires LAFCO costs to be split in proportion to the percentage of an agency's representation (excluding the public member) on the Commission. Since the City of San Jose has a permanent membership on Santa Clara LAFCO, the law requires costs to be split between the County, the City of San Jose and the remaining cities. Hence the County pays half the LAFCO cost, the City of San Jose a quarter and the remaining cities the other quarter.

The cities' share (other than San Jose's) is apportioned in proportion to each city's total revenue as reported in the most recent edition (1999-2000) of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county.

The CKH Act requires the County Auditor to apportion the costs to the various agencies and request payment from the cities and the County no later than July 1 of each year for the amount each agency owes based on the net operating expenses of the Commission and the actual administrative costs incurred by the Auditor in apportioning costs and requesting payment.

Provided below is the draft apportionment to the agencies based on LAFCO's net operating expenses for FY-04 (\$350,041). The net operating expenses are about 4% lower than the previous fiscal year resulting in corresponding reductions of costs to the cities and the County.

It should be noted that the costs to the individual cities are based on the percentage of each city's revenue in proportion to the total revenues of the 14 cities. So it is possible that even though the overall LAFCO costs are lower than the previous fiscal year, some cities may not see a reduction in costs this year. This is solely a result of the cost apportionment method being dependent on total city revenues. About 3 cities (Gilroy, Santa Clara and Saratoga) see a very slight increase (less than \$50) in their costs from the previous year. Sunnyvale has about a \$1,660 increase in its costs towards LAFCO from the previous year.

Costs to Agencies

	FY 02-03 Costs	FY 03-04 Costs (Estimated)
County of Santa Clara	\$182,165	\$175,021
City of San Jose	\$91,082	\$87,510
Remaining 14 cities in the County	\$91,082	\$87,510

COMMENTS ON THE PRELIMINARY BUDGET

The LAFCO Proposed Budget for fiscal year 03-04, adopted by the Commission on April 9, 2003 was forwarded to the 15 cities, the County and the Cities Association. The Proposed Budget is also posted on the LAFCO web site.

One comment letter was received from the City of Gilroy requesting that LAFCO cut its budget to lower the costs to individual cities. Attached is a copy of the letter.

ATTACHMENTS

- A. Final Budget for FY 2003-2004
- B. 2003-2004 LAFCO Cost Apportionment
- C. Letter dated May 6, 2003, from City of Gilroy requesting a reduction in LAFCO costs

**FINAL LAFCO BUDGET
FISCAL YEAR 2003 - 2004**

**ITEM 10
ATTACHMENT A**

ITEM #	TITLE	APPROVED FY 02-03 BUDGET	END OF YEAR PROJECTIONS	PROPOSED FY 03-04 BUDGET
EXPENDITURES				
Object 1	Salary and Benefits	\$163,400	\$163,400	\$168,130
	Services and Supplies			
2321	Intra-County Professional	\$175,312	\$157,000	\$189,986
2329	Consultant Services	\$100,000	\$75,000	\$100,000
2145	Food	\$750	\$500	\$750
2171	Insurance	\$242	\$266	\$288
2301	Office Expenses	\$3,000	\$1,000	\$3,000
2331	Data processing Services	\$7,500	\$7,500	\$7,500
2343	Commissioners' Fee	\$1,500	\$1,300	\$1,500
2401	Publications and Legal Notices	\$3,000	\$2,000	\$3,000
2574	Membership Dues	\$2,070	\$2,070	\$2,070
2586	Printing and Reproduction	\$1,500	\$400	\$1,500
2751	Transportation and Travel	\$7,000	\$7,000	\$7,000
2752	Private Automobile Mileage	\$500	\$100	\$500
2756	County Garage Automobile Services	\$500	\$500	\$500
2770	County Departmental Charges	\$7,817	\$7,817	\$0
2955	Overhead	\$0	\$0	\$8,918
2962	Computer Hardware	\$2,000	\$0	\$2,000
2963	Computer Software	\$2,000	\$1,500	\$2,000
2992	Postage	\$2,500	\$2,500	\$2,500
2995	Staff Training Programs	\$2,500	\$1,500	\$1,500
6001	Reserves	\$50,000	\$0	\$60,000
TOTAL EXPENDITURES		\$533,091	\$431,353	\$562,642
REVENUES				
9198	Application Fees	\$45,000	\$66,825	\$45,000
9251	Interest: Deposits and Investments	\$1,500	\$5,462	\$2,000
	Total Interest / Application Fee Revenue	\$46,500	\$72,287	\$47,000
9751	Cities	\$182,164	\$182,164	
7300	County	\$182,165	\$182,165	
	Savings/Fund Balance from previous FY	\$122,262	\$160,338	\$165,601
TOTAL REVENUE		\$533,091	\$596,954	
NET LAFCO OPERATING EXPENSES		\$364,329		\$350,041
COSTS TO AGENCIES				
	County	\$182,165		\$175,021
	City of San Jose	\$91,082		\$87,510
	Other Cities	\$91,082		\$87,510

ITEM 10
ATTACHMENT B

2003/2004 LAFCO COST APPORTIONMENT

LAFCO Net Operating Expenses for 2003/2004 **\$350,041.00**

Jurisdictions	Revenue per 1999/2000 Report	Percentage of Total Revenue	Allocation Percentages	Allocated Costs
County	N/A	N/A	50.0000000%	\$175,020.50
San Jose	N/A	N/A	25.0000000%	\$87,510.25
Campbell	31,900,659	2.3641177%	0.5910294%	\$2,068.85
Cupertino	41,466,765	3.0730498%	0.7682625%	\$2,689.23
Gilroy	53,702,660	3.9798366%	0.9949592%	\$3,482.76
Los Altos	23,237,009	1.7220655%	0.4305164%	\$1,506.98
Los Altos Hills	7,382,050	0.5470744%	0.1367686%	\$478.75
Los Gatos	26,154,800	1.9382993%	0.4845748%	\$1,696.21
Milpitas	85,344,273	6.3247567%	1.5811892%	\$5,534.81
Monte Sereno	1,638,208	0.1214055%	0.0303514%	\$106.24
Morgan Hill	35,671,412	2.6435635%	0.6608909%	\$2,313.39
Mountain View	129,849,965	9.6230176%	2.4057544%	\$8,421.13
Palo Alto	250,007,038	18.5277072%	4.6319268%	\$16,213.64
Santa Clara	412,495,087	30.5694921%	7.6423730%	\$26,751.44
Saratoga	14,865,203	1.1016415%	0.2754104%	\$964.05
Sunnyvale	235,653,337	17.4639724%	4.3659931%	\$15,282.77
Total	1,349,368,466	100.0000000%	100.0000000%	\$350,041.00
Total Cities				\$87,512.25

S:\IR_Staff\LAFCO\LAFCO BUDGETS\[FinalBudget04.xls]CityCosts04

6/4/2003



City of Gilroy

7351 Rosanna Street
Gilroy, California
95020-6197

TELEPHONE (408) 846-0400
Residence (408) 842-0693
ATTACHMENTS
City Fax (408) 848-0500
Home Fax (408) 847-7931
EMail: springert@aol.com
<http://www.ci.gilroy.ca.us>

TOM SPRINGER
MAYOR

May 6, 2003

Neelima Palacheria, Executive Director
Local Agency Formation Commission
70 W. Hedding Street, 11th Floor, East Wing
San Jose, CA 95110

Dear Ms. Palacheria:

The City of Gilroy is in receipt of information regarding the LAFCO budget that has been prepared for review by each of the Santa Clara County cities. We appreciate that LAFCO is trying to keep costs low, but the Gilroy City Council formally requests that LAFCO staff review the budget and lower the costs to the cities. The City of Gilroy, like almost all the cities in Santa Clara County, is making 5-10% budget cuts and we ask that LAFCO try to achieve the same, and cut your total budget by 5-10% to lower the costs to the individual cities.

If you have any questions, please feel free to contact me.

Sincerely,

Tom Springer
Mayor of Gilroy

TS:rp

Date Prepared: May 30, 2003
LAFCO Meeting: June 11, 2003

TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
SUBJECT: Proposed Changes to LAFCO Staff Classifications
Agenda Item # 11

STAFF RECOMMENDATION

Staff recommends that the Commission direct staff to:

1. LAFCO Executive Officer
 - a. Request the County of Santa Clara to follow through with implementation of the Memorandum of Understanding (MOU) between LAFCO and the County (MOU) and establish a unique classification entitled "LAFCO Executive Officer".
 - b. Prepare an amendment to the MOU for LAFCO and County approval, to change the unique code for LAFCO Executive Officer from "unclassified" to "classified".
2. LAFCO Analyst
 - a. Request the County of Santa Clara to follow through with implementation of the MOU and establish a unique classification entitled "LAFCO Analyst".
 - b. Prepare an amendment to the MOU for LAFCO and County approval, to change the unique code for LAFCO Analyst from "unclassified" to "classified".

BACKGROUND AND REASONS FOR RECOMMENDATION

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 requires LAFCOs to be autonomous agencies, independent of any private or public agency and requires that LAFCO adopt its own budget, hire its own staff and provide for its own facilities and services or contract for staffing and services from a public or private agency. LAFCO decided to contract for staffing, services and facilities with the County of Santa Clara. In June 2001, LAFCO and the County of Santa Clara signed a MOU that describes

the terms and conditions upon which the County will provide staffing, services and facilities to LAFCO. (See attachment)

The recommendations in this report relate to the position classifications of County employees designated to provide LAFCO staffing.

LAFCO Executive Officer and Analyst Positions

As per the MOU, it was intended for both the LAFCO Executive Officer and the LAFCO Analyst positions to be created as unique classifications with salaries tied to specific County classifications. Staffed through the County Executive's Office, the LAFCO Executive Officer position is currently at the level of the County's Program Manager I/II and the LAFCO Analyst position is at the level of County's Management Analyst / Senior Management Analyst. However, the County has not yet administratively established unique classifications for these positions. As a result, it is possible for these positions to be impacted by the County's internal personnel and budget policies. To ensure compliance with the MOU and in acknowledgment of the separate source of LAFCO funding and LAFCO's status as an independent agency, unique classifications specific to LAFCO should be established.

Also as per the MOU, both the positions are unclassified positions. According to County policies and charter, unclassified positions are not intended to be permanently used and are generally established with expiration dates. The Santa Clara County Employee Services Agency as part of its monitoring of unclassified positions is questioning the status of these two positions. As it is the intention of LAFCO to continue to contract with the County for staffing, and maintain both the Executive Officer and Analyst as ongoing positions, these positions should be converted to unique classified positions specific to LAFCO and consistent with the County charter regarding unclassified positions.

Fiscal Implications:

The above recommended changes in the position classifications would not result in any fiscal impacts to LAFCO or to the County.

NEXT STEPS

1. If the Commission approves the staff recommendations, staff will work with the County staff to implement these recommendations.
2. Staff will work with the County to revise the language in the MOU between LAFCO and the County for LAFCO (in August) and Board of Supervisors approval and adoption.

ATTACHMENTS

1. MOU between County and LAFCO.

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY
AND THE COUNTY OF SANTA CLARA**

This Memorandum of Understanding ("MOU") is between the Local Agency Formation Commission of Santa Clara County (LAFCO) and the County of Santa Clara (County). The purpose of this agreement is to set forth the terms and conditions upon which the County will provide staffing, facilities and support services to LAFCO.

RECITALS

WHEREAS, since the inception of LAFCO from approximately 1963 to the present, the County has fully funded LAFCO including furnishing the Commission with the necessary quarters, equipment, supplies and staffing from the Offices of the County Executive, County Counsel, County Clerk, County Surveyor, and the County Planning Department; and

WHEREAS, new legislation has been passed effective January 1, 2001, which requires LAFCOs to be independent bodies and to contract for personnel and facilities (Government Code sections 56380 and 56384); and

WHEREAS, on February 6, 2001, the LAFCO and the County entered into an interim MOU to allow for the continuation for the current staffing levels and office arrangement through June 30, 2001 to assist LAFCO during the transition to independent operation; and

WHEREAS, LAFCO has done an assessment of its needs for the next fiscal year, 2001/2002, based on the demands of the new legislation and has developed a corresponding budget; and

WHEREAS, County is willing and able to provide and LAFCO with its own budget is willing and able to retain personnel and services to fulfill LAFCO's goal of independent staffing and autonomy under the terms and conditions set forth herein; and

WHEREAS, both County and LAFCO recognize and acknowledge that although the County shall pursuant to this MOU provide staff support, space and services to LAFCO, LAFCO is an independent commission and the County shall have no ability to control or influence any LAFCO action or staff recommendation; and

WHEREAS, LAFCO requested on February 6, 2001, and the Board of Supervisors approved in concept, to continue assistance and support to LAFCO on the basis that the costs for such services will be reimbursed by LAFCO, and that a formal Memorandum of Understanding outlining the terms and provisions for the continuation of the services would be developed.

The parties therefore agree as follows.

AGREEMENT

1. EFFECTIVE DATE

This MOU shall commence on July 1, 2001.

2. STAFFING

2.1 LAFCO EXECUTIVE OFFICER SERVICES

The County Executive's Office shall designate a full-time unclassified code entitled LAFCO Executive Officer at broad pay salary range equivalent to the Program Manager I to Program Manager II level. The position shall be subject to all normal labor contract provisions, Merit System Rules and County ordinances as applicable. The County shall recruit the Executive Officer through the County's standard process subject to LAFCO approval. The Executive Officer shall perform the duties as specified in the Cortese-Knox-Hertzberg Local Government Reorganization Act and shall do and perform all functions necessary or advisable to manage and conduct the business of LAFCO. The Executive Officer shall work at the direction of LAFCO and shall report directly to LAFCO on all Commission matters. The Executive Officer shall report to the County Executive's Office on all personnel and administrative matters. Should a conflict arise between the Executive Officer's duties as a County employee and duties as the LAFCO Executive Officer, Executive Officer shall promptly advise the County Executive's Office and LAFCO of the issue so that it may be resolved by the two entities.

2.2 LAFCO ANALYST SERVICES

The County Executive's Office shall designate a full-time unclassified code serving as LAFCO Analyst and alternately staffed at the Management Analyst / Sr. Management Analyst level. The position shall be subject to all normal labor contract provisions, Merit System Rules and County Ordinances as applicable. The Analyst shall be recruited through the County's standard process, but final candidates shall be interviewed with approval for hiring by the Executive Officer. The Analyst shall take work assignments and direction from the Executive Officer. The Executive Officer shall have full supervisory responsibility over the Analyst.

2.3 LAFCO COUNSEL SERVICES

The Office of the County Counsel shall designate an attorney as LAFCO Counsel to represent LAFCO, provide legal advice and provide defense of litigation. County Counsel shall consider the input from LAFCO and the Executive Officer in assigning the attorney to represent LAFCO. The LAFCO Counsel services shall be provided as requested by LAFCO and shall be invoiced and billed directly via intra-county payment voucher on a quarterly

basis at the County Counsel's intra-county hourly rate established annually. LAFCO shall provide the Office of the County Counsel with an estimate of the number of hours of general advice service required annually. Any necessary defense of litigation would be in addition to these hours.

2.4. LAFCO CLERK SERVICES

The Office of the Clerk of the Board shall designate a full-time code entitled LAFCO Clerk alternately staffed at the Board Clerk I/II level. The LAFCO clerk shall take all workload direction from the LAFCO Executive Officer and the LAFCO Analyst. The Clerk shall report to the Office of the Clerk of the Board on all personnel and administrative matters. The estimated cost for this position including overhead shall be established by the Clerk of the Board's office annually and billed directly to LAFCO on a quarterly basis via intra county payment voucher.

2.5 LAFCO SURVEYOR SERVICES

The County Surveyor shall provide services to LAFCO on an as needed basis to check maps and legal descriptions, to maintain jurisdictional boundaries, and to staff LAFCO meetings. Services shall be invoiced at the surveyor's intra-county hourly rate updated annually and billed directly to LAFCO on a quarterly basis via intra county payment voucher.

3. SERVICES

County shall provide the following services to LAFCO. LAFCO will be subject to the normal County administrative fees / costs charged in consideration for these services either directly or through the County's Cost Allocation Plan.

3.1 ACCOUNTING AND BANKING SERVICES

The County Controller-Treasurer Department shall provide all banking and accounting services for LAFCO. Interest earned on LAFCO funds, shall be based on LAFCO's average daily cash balance in the Treasury and on the Treasury's pooled earnings rate net of administrative costs. Such interest earnings shall be calculated and paid quarterly into the LAFCO account. The Controller shall provide accounting and reporting on both budget and actual transactions. Additionally, the Controller shall use the final budget as provided by LAFCO to determine the cities' and County's share of costs. The Controller shall bill and collect payments from the cities and the County, depositing these payments to LAFCO's account in the County Treasury.

3.2 OFFICE SPACE, EQUIPMENT AND SUPPLIES

The County shall provide space suitable for LAFCO offices. The County shall allow the use of the County Board chambers and other meeting rooms for Commission / staff meetings, subject to availability. County shall provide purchasing services for LAFCO, including solicitation and evaluation of proposals for goods and services, issuance of purchase orders and/or development of purchase agreements, and processing of payment upon receipt of the purchased goods/services.

3.3 PERSONNEL SERVICES

The County shall provide personnel services including recruitment, advertising, screening of applications, and development of hiring lists. The County shall provide payroll, benefits coordination and administration services and Labor Relations services.

3.4 GENERAL COMPUTER MAINTENANCE AND UPGRADES

The County shall provide technical assistance in setting up computers, networking, and Internet access services, including but not limited to, continued connection to the County computer network. These services shall be charged on an hourly basis at the Information Services Department's intra-county hourly rate established annually. These charges shall be invoiced and billed directly to LAFCO via the intra-county payment voucher on a quarterly basis.

3.5 PHONE SYSTEMS

The County shall provide connection to the County phone system and voice mail.

3.6 GIS SERVICES

The County shall provide access to the County Planning Office's GIS server and the data layers maintained by the Planning Office.

3.7 SUPPORT FUNCTIONS

All other support / administrative functions of a type currently provided to LAFCO or required to be provided by law.

4. RISK MANAGEMENT

County shall provide LAFCO with insurance coverage for general liability and automobile liability that is consistent with the rates and coverage provided to County departments.

5. TERM AND TERMINATION

This MOU shall continue until terminated by not less than five months written notice to the other party. Such termination shall be effective on July 1 of the next fiscal year after such notice is given.

6. GENERAL PROVISIONS

6.1 SIGNATURES

LAFCO hereby authorizes the Executive Officer or, his/her designee, to execute any documents to implement this MOU. The Board of Supervisors hereby authorizes the County Executive or his designee to execute any documents to implement this MOU.

6.2 ASSIGNMENT

Neither party may assign this MOU, nor any interest therein, without the other party's written consent.

6.3 NOTICES

All notices, demands and correspondence required or provided for under this MOU shall be in writing and delivered in person or dispatched by certified mail, postage prepaid, to the address below. Notice of any change of address shall be provided in the manner set forth above and delivered to the other party.

COUNTY OF SANTA CLARA:

County Executive
County of Santa Clara
70 W. Hedding Street
San Jose, CA 95110

LAFCO:

Executive Officer, LAFCO
County of Santa Clara
70 W. Hedding St.
San Jose, CA 95110

6.4 SEVERABILITY

The parties hereto agree that the provisions are severable. If any provision of this MOU is held invalid, the remainder of this MOU shall be effective and shall remain in full force and effect unless amended or modified by mutual written consent of the parties.

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6.5 ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

This MOU constitutes the entire understanding and agreement of the parties. This MOU integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiation or previous agreements between the parties with respect to all or any part of the subject matter hereof. All waivers of or amendments to the provisions of this MOU must be in writing and signed by the appropriate authorities of LAFCO or of the County.

6.6 MUTUAL INDEMNIFICATION

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the Parties pursuant to Government code Section 895.6, the Parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead the County and LAFCO agree that pursuant to Government Code Section 895.4, each party hereto shall fully indemnify and hold the other party, their officers, board/commission members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this MOU. No party, nor any officer, board/commission member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other parties hereto, their officer, board members, employees or agents, under or in connection with or arising out of any work authority or jurisdiction delegated to such other party under this MOU.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding effective as of July 1, 2001.

LOCAL AGENCY FORMATION
COMMISSION of Santa Clara County

Donald F. Gage
DONALD F. GAGE
Chairperson, LAFCO
Date JUN 05 2001

ATTEST:
Ruth Marston
Ruth Marston, LAFCO Clerk
Local Agency Formation Commission
Approved as to Form and Legality:
Kathy Kretchmer
Kathy Kretchmer, LAFCO Counsel

COUNTY OF SANTA CLARA

James T. Beall, Jr.
JAMES T. BEALL, JR.
Chairperson, Board of Supervisors
Date JUN 05 2001

ATTEST:
Phyllis Perez
Phyllis Perez, Clerk
Board of Supervisors
Approved as to Form and Legality:
Ann Ravel
Ann Ravel, County Counsel

Date prepared: May 29, 2003
Hearing date: June 11, 2003
To: Local Agency Formation Commission of Santa Clara County
From: Neelima Palacherla, Executive Officer
Subject: **Maps for the Water and Community Services Districts in Santa Clara County**
Agenda Item #12

RECOMMENDATION

Staff recommends that the Commission adopt maps depicting the boundaries and spheres of influence for the following special districts in Santa Clara County:

- 1) Aldercroft Heights Water District,
- 2) San Martin County Water District,
- 3) Lake Canyon Community Services District, and
- 4) Lion Gate Community Services District.

PROJECT DESCRIPTION

Maps for the districts are current as of May 31, 2003 and have been prepared for LAFCO adoption. These maps have been reviewed by water and community services district staff.

BACKGROUND

In preparation for LAFCO Service Reviews, LAFCO staff has undertaken the task of developing and maintaining maps of special district boundaries and their Sphere of Influence (SOI) boundaries in Geographic Information Systems (GIS). LAFCO contracted with the County of Santa Clara's Information Systems Department (ISD) to prepare boundary maps for special districts in Santa Clara County. The third set of maps prepared by LAFCO staff is for some of the water and community services districts that serve various parts of Santa Clara County. These maps will be an important resource for upcoming Service Reviews.

Prior to this project, LAFCO did not have boundary maps for special districts in Santa Clara County. As a result, these four maps were prepared using various information sources, including historical sphere of influence documents, LAFCO resolutions, district legal descriptions, information obtained from the County of Santa Clara Assessor and the

County of Santa Clara Registrar of Voters, as well as information obtained from water and community services district staff.

These maps could not have been prepared without the efforts of the various water and community services district staff, and County of Santa Clara staff, including staff from the Information Services Department, Surveyor's Office, Controller's Office, Planning Office, Registrar of Voters Office, and Assessor's Office.

These maps are the official LAFCO maps for these special districts and will be maintained and kept current.

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Approval as Written: 3/20/02

**CITY OF MORGAN HILL
SPECIAL AND REGULAR REDEVELOPMENT AGENCY MEETING AND
SPECIAL CITY COUNCIL MEETING
MINUTES - FEBRUARY 27, 2002**

CALL TO ORDER

Agency Member/Mayor Pro Tempore Carr called the meeting to order at 6:38 p.m.

ROLL CALL ATTENDANCE

Present: Agency/Council Members Carr, Chang, Sellers, Tate
Late: Chairman/Mayor Kennedy (arrived at 6:43 p.m.)

DECLARATION OF POSTING OF AGENDA

Agency Secretary/City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2

CLOSED SESSIONS:

City Council and Redevelopment Agency Action

1.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure to Initiation of Litigation

Authority: Government Code Sections 54956.9(b) & (c)

Number of Potential Cases: 4

2.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code section 54956.9(a)

Name of Case: Hacienda Valley Mobile Estates v. City of Morgan Hill et al.

Case No: C 01-20976 PVT, United States District Court, Northern District of California

Attendees: City Council, City Manager, City Attorney

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

Chairman/Mayor Kennedy reconvened the meeting at 7:06 p.m.

Mr. Bischoff said that the Council needs to indicate whether it wants the draft amendments to be reviewed by the Planning Commission, noting that they do not necessarily need to review them.

Mayor Pro Tempore Carr supported having the Planning Commission review the proposed amendments as they are the ones who look at Measure P the most.

Mr. Bischoff indicated that this being the case, it may be a tight time frame. The Council may need to back the schedule up a month.

Mayor Pro Tempore Carr stated that should this be a tight time frame, he recommended that the date be moved from March 1 to February 2, 2003 and have staff use this as a timeline for drawing up the plans for how this committee is going to work.

Actions: *On a motion by Council Member Sellers and seconded by Council Member Tate, the City Council unanimously (5-0) 1) **Directed** Staff to Initiate Recruitment for Committee Membership, as Identified in the Memo; 2) **Appointed** a Sub-committee of Council Member Chang and Council Member Sellers to Screen Applications and Recommend Appointments to the Committee; 3) **Directed** the Committee to Develop a Comprehensive Set of Draft Amendments to Measure P Which Will Address the Issues Identified in the Memo, as Well as Other Issues the Committee Deems Important; 4) **Directed** the Committee to Develop a Plan for Community Outreach and Education Regarding the Proposed Amendments; **Directed** the Committee to Complete its Recommendations for Council Consideration by February 1, 2003; and 6) **Appropriated** \$65,000 from the Unappropriated Fund Balance of the Community Development Fund for the Measure P Amendment Referendum.*

City Council and Redevelopment Agency Action

OTHER BUSINESS:

11. AUTO DEALER SITES AND STRATEGY

City Manager/Executive Director Tewes stated that staff is before the City Council to present a proposed strategy on how to attract more retail car dealerships than would otherwise occur. He said that approximately five months ago, staff brought to the City Council its financial forecast that recognized that the recession has impacted general fund revenues and that it was necessary for staff to reduce expenditures across the board. He said that because of the City's financial reserves, no particular city services were adversely impacted. However, it meant that a number of initiatives that the Council wanted staff to pursue had to be placed on hold and that the opportunity to expand and improve services in the areas of public safety, park maintenance or recreation services, etc., would have to be deferred until the economy recovered sufficiently. He noted that the Council requested

that staff not look at the existing general plan, but return with a strategy of what it would take to accomplish earlier implementation of car dealerships which may include changes to the general plan. Staff is not telling the Council where auto dealerships could be located but rather, what changes need to be made in public policies or public investments in order to encourage the location of car dealerships in response to the Council's request to seek economic development opportunities.

Director of Business Assistance and Housing Services Toy presented the staff report. He indicated that staff is not proposing an auto mall but rather an auto district where dealers would locate by each other. He said that designs of facilities would be controlled by PUD guidelines and design standards. He indicated that some of the sites identified would require a general plan amendment and rezone. He indicated that the limitations of using Redevelopment Agency funds are: 1) the city can only assist a dealer if they locate on a previously developed site; 2) and the installation of offsite improvements, regardless of where the dealership would locate.

Council Member/Vice-chairwoman Chang inquired as to how many dealerships the City would envision attracting? Mr. Toy stated that staff is looking at attracting 3-4 auto dealerships, noting that each dealership would require 4-6 acres. Therefore, 20 acres would be required to accommodate 4-5 dealerships.

Mayor/Chairman Kennedy stated that he spoke to an auto dealer several days ago who stated that it would be ideal to have 10 dealerships with 3-5 acres per dealership as an optimum size.

Council/Agency Member Tate asked why the City was not being more flexible with an auto mall concept?

Mr. Toy stated that staff would be flexible in terms of an auto mall concept. Staff noted that a dealer is interested in locating to Morgan Hill. Should the City be successful in attracting a dealership, an auto district could work.

City Manager/Executive Director Tewes stated that staff wanted to have a pragmatic strategy and not just what works in theory. The development of auto malls was a hot topic 10 years ago when large sites could be assembled and investors with lots of risk capital were willing to place it up front, hoping that dealers would come. He stated that this is not the case anymore. Therefore, staff is suggesting that the City be open to ideas and that is why staff is looking at the auto district concept.

Mr. Toy indicated that the Town of Los Gatos has 5-6 auto dealerships in an auto district with the largest facility located on a 3-4 acre site.

Mayor/Chairman Kennedy opened the floor to public comment.

Bob Engles stated that he was present representing the Sullivan property located at Cochrane and

Highway 101 and that he has been appointed as the referee of the court to handle the disposition of the property. In working with the property over the past year, it was found that it has a special designation on the General Plan Map as regional retail. It was his understanding that there are two current locations in Morgan Hill designated regional retail; this site, as well as the property located on the southwest corner of Tennant and Highway 101. He stated that he has tried to entertain companies such as Costco, noting that they selected to locate in Gilroy. He did not have an opportunity to negotiate with Lowes which is also locating in Gilroy. Target has a new format that encompasses 100,000 square feet, indicated that they are rumored to be going to the same site in Gilroy (intersection of Highway 101 and 152). He felt that Gilroy keeps beating Morgan Hill when it competes for businesses because of the City's growth control. He stated that the City cannot expect big retailers to locate in Morgan Hill when there is a lack of homes. He requested that the current regional retail zoning be removed from the Cochrane/101 site and that it be included as a site for an auto mall. He noted that the area C site is below grade on a south bound basis and that it would be difficult to see signage from that side of the freeway. Eliminating the regional retail concept from area C would result in opening up the area as a multi-use concept and involve all 60 acres of the ownership on the north side of Cochrane/Highway 101 in order to develop commercial and R&D in a phased basis. He indicated that there are a couple of hotels that would like to locate in this area. He felt that there were other uses for the site that could be utilized other than what is currently allowed. He requested that this issue be addressed in the near future as the site has a zoning that does not work.

City Manager/Executive Director Tewes stated that staff has held meetings with the property owners of the area who expressed the concerns and issues raised by Mr. Ingles. It is the property owner's hope that there may be greater flexibility in the land use designation. He noted that the General Plan has recently been updated. However, staff advised the property owner that the Council directed staff to conduct a major transportation corridor study on the east side of the freeway, noting that this may have implications for the land use patterns in the area. He informed the City Council that the property owners have agreed to participate in this study and provide staff with suggestions on how this study can help them with their property. He stated that staff is aware that there are other applications along this corridor that may be seeking changes to the General Plan. Staff would like to first have the transportation corridor reviewed and then return with the issues for Council consideration and possible review of land use designations, noting that the transportation corridor would take approximately six months to complete.

Sunday Minnich stated that she was present before the City Council on behalf of the Chamber of Commerce's Economic Development Committee. She stated that the Committee feels that the addition of auto dealerships supports the philosophy of economic development in Morgan Hill and also supports an increase in Morgan Hill's tax base. She indicated that the Committee has reviewed the staff report and concurs with the recommendations. She requested that the City Council move forward with staff's recommended actions.

Ralph Lyle, 2881 Whipperwill, speaking as a citizen, stated that he wanted to address the Dunne intersection as he drives through this intersection all the time and that he views this area as the heart of town. He noted that the City has gone through the process, over the past year or two, of making major investments in land along Condit for various community projects, including the community center which are accessed through Dunne Avenue. He stated that the Dunne and Condit intersection is already impacted. He requested that the Council not locate an auto dealership in the Dunne location. Should the Council approve an auto dealership(s), he requested that Condit Road be repaired. He felt that Council Member Tate's suggestion on a subcommittee of the Measure P committee has merit. He felt that the larger committee could meet less frequently and help set direction with the small group who performs the "grunt" work. This would help expedite the process. He felt that both a November 2003 and a March 2004 election have advantages. The one advantage to the November 2003 ballot measure is that the City may have another opportunity to place the matter back on the March 2004 ballot should it fail in November. However, if the measure fails in the March 2004 ballot, he did not believe that there was a hope of recovery.

Council Member/Vice-chairwoman Chang stated that she was having a hard time accepting area A to be the future location of a four to five-auto dealership sites. She indicated that she visited the City of Salinas yesterday and studied their auto district, noting that it was a very large area. She said that she would hate to see Morgan Hill become another Modesto, Salinas, or Hayward because she did not envision Morgan Hill (image) becoming a large auto dealership district. She understood that Morgan Hill would not become another Town of Los Gatos, but felt that Los Gatos had good planning. She noted that the Town of Los Gatos has auto dealerships, but you remember its ambiance. She felt that their dealerships are planned properly. She stated that this is becoming a core issue for her and that she is having a hard time accepting the recommendation. She stated that she understood that the City is in need of revenue but felt that the City has to be selective. She noted that the City's budget increased from \$8 million to \$13-15 million. She felt that the City got by with an \$8 million budget, providing the services necessary. She did not believe that the items budgeted have to be completed as they are not necessary items. If area 3 is approved for an auto dealership, citizens would only see auto dealerships. She invited the City Council to lunch in Los Gatos in order to sell the rule of atmosphere/ambiance in the manner that Los Gatos planned their auto dealerships. She felt that the Town of Los Gatos is well planned, noting that they have small parks and that it is the architecture that makes their town what it is. She felt that the City can image its community similar to that of the Town of Los Gatos

Mayor/Chairman Kennedy stated that he would support a joint luncheon with the Los Gatos Town Council in the future, acknowledging that they have accomplished a lot of good things.

Council/Agency Member Tate noted that area A is located near Dunne Avenue and contains Dan Gamel and Al Chew's Chevrolet dealership that has the vast parking lot in front of Safeway. He felt that this area is a "sea of cars." He views areas B and C as true freeway, gateway approaches to the City that have not been turned into a vast parking lot of cars. He felt that the city still has a chance

to encourage development that would make them nice gateways. He stated that he supported area A because it would be compatible with what currently exists, and that he did not consider this area as a gateway. Should the Council be looking at the east side, he felt that the Council needs to look at the road, noting that the City is already looking at the road situation with what is being proposed with the area. He strongly supported area A for auto dealerships.

Mayor/Chairman Kennedy expressed concern with further traffic congestion on Dunne Avenue. He requested that area C on Cochrane Road be moved up as the first priority site as it is adjacent to existing shopping centers. He stated that he has a problem with the 10-mile distance to Gilroy associated with area B. He reiterated that he did not support Area A based on the condition of Condit Road.

City Manager/Executive Director Tewes stated that car dealerships generate very little traffic as a retail use and hardly any traffic at all during peak hours where there is the most congestion. He said that this is one of the reasons why staff felt that the Dunne area was appropriate for car dealers and that the areas of high traffic retail generation would be more appropriate where Mr. Ingles does not support (site 1 at Cochrane and Highway 101).

Mayor Pro Tempore/Agency Member Carr stated his support of staff's recommended suggestion of area A because the City has already approved auto sales in this area. Unless the City wants to provide an incentive to move the Chevrolet dealership to Area B or C and start over again, he felt that the Council should take a look at area A. He felt that there were ways that the City could take a strong look at auto dealerships to make sure that they are designed attractively and to address concerns. He agreed that a large parking lot is not the image desired for the largest overpass of the freeway. However, he felt that this concern could be mitigated. He recommended the exploration of attracting dealerships to smaller lots and that it be indicated that 4-acres is the maximum sized lot that the City would be interested in. He did not know how the City could consider the other areas when auto dealerships are located in area A. He requested that staff provide a guesstimate as to the number of car dealerships that a community like Morgan Hill can sustain/need.

City Manager/Executive Director Tewes stated that a city can fairly predict the number of gas stations needed to serve a community. However, there is no such calculation for auto dealerships or big box retail businesses who serve a large trade area. He noted that this use likes to cluster and that they locate where they are afforded a good deal. He stated that many communities in southern California enjoy a high level of public services because they have dozens of car dealerships within their city limits.

Mayor Pro Tempore/Agency Member Carr stated that the only reason that the community of Morgan Hill is interested in attracting auto dealer(s) is for the tax base to support the services desired. He noted that the dealership strategy did not include an American auto dealership and did not believe that the City should shy away from any American auto dealership. He understood why the City

would be interested in attracting upper end and luxury cars, but felt that there were still a large number of individuals who are interested in a good American family.

Council/Agency Member Sellers did not agree that the reason the City should encourage auto dealerships is for its tax base but for the fact that they provide a service to the community (auto repairs and maintenance). He agreed that auto dealerships should be explored that would add benefit to the residents that goes beyond the tax base. He concurred with site A as the preferred site and recommended that the City look at changing the land use designation for the Cochrane Road site at this time. He felt that the decision relating to the location of auto dealerships would impact the other areas and that this would necessitate a revisit of these sites. He recommended that focus be given to the Dunne area. He stated that he understood the concern of brightness and starkness associated with the Salinas auto dealerships, noting that this was by design. He felt that the City could approve a friendlier and attractive auto dealership by design with the Dunne Avenue site similar to that of Los Gatos. He felt that the strategy should be on specific dealerships, focusing on the Dunne Avenue area.

Chairman/Mayor Kennedy felt that there may be a variety of alternative possibilities to make the strategy successful. He said that there was also the issue of competition for land acquisition. He stated that it was his assumption that all three areas would be studied and that the Council would prioritize the areas based on interest.

Agency/Council Member Chang stated that property owners at Tennant Avenue would request \$20 per square foot of land instead of \$16 per square foot, raising the cost for the purchase of land from \$1 million to \$3 million.

Agency/Council Member Sellers reiterated that if site A is not designated as the area to locate auto dealerships, he would not be supportive of providing economic incentives to locate at areas B or C.

Action: *On a motion by Council/Agency Member Tate and seconded by Council/Agency Member Sellers, the City Council/Agency Commission unanimously (5-0) **Agreed** to extend the meeting beyond 11:00 p.m.*

City Manager/Executive Director Tewes clarified that the incentive guidelines being recommended by staff are not so formulaic that staff would plug in numbers and suggest that a deal has been reached. He indicated that guideline 2.a. states that the City would look at the reasonableness of the land transaction so that the City's assistance is such that it does not enrich land owners who are asking more money for their land than is otherwise appropriate.

Agency/Council Member Chang stated that should the City Council approve this strategy/guideline, the land owner may return and request \$25 per square foot of land. Therefore, she would not support a motion that gives preference to area A.

Agency/Council Member Tate stated that based on Agency/Council Member Chang's concern, the Agency/Council is supporting staff's recommendation as presented.

Actions: *On a motion by Agency/Council Member Sellers and seconded by Agency Member/Mayor Pro Tempore Carr, the Agency Board/City Council, on a 4-1 vote with Agency/Council Member Chang voting no: 1) **Approved** List of Potential Sites; 2) **Adopted** Auto Dealer Strategy (the "Strategy"); and 3) **Directed** Staff to Implement the Strategy.*

FUTURE AGENCY-INITIATED AGENDA ITEMS:

No items were noted.

CLOSED SESSION ITEMS

Action: *It was the consensus of the City Council to **continue** the discussion of closed sessions to its next meeting due to the lateness in the hour on the advise of Agency Counsel/City Attorney that the matter can be discussed at the March 6, 2002 meeting.*

ADJOURNMENT

There being no further business, Mayor Kennedy adjourned the meeting at 11:20 p.m.

MINUTES RECORDED AND PREPARED BY:

Irma Torrez, City Clerk/Agency Secretary

2



CI / COUNCIL/REDEVELOPMENT AGENCY MEETING STAFF REPORT

MEETING DATE: February 27, 2002

TITLE: Auto Dealer Sites and Strategy

RECOMMENDED ACTIONS: 1) Approve List of Potential Sites; 2) Adopt Auto Dealer Strategy (the "Strategy"); and 3) Direct Staff to Implement the Strategy.

EXECUTIVE SUMMARY:

Council directed that staff identify a strategy to encourage establishment of additional car dealerships as part of a larger economic development effort. An auto dealer can potentially generate between \$200,000 to \$750,000 in annual sales tax revenues to the City.

To develop the strategy, staff worked to research and inventory suitable sites (see Attachment 1). Staff also retained an automotive retail consultant, Mark Sumpf with the firm RX&D to review these sites, identify "what auto dealers want," and provide direction as to which potential auto corporations and dealerships to pursue. Mr Sumpf confirmed that auto dealers look for the following in searching for a site: freeway location, good visibility for their vehicle displays, good accessibility, proximity to other auto dealerships, proximity to populations with higher incomes, proximity to retail with good retail buying patterns, and the ability to obtain adequate signage.

The prospective sites have been grouped into three areas: the Dunne Avenue - Area A, Tennant Avenue - Area B, and Cochrane Road - Area C (see map, Attachment 2). Based on input from the consultant, we ranked the three areas from most to least desirable as follows: Dunne Avenue, Tennant Avenue, and Cochrane Road. Since there is current interest in an Area A (most desirable) site, we wanted to receive direction as to whether this area is acceptable. The interested dealership has indicated that this is the only Morgan Hill site in which it is currently interested because of the existing infrastructure and shorter entitlement processing times associated with the site (as compared with other well-situated sites within the City). As part of our strategy, staff recommends that we wait to see if the current interest results in a project before referring other dealers exclusively to Area A. With the existing Chevrolet dealer and a new dealer, we could have two major auto manufacturers in town, and, with this, a significant marketing tool by which to attract additional dealers. If the deal falls-through, staff recommends that we remain flexible and refer prospective dealers to both Areas A and B. The first auto dealer that commits to one of these two areas would most likely establish the area for future referrals and site selections.

The strategy also recommends incentives guidelines and a marketing approach to attract dealers. Staff believes financial incentives will be necessary to attract new dealerships to Morgan Hill, as the land cost exceeds most auto dealers ability to pay. Staff would return to the Agency for approval of specific packages. The detailed auto dealer strategy is contained in Attachment 3.

FISCAL IMPACT: Potential for substantial sales tax revenues which would be partially off-set by incentive packages

Attachments

G:\City Clerk\StaffReports\BA&HS\autodealerstrategy.wpd

Agenda Item # 11

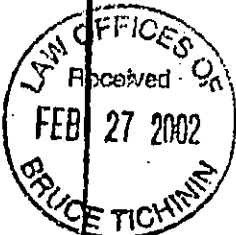
Prepared By:

Joe Mackell
BAHS Manager

David Joy
BAHS Director

Submitted By:

[Signature]
Executive Director



AREA	Site Location	Size in ac.	Entitlements Required	Estimated Public Improvement Costs*	Site Attributes	Site Constraints
A	4 NWC Dunne/101	11.48	General Plan Amendment Zoning Amendment Amend PDP/Guidelines for >1 dealer Environmental Review Site & Arch Possible lot merger Uniform sign program	\$300,000	1 dealer already exists Could hold 1-2 new dealers Near retail In the Redevelopment Project Area	Interior location Access to the site Required off-site improvements Required entitlements Multiple property owners Ability to obtain adequate signage Proximity to residential area
B	5 NWC Tennant/101	43.33	General Plan Amendment Zoning Amendment Precise Development Plan/Guidelines Environmental Review Site & Arch Possible lot merger Uniform sign program	\$1,200,000	Freeway location Great visibility from Hwy 101 Good access to site Could hold several dealerships Partly in Redevelopment Project Area	Required off-site improvements Required entitlements Multiple property owners Ability to obtain adequate signage Proximity to residential area Less than 10 miles from Gilroy
B	6 SWC Tennant/101	28.53	PDP/Guidefines Environmental Review Site & Arch Possible lot merger Uniform sign program	\$900,000	Freeway location Good access to site Could hold several dealerships Distance from residential area Sub-regional commercial site	Not all of site is visible from Hwy101 Required off-site improvements Required entitlements Multiple property owners Ability to obtain adequate signage Less than 10 miles from Gilroy

* Public Improvement estimates are for order of magnitude purposes

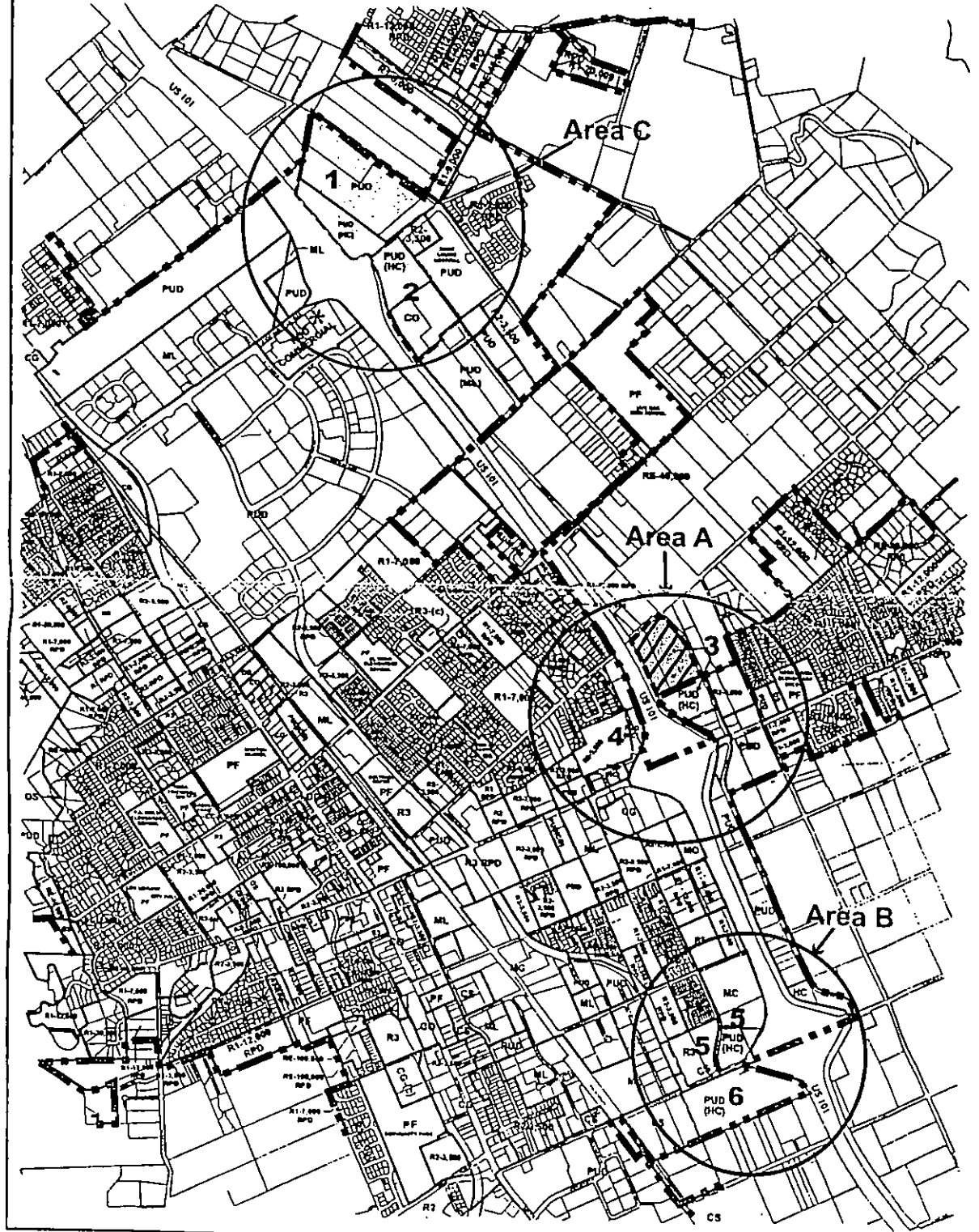
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STUDY ALTERNATIVES FOR AUTO DEALERS SITES
2/12/02

AREA	Site Location	Size in ac.	Entitlements Required	Estimated Public Improvement Costs*	Site Attributes	Site Constraints
C	1 NEC Cochrane/101	64.42	Precise Development Plan/Guidelines Environmental Review/possible EIR Site & Arch Possible lot merger Uniform sign program	\$2,400,000	Freeway location Good access to site Near retail Could hold several dealerships In the Redevelopment Project Area Distance from residential area Over 10 miles from Gilroy	Limited visibility from Hwy 101 Required off-site improvements Required entitlements On-site access Multiple property owners Ability to obtain adequate signage
C	2 SEC Cochrane/101	30.08	Zoning Amendment Precise Development Plan/Guidelines Environmental Review Site & Arch Possible lot merger Uniform sign program	\$1,000,000	Freeway location Good visibility from Hwy 101 Good access to site Near retail Could hold several dealerships Distance from residential area Over 10 miles from Gilroy Sub-regional commercial site	Required off-site improvements Required entitlements On-site access Multiple property owners Ability to obtain adequate signage
A	3 Condit, North of Holiday Inn	28.5	General Plan Amendment Zoning Amendment Precise Development Plan/Guidelines Environmental Review Urban Service Boundry Adjustment Annexation Site & Arch Possible lot merger Uniform sign program	\$1,000,000	Freeway location Great visibility from Hwy 101 Good access to site Near retail Could hold several dealerships	Required off-site improvements Required entitlements Multiple property owners Ability to obtain adequate signage Proximity to residential area Portion of site outside City limits

Study Alternatives for Auto Dealer Sites

City of Morgan Hill



In the City Limits
 Outside City Limits
 - - - - - City Boundary

Area/Site Prioritization

1. Prioritize the three key areas best suited for auto dealers in the following rank order: 1) the Dunne Avenue area, 2) the Tennant Avenue area, and 3) the Cochrane Road area.
2. Because the Dunne Avenue area is the premier area for automotive retail and since a dealership has an offer pending, concentrate on attracting this dealership to the Dunne area.
3. Work with the property owners of the prospective sites to determine their interest in selling to/leasing to auto dealers.

Marketing

1. If the interested dealership commits, send out marketing packages on the Dunne area sites to target auto corporations and dealers who may want a second store.
 - A. Packages to include, but not limited to:
 - 1) Cover letter;
 - 2) Narrative about Morgan Hill;
 - 3) Describe and depict trade area;
 - 4) List key retailers in town;
 - 5) Demographics (5 and 10 mile radius);
 - 6) Aerial photo;
 - 7) Information about the location and site;
 - 8) Sell Morgan Hill as a growing, wealthy bedroom community; list all our attributes; if available insert newspaper article touting a new dealership coming to town; and
 - 9) Highlight the site attributes of the recommended site(s).
 - B. Target the following automotive corporations (recommended by Mark Sumpf):

Acura	BMW	Lexus	Toyota
Audi	Honda	Mercedes	Volvo
2. If the interested dealership does not commit, send marketing packages to the targeted corporations and recommend the Dunne area and/or the Tennant area; since the area is less than 10 miles from Gilroy, keep the Tennant area in mind as possible location for entry-level luxury vehicles (i.e., brands not already represented in Gilroy).
3. Once an auto dealer commits to a site, focus on attracting others to that area.

Incentives Guidelines

- 1 Incentive packages are evaluated on a case-by-case basis for each dealer requesting assistance. They could be provided through either rebate of City Sales Tax or possibly direct use of Redevelopment Agency funds. The preference would be to use Redevelopment Agency funds to assist a project. However, changes to California Redevelopment Law in 1994 made it very difficult for Redevelopment Agencies to provide assistance to auto dealers unless: A) the dealer is located on a previously developed site within the project area or, B) the improvements funded or constructed by the Redevelopment Agency would have been constructed regardless of the auto dealer project. (With reference to the recommended auto dealer sites: Site No. 4 and portions of Site No. 1 and No. 5 are within the project area. Since these sites have not been previously developed, direct Agency assistance would be precluded.)
2. The assistance package would be based on the specific needs of an individual site. The following guidelines establish the parameters by which initial proposals would be reviewed and assistance potentially granted:
 - A. Consider the dealer's need for assistance, using National Auto Dealer Association (NADA) standards to evaluate a dealer's ability to pay for land and development costs, and the reasonableness of proposed land transactions;
 - B. Establish a minimum baseline for sales/sales tax revenues, which is not lower than the average sales of a particular brand in Northern California; consider reducing the baseline in early years to account for start-up costs;
 - C. Rebate sales tax on a minimum 50% split above the determined baseline;
 - D. Spread-out assistance over time, e.g. 10-year period; and
 - E. Whenever possible, use Redevelopment Agency funds to install of-site improvements of benefit to the project area; if Agency funds cannot be used, consider use of sales tax and provide direct assistance as a reimbursement for off-site improvements.
3. The provision of incentives could be structured as one or more of the following:
 - A. A ground lease; or
 - B. Operating covenants for a specified period of time; or
 - C. Reimbursement for public improvements.
4. Incentives could be offered to the first three dealers choosing to locate within the targeted area. This threshold could be increased on the discretion of the City Council.

Annexation

Work with the property owners of 19+ acre site on Condit (Mushroom farm and adjacent parcel) to annex it into the City; select PUD zoning and limit to motor vehicle sales uses.

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AUTO DEALER STRATEGY February 2002

Area/Site Prioritization

1. Prioritize the three key areas best suited for auto dealers in the following rank order: 1) the Dunne Avenue area, 2) the Tennant Avenue area, and 3) the Cochrane Road area
2. Because the Dunne Avenue area is the premier area for automotive retail and since Ford has an offer pending, concentrate on attracting Ford to the Dunne area.
3. Work with the property owners of the prospective sites to determine their interest in selling to/leasing to auto dealers

Marketing

1. If Ford commits, send out marketing packages on the Dunne area sites to target auto corporations and dealers who may want a second store.
 - A. Packages to include, but not limited to:
 - 1) Cover letter;
 - 2) Narrative about Morgan Hill;
 - 3) Describe and depict trade area;
 - 4) List key retailers in town;
 - 5) Demographics (5 and 10 mile radius);
 - 6) Aerial photo;
 - 7) Information about the location and site;
 - 8) Sell Morgan Hill as a growing, wealthy bedroom community; list all our attributes; if available insert newspaper article touting Ford coming to town; and
 - 9) Highlight the site attributes of the recommended site(s)
 - B. Target the following automotive corporations (recommended by Mark Sumpf):

Acura	BMW	Lexus	Toyota
Audi	Honda	Mercedes	Volvo
2. If Ford does not commit, send marketing packages to the targeted corporations and recommend the Dunne area and/or the Tennant area; since the area is less than 10 miles from Gilroy, keep the Tennant area in mind as possible location for entry-level luxury vehicles (i.e., brands not already represented in Gilroy).

3



Memorandum Redevelopment Agency

Date: March 21, 2003
To: Ed Tewes, City Manager
From: Joyce Maskell, BAHS Manager
Subject: Urban Service Area (USA) Boundary Expansion (Diana - Kubo/Patel)

CONFIDENTIAL

After several communications with LAFCO staff regarding the Kubo/Patel application for inclusion in the City's Urban Service Area, Planning staff believes that LAFCO will recommend denial. BAHS staff believes that a lobbying effort by the Council, prior to the April 9, 2003 LAFCO meeting when this item will be considered, may help to obtain approval.

Terry Linder and I collaborated to develop the attached "talking points" for the Council. We selected the particular arguments (some rather technical) in an effort to counter the objections brought-up by LAFCO staff. Terry and/or I are available to meet with the Council member or members elected for the lobbying effort, to further explain these issues, if you wish.

It is important to note that Kubo/Patel USA application is a private party application to bring additional "Office Industrial" land into the City's USA. This point is crucial. Our primary argument is that the City needs additional Office Industrial land. Staff therefore, recommends that the Council lobbyists do not discuss other potential uses that some people, other than the current owners, have speculated about (e.g. auto dealers, retail, etc.).

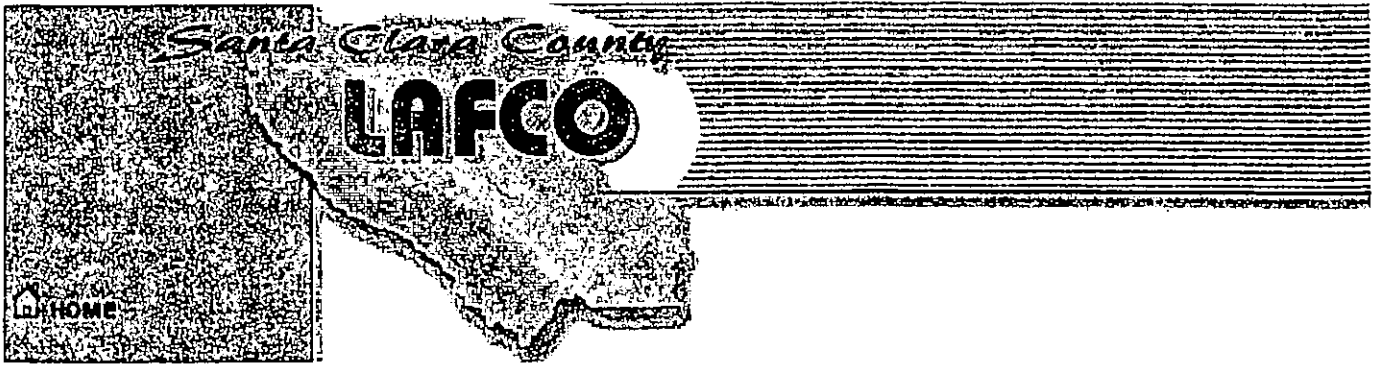
The Kubo/Patel USA application will be considered by LAFCO on April 9, 2003 at 1:15 p.m. The meeting will be held at the Board of Supervisors Chambers, Santa Clara County Government Center, 70 West Hedding Street, 1st Floor, in San Jose.

Attached is the current list of LAFCO Commissioners along with their addresses and phone numbers and the 2003 LAFCO meeting schedule.

Attachment

Cc: Garrett Toy
David Bischoff
Terry Linder

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- HOME
- ABOUT LAFCO
- SANTA CLARA LAFCO
- LAFCO MEETINGS
- SANTA CLARA LAFCO POLICIES
- FILING REQUIREMENTS & APPLICATION PACKETS
- SERVICE REVIEWS
- FREQUENTLY ASKED QUESTIONS
- COUNTY MAP
- WHAT'S NEW!

2003 SCHEDULE OF MEETINGS and APPLICATION FILING DEADLINES

[View & Print PDF 84 KB](#)



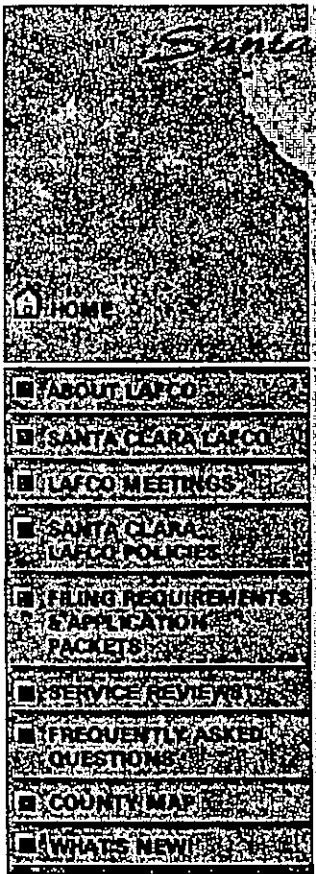
FILING DEADLINE:	LAFCO MEETING*:
UNDER CONSTRUCTION	
Wednesday, December 18, 2002	Wednesday, February 12, 2003
Wednesday, February 19, 2003	Wednesday, April 9, 2003
Wednesday, April 16, 2003	Wednesday, June 11, 2003
Wednesday, June 18, 2003	Wednesday, August 13, 2003
Wednesday, August 20, 2003	Wednesday, October 8, 2002
Wednesday, October 15, 2003	Wednesday, December 10, 2003

TIME OF THE MEETINGS: 1:15 PM
Every 2nd Wednesdays (even months)

LOCATION OF MEETINGS: Board of Supervisors Chambers
County Government Center
70 West Hedding Street, 1st Floor
San Jose, CA 95110

FILING LOCATION: County Government Center
70 West Hedding Street, 10th Floor
San Jose, CA 95110
(408) 299-5088

**Every second Wednesdays of even months*



2003 LAFCO MEMBERSHIP

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Santa Clara LAFCO is composed of five members:

- o Two County Supervisors selected by the Board of Supervisors
- o One City of San Jose City Council Member chosen by the City Council
- o One other City Council Member chosen by the Cities Selection Committee
- o One Public Member chosen by the other four members

Alternate members for each of the four categories are selected in the same manner. The commissioners and alternates serve a four-year term.

COMMISSIONERS	TERM EXPIRATION	TERM APPOINTMEN
Blanca Alvarado, Vice-Chair (County Representative)	May 2002	May 1998
Don Gage (County Representative)	May 2002	May 1998
Mary Lou Zoglin (Cities Representative)	May 2004	May 2000
Linda LeZotte, Chair (City of San Jose)	May 2004	January 2001
Susan Vickland Wilson (Public Representative)	May 2003	May 1999
ALTERNATE	TERM EXPIRATION	TERM APPOINTMEN
Pete McHugh (County Representative)	May 2001	May 1997
John Howe (Cities Representative)	May 2004	May 2000
Chuck Reed (City of San Jose)	May 2004	January 2001
Pat Figueroa (Public Representative)	May 2003	May 1999

Commissioners may be contacted through the LAFCO office or through the local government agency they represent.

2003 LAFCO ROSTER

[View & Print PDF 96K](#)

COMMISSIONERS	ADDRESS	PHONE/FAX
Blanca Alvarado (County) Vice-Chair blanca_alvarado@qmgate2.bos.co.scl.ca.us	70 W. Hedding St, 10th Floor San Jose, CA 95110	(408) 299-5001 (408) 298-8460 Fax
Don Gage, (County) don_gage@qmgate1.bos.co.scl.ca.us	70 W. Hedding St, 10th Floor San Jose, CA 95110	(408) 299-5001 (408) 298-8460 Fax
Mary Lou Zoglin (Mountain View) mlzoglin@mcworld.com	1424 Miramonte Ave Mountain View, CA 94040	(650) 960-3015 (650) 960-3015 Fax
Linda LeZotte (San Jose) Chairperson linda.lezotte@ci.sj.ca.us	801 N. First Street, 6th Floor San Jose, CA 95110	(408) 277-5438 (408) 277-5192 Fax
Susan Vickland Wilson (Public) susan@rftw.com	P.O. Box 10 Morgan Hill, CA 95038	(408) 779-2106 (408) 779-1553 Fax
ALTERNATES	ADDRESS	PHONE/FAX
Pete McHugh (County) petemchugh@qmgate3.bos.co.scl.ca.us	70 W. Hedding St. 10th Floor San Jose, CA 95110	(408) 299-5001 (408) 298-8460 Fax
John Howe (Cities) jh2@aol.com	456 West Olive Ave. Sunnyvale, CA 94086	(408) 737-7918 (408) 730-7699 Fax
Chuck Reed (San Jose) district4@ci.sj.ca.us	801 N. First Street, 6th Floor San Jose, CA 95110	(408) 277-5320 (408) 297-7069 Fax
Pat Figueroa (Public)	304 Ridgemont Dr. Mountain View, CA 94040	(650) 965-4783 (650) 968-6689 Fax

REQUEST TO AMEND THE URBAN SERVICE AREA (KUBO/PATEL)

Talking Points

March 21 2003

ACTION REQUESTED OF LAFCO

Amend Urban Service Boundary to include three parcels totaling 19.87 acres located east of and adjacent to Highway 101, approximately 1,200 feet north of Dunne Avenue (see attached site map).

REASONS FOR BRINGING THE KUBO AND PATEL PROPERTIES INTO THE URBAN SERVICE AREA

There is not enough Office Industrial Land in the City of Morgan Hill.

- Office Industrial areas are intended to promote administrative and executive office uses, including experimental and engineering laboratories devoted exclusively to basic research and development. This land-use is generally not intended for warehouse and manufacturing, as included in the "Industrial" land designation.
- Good access and visibility are critical for office industrial buildings. This site offers both. The needs of office industrial are different from other industrial land-use designations, which can tolerate interior locations.
- The City's only other Office Industrial land is a land-locked parcel off Highway 101, near the Dunne Avenue exit (a 6.4-acre parcel, behind K-Mart).
- Office industrial uses will act to buffer the neighboring residential neighborhoods from the freeway.
- The site will provide for future economic development in the City.

The City brought this site into its Urban Growth Boundary several years ago, with the intent of bringing the property into the City's Urban Service Area.

- The Urban Growth Boundary process was undertaken in cooperation with LAFCO/the County.
- The City's desire to bring the site into its Urban Service Area should be anticipated by LAFCO/the County.
- The site has been given an urban land-use designation of Office Industrial.
- The site is already served by City public services: 1) it is a "first response" area for Morgan Hill Police and Fire; 2) sewer and water service are available adjacent to the site (on Condit Road and Diana Avenue).

The requested action will help ensure that future development of the site is in accordance with the City's General Plan.

- The property has an urban land-use designation, which anticipated development within the next 10-years.
- This action is consistent with the "Desirable Infill Policy," which is a part of the City's General Plan. For economic development purposes, the policy encourages Urban Service Area applications for properties that are contiguous to the Urban Service Boundary.
- Adding the site to the City's Urban Service Area will ensure the development of office industrial uses.
- Without this action, incompatible development could occur.

The requested action will encourage the elimination of a major source of air pollution.

- For years, the mushroom farm has created an intolerable stench that reached well into the surrounding residential and business neighborhoods.
- The owners of the mushroom farm property are pursuing this action, in part, because they intend to retire from the mushroom business, close the facility and sell the land.

This action will help "clean-up" City boundaries.

- By bringing a portion of the freeway, Madrone Channel, the Jack-in-the-Box, gas station, McDonald's, and Holiday Inn Express sites, and the future Ford site (already a part of the City) into the Urban Service Area, this action will create logical City boundaries in the area.

The County will not be losing prime agricultural land as a result of this action.

- A mushroom farm is not an agricultural use; mushrooms are cultivated above ground; therefore there would not be a loss of agricultural land.
- This is not a good agricultural site because it is: 1) isolated from other prime agricultural land; 2) too close to other urban uses (e.g., homes and businesses) for pesticides and basic tractor uses.
- Since a mushroom farm could occur on any property; the soil class (Class I and II) is irrelevant.
- If the three parcels are sold (most likely, they would sell individually), they would not be economically viable and for agriculture.
- Because of the encroaching urbanization, this land would most likely not sell for agricultural use.

Attachment

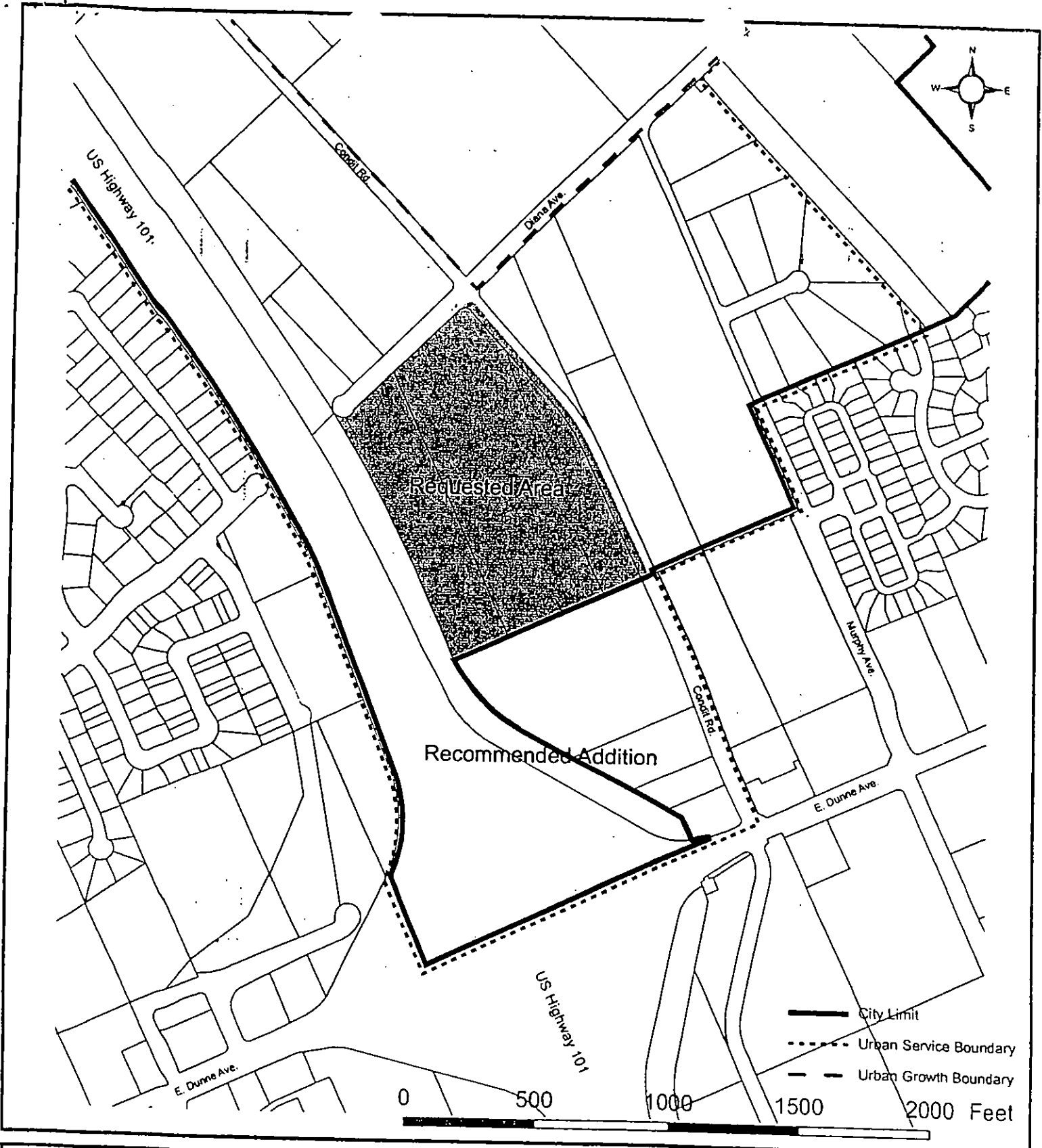


Exhibit C

USA-01-07: Diana - Kubo/Patel