

**LOCAL AGENCY FORMATION COMMISSION OF  
SANTA CLARA COUNTY  
MINUTES  
WEDNESDAY, FEBRUARY 8, 2006**

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**1. ROLL CALL**

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 8<sup>th</sup> day of February 2006 at 1:18 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 Don Gage, Commissioners John Howe and Susan Vicklund-Wilson. Commissioner LeZotte arrives at 1:20 p.m. Commissioner Alvarado arrives at 1:22 p.m.

The LAFCO staff in attendance includes 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 Gage and the following proceedings are had, to wit:

**2. PUBLIC PRESENTATIONS**

There is no public presentation.

**3. APPROVE MINUTES OF DECEMBER 14, 2005 MEETING**

On motion of Commissioner Howe, seconded by Commissioner Gage, it is ordered on 3 - 0 vote, with Commissioner Wilson abstaining, and Commissioner Alvarado absent, that the minutes of December 14, 2005 be approved.

**4. PRESENTATION ON STATUS OF COYOTE VALLEY SPECIFIC PLAN BY CITY OF SAN JOSE**

Ms. Noel advises that Sal Yakubu, Darryl Boyd and Susan Walsh from the City of San Jose, will provide an update on the Coyote Valley Specific Plan (CVSP). She reports that CVSP is composed of three sub-areas, namely, Coyote Valley industrial

campus, Coyote Valley urban reserve, and Coyote Valley greenbelt area. She adds that LAFCO approval is required because it entails the expansion of San Jose's USA boundary and annexation of Coyote Valley urban reserve area. Ms. Noel advises that staff is participating in CVSP Technical Advisory Committee (TAC), and since October 2004, staff has provided three comment letters to CVSP Task Force focusing on issues that LAFCO will consider when the City applies for USA amendment. Ms. Noel likewise reports that staff has received a letter from Greenbelt Alliance expressing concerns about the CVSP.

Mr. Yakubu reports that CVSP covers a total of 7,000 acres in south of San Jose. He indicates that the Coyote Valley area has been part of San Jose General Plan 2020 for more than 20 years. He provides an overview of the guiding principles of CVSP for the building of 25,000 residences and generation of 50,000 jobs. He provides an overview of the proposed plan.

Darryl Boyd, Principal Planner, City of San Jose, reports that the draft EIR for CVSP will be available for public review in September 2006. He reports that following the issuance of notice of EIR preparation in June 2005, CVSP Task Force has received comments from LAFCO, State Department of Conservation, and environmental groups, among others. One of the comments relates to conversion of agricultural lands and mitigation for loss of agricultural lands.

Mr. Boyd states that in the past, if a project involved conversion of land included on the farmland conservation map, the project is deemed to have significant impact, however, mitigation had not been required. In such cases, the City adopted a statement of overriding considerations because there was no way to truly mitigate the loss of agricultural land when there is a net loss to overall agricultural acreage. For CVSP, the City proposes to use the farmland conservation map to identify prime agricultural lands, and use the Land Evaluation and Site Assessment (LESA) model to determine the level of impact. If impact is significant, mitigation measures will be required. Mr. Boyd informs that the next step is to meet with stakeholders to review mitigation and its implementation. He notes that it has to be determined if mitigation will be in form of

fees, and whether an existing open space authority will implement it. He completes his presentation by stating that much dialogue with stakeholders has been planned. Mr. Yakubo adds that CVSP Task Force will hold a community workshop on February 23, 2006 to talk about affordable housing and traffic options for CVSP.

On inquiry of the Chairperson, Ms. Palacherla reports that staff will continue to apprise the Commission on CVSP, and will attend Task Force meetings, community meetings, and will provide comment when necessary. She advises that LAFCO will comment on the EIR and will provide updates at future meetings on possible EIR issues to the Commission.

Commissioner Alvarado notes that the presentation provides information that prepares the Commission when the CVSP application is received. She indicates that CVSP is a very important project for the County because it overlaps with other issues that the Board of Supervisors is working on, such as the Habitat Conservation Plan and Williamson Act contracts. In response to the request of Supervisor Alvarado, Mr. Yakubu states that copies of the presentation will be provided to Commissioners and staff. He informs that CVSP maintains a website with the information. Commissioner LeZotte requests Mr. Yakubu to notify the Commission about forthcoming CVSP Task Force meetings and to regularly provide Commissioners with copies of documents given to the City Council.

In response to an inquiry by Commissioner LeZotte, Mr. Yakubu states that an overlay district would be created on lands acquired by Gavilan College and the area would be designated for public use. He adds that Gavilan College will neither impact the creation of 50,000 jobs, nor the building of 25,000 residences, although it may generate about 300 industry-driven jobs. In response to another inquiry by Commissioner LeZotte, Mr. Boyd states that the specific plan and EIR will be presented to the City Council in May or June 2007. Application to LAFCO, which involves expansion of USA boundary and annexation, will be submitted sometime in 2008. In response to an inquiry by Commissioner LeZotte, Ms. Palacherla advises that both the County Board of Supervisors and LAFCO will comment on the EIR separately.

Commissioner LeZotte questions whether the permanence of the CVSP is guaranteed to unlike changes that eroded projects like the Alviso Master Plan. Mr. Yakubu advises that as long as the formula for creation of 50,000 jobs and building of 25,000 homes remains, CVSP would not be altered significantly by changes in land use. He adds that not much change can be done because the environmental footprints shaped the infrastructure framework. Mr. Boyd continues by stating that every part of the plan serves multiple uses and minor deviation from the vision would wreck havoc on overall specific plan. He adds that future changes to the specific plan require a CEQA process and, because of self-mitigating nature of the project components, any major change would result in significant impacts.

Chairperson Gage again requests Mr. Yakubu to leave a copy of the presentation for the members of the Commission.

## **5. UPDATE ON ISLAND ANNEXATION EFFORTS**

Ms. Noel advises that the cities of Los Altos, Monte Sereno and Morgan Hill continue with their island annexation efforts. On January 24, 2006, the Los Altos City Council adopted a resolution for two unincorporated pockets referred to as Blue Oak Lane and Woodland Acres. The second hearing approving the annexation will be on February 28, 2006. The two islands have a combined area of 92 acres with 386 residents. Ms. Noel reports that the City of Monte Sereno has created a working group to review and propose development standards and procedures for the islands that the affected residents could support. The group, which met twice since November, is currently finalizing a proposal for the Monte Sereno City Council meeting in March 2006. Ms. Noel advises that there is no update on Morgan Hill at this time. Ms. Noel adds that the cities of Mountain View and San Jose continue to research island annexations. Mountain View has completed the review of seven unincorporated islands identified in urban pockets maps. Based on that review, City staff will recommend to the City Council to annex four of the seven remaining unincorporated islands through the streamlined annexation process. Of the three pockets that would be deferred, two are properties of

the U.S. Government, and one property is being sold whose buyer is expected to come up with a development proposal that includes annexation.

Ms. Noel advises that, at this point, San Jose continues to discuss the issue of island annexations but has not come forward with a formal plan. In January 2006, staff members from the offices of Supervisor Alvarado and Councilmember Nora Campos met residents of Lyndale Neighborhood Association to provide information relating to annexation, and to determine whether the neighborhood is interested in annexing to San Jose. This is the second meeting of Lyndale Neighborhood Association on the topic. Attendees expressed general support for annexation process and requested more detailed information on the impacts of annexation and the annexation process.

Commissioner Howe observes that when this process started it was reported that the City of Sunnyvale had four or five islands. He indicates, however, that Sunnyvale staff has informed him that all of these have been incorporated into the City, except one whose property owners did not want to be incorporated. He reports that the City presently provides all services to that island.

On motion of Supervisor Wilson, seconded by Supervisor LeZotte, it is unanimously ordered that the report be accepted.

**6. UPDATE ON SOUTH CENTRAL SERVICE REVIEW AND SPHERE OF INFLUENCE STUDY**

Ms. reports that staff met with South Central Service Review Technical Advisory Committee (TAC) on February 6, 2006 to provide a status report on the project, and discuss the upcoming city and special districts review of data collected and the SOI study recommendations. In view of concerns expressed by some TAC members on some definitions developed by the consultant relating to nine required determinations, staff will work with consultant to revise these definitions as appropriate. She adds that because of the TAC recommendation that a longer review period be provided, cities and special districts will start to review data and determinations by mid-February and complete it by early March 2006. The next TAC Meeting will be held in the last week of March 2006. The draft service review will be released for a 30-day public comment

period in early April 2006. At the May 31, 2006 public meeting, the consultant will apprise the Commission on the comments received and indicate how these will be addressed. The consultant and LAFCO staff will then revise the report and release a final draft for public review and comment. At the August 9, 2006 public hearing, the Commission will consider the adoption of final service review, SOI updates and CEQA action. Meanwhile, staff will continue to provide Commission with regular status reports on the project.

On motion of Commissioner Howe, seconded by Commissioner Alvarado, it is unanimously ordered that the report be accepted.

## **7. EXECUTIVE OFFICER'S REPORT**

### **7a. LAFCO Budget Sub-Committee for Fiscal Year (FY) 2006-07**

Ms. Palacherla proposes that the Commission create a LAFCO Budget Sub-Committee composed of two Commissioners and staff to develop recommendations on the draft budget to be considered at the April 2006 hearing. Chairperson Gage and Commissioner Howe indicate interest in participating on the Sub-Committee.

On motion of Commissioner Alvarado, seconded by Commissioner Wilson, it is unanimously ordered that Chairperson Gage and Commissioner Howe be designated to the LAFCO Budget Sub-Committee for FY 2006-07.

### **7b. Status of Preparations for the LAFCO Planning Workshop on February 16, 2006.**

Ms. Palacherla advises that the Planning Workshop will be held on Thursday, February 16, 2006, from 8:15 a.m. to 12:00 p.m. She provides information on available parking. She notes that materials will be provided at the workshop. The first part of the workshop, which will be facilitated by Bill Chiat, CALAFCO Executive Director, will focus on LAFCO's purpose, the roles and responsibilities of Commissioners and staff, and development of a mission statement. The second part will focus on agriculture in Santa Clara County and will include a presentation by Kevin O'Day, Deputy Agricultural Commissioner, Santa Clara County. This part will also include a review of

Santa Clara LAFCO's agricultural preservation policies. In response to inquiry by Chairperson Gage, it was noted that all Commissioners plan to attend the workshop.

*Commissioner Alvarado leaves at 2:25 p.m.*

**7c. CALAFCO Annual Staff Workshop in South Lake Tahoe (April 26-28, 2006)**

Ms. Palacherla requests that the Commission authorize staff to attend the workshop and authorize travel expenses funded by the LAFCO budget. In response to an inquiry by Commissioner Howe, Ms. Palacherla reports that all LAFCO staff attends the workshop. Commissioner Wilson advises that based on a report at the CALAFCO Executive Board in January 2006, this year's staff workshop will be invaluable to staff, particularly because many statewide issues being addressed have significant impact to Santa Clara County. In response to an inquiry by Commissioner Howe, Ms. Palacherla indicates that the LAFCO budget allows travel expenses for staff to attend CALAFCO workshops. On motion of Commissioner Howe, seconded by Supervisor Wilson, it is ordered on 4 - 0 vote, with Supervisor Alvarado absent, that staff be authorized to attend the CALAFCO Staff Workshop and travel expenses be funded by LAFCO budget.

**7d. CALAFCO Annual Conference in San Diego (September 5-7, 2006)**

Ms. Palacherla reports that staff will provide information on the Annual Conference as it becomes available. In response to Commissioner Howe, Ms. Palacherla advises that staff will assist in travel arrangements for Commissioners who wish to attend the Conference.

**8. REVISED 2006 SCHEDULE OF LAFCO MEETINGS**

Ms. Palacherla reports that the Commission adopted the 2006 Schedule of LAFCO Meetings on December 14, 2006. However, it has been revised due to conflicts with the schedule of Board of Supervisors budget hearings.

On motion of Commissioner Howe, seconded by Commissioner Wilson, it is ordered on 4 - 0 vote, with Supervisor Alvarado absent, that the revised 2006 Schedule of LAFCO Meetings be adopted.

**9. PENDING APPLICATIONS**

Ms. Palacherla reports that there has been no action from the proponents relating to the pending application on the formation of Redwood Estates Community Services District.

**10. WRITTEN CORRESPONDENCE**

There is no written correspondence.

**11. NEWSPAPER ARTICLES**

There are no newspaper articles.

**12. ADJOURN**

On order of the Chairperson, there being no objection, the meeting is adjourned at 2:30 p.m.

The next regular LAFCO meeting is scheduled to be held on Wednesday, April 12, 2006 at 1:15 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

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Donald F. Gage, Chairperson  
Local Agency Formation Commission

ATTEST:

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Emmanuel Abello, LAFCO Clerk