LAFCO
Local Agency Formation Commission of Santa Clara County

SPECIAL LAFCO MEETING AGENDA

Board Meeting Chambers, 70 West Hedding Street, First Floor
San Jose, CA 95110

Friday, March 11, 2016
10:00 AM
LUNCH RECESS: 12:00 - 12:30 PM

Please note Special Meeting Time / Day

CHAIRPERSON: Cat Tucker • VICE-CHAIRPERSON: Mike Wasserman
COMMISSIONERS: Sequoia Hall, Johnny Khamis, Linda J. LeZotte, Susan Vicklund Wilson, Ken Yeager
ALTERNATES: Cindy Chavez, Ash Kalra, Yoriko Kishimoto, Tara Martin-Milius, Terry Trumbull,

NOTICE TO THE PUBLIC

1. Pursuant to Government Code §84308, no LAFCO commissioner shall accept, solicit, or direct a contribution of more than $250 from any party, or his/her agent; or any participant or his /or her agent, while a LAFCO proceeding is pending, and for three months following the date a final decision is rendered by LAFCO. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than $250 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days of knowing about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than $250 within the preceding 12 months by the party, or his or her agent, to a LAFCO commissioner. For forms, visit the LAFCO website at www.santaclaralafco.org. No party, or his or her agent and no participant, or his or her agent, shall make a contribution of more than $250 to any LAFCO commissioner during the proceeding or for 3 months following the date a final decision is rendered by LAFCO.
2. Pursuant to Government Code Sections 56100.1, 56300, 56700.1, 57009 and 81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of $1,000 or more or expend(s) a total of $1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act (See also, Section 84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275-3772).
3. Pursuant to Government Code §56300(c), LAFCO adopted lobbying disclosure requirements which require that any person or entity lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. Additionally every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. For forms, visit the LAFCO website at www.santaclaralafco.org.
4. Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commissioners less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office, 70 W. Hedding Street, 11th Floor, San Jose, California, during normal business hours. (Government Code §54957.5.)
5. In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to the meeting at (408)299-6415.

1. ROLL CALL

2. PUBLIC COMMENTS

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.

LUNCH RECESS: 12:00 - 12:30 PM

The Commission will take a lunch recess at noon. The meeting will reconvene at 12:30 PM.

PUBLIC HEARING

3. MORGAN HILL URBAN SERVICE AREA (USA) AMENDMENT 2015

3.1 AREA 1: TENNANT-MURPHY (SOUTHEAST QUADRANT)

Proposal to expand Morgan Hill's USA by adding approximately 229 acres of land comprising 21 parcels, located south of San Pedro Avenue and east of US 101, in the vicinity of Tennant Avenue and Murphy Avenue. This area is located in the South East Quadrant.

POSSIBLE ACTIONS:

Staff Recommended Project Action:

1. Deny the USA amendment request for Area 1: Tennant–Murphy.

Other Possible Project Actions:

2. Approve an USA amendment to include only those properties proposed for the development of the South County Catholic High School.
3. Approve an USA amendment to include only those properties proposed for the development of the Jacoby/Morgan Hill ball fields.
4. Approve the USA amendment request for the entire Area 1.

California Environmental Quality Act (CEQA) Action:

1. Denial of the project does not require CEQA action.
2. In order to approve the project, LAFCO as a Responsible Agency under CEQA, must take the following actions regarding the Final Environmental Impact Report (FEIR) for this project:
   a. Find that, prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as shown in the FEIR.
   b. Find that (a.) The Final 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, Light and Glare
- Agricultural Resources
- Biological Resources
- Cultural Resources
- Geology, Soils, and Seismicity
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Public Services and Recreation
- Utility Systems

c. Find that the Final EIR identified three potentially significant impacts resulting from the project that cannot be mitigated to less than significant level. These impacts are listed below:
   - Air Quality/Greenhouse Gas Emissions
   - Noise
   - Transportation

d. Find that the City of Morgan Hill submitted a mitigation monitoring program, and that monitoring program ensures compliance with the mitigation measures identified in the Final EIR that would mitigate or avoid some of the significant impacts associated with the USA expansion, over which LAFCO has responsibility.

e. Find that, despite imposition of all feasible mitigation measures and alternatives, the project's air quality/greenhouse gases, noise, and transportation impacts will remain significant. Therefore, in order to approve the project, LAFCO must find that the project's benefits outweigh the project's significant, unavoidable environmental impacts. LAFCO staff suggest the following overriding considerations if the Commission approves the Project:
   Air Quality/Greenhouse Gases, Noise, and Transportation
   Economic, social, and other considerations justify the approval of this project in spite of the existence of unavoidable environmental effects that are deemed significant and that cannot be mitigated to a level of insignificant and that these benefits outweigh the risks of its potential significant adverse environmental impacts, specifically:
   - The project provides an avenue to meet the educational needs of the community and support student population growth.
   - The project includes sports, recreation, and leisure uses that are intended to attract visitors to Morgan Hill and is in support of the Morgan Hill General Plan policy of promoting recreation and tourism opportunities.

f. Designate the LAFCO Executive Officer as the location and custodian of the documents and other materials that constitute the record of proceedings on which this decision is based.

3.2 AREA 2: MONTEREY-WATSONVILLE

Proposal to expand Morgan Hill's USA by adding approximately 71 acres of land comprising 17 parcels, located in the vicinity of Watsonville Road and Monterey Road. Seven of the 17 parcels are currently within the city limits but outside the USA.

POSSIBLE ACTIONS:

Staff Recommended Project Action:

1. Deny the USA amendment request for Area 2: Monterey - Watsonville.

Other Possible Project Actions:

2. Approve an USA amendment to include only the incorporated portions of Area 2.
3. Approve an USA amendment to include only Area 2B: Morgan Hill Bible Church.
4. Approve an USA amendment to include only Area 2A: Royal Oaks Enterprises.
5. Approve the USA amendment request for the entire Area 2.

California Environmental Quality Act (CEQA) Action:

1. Denial of the project does not require CEQA action.
2. In order to approve the project or a portion of the project, LAFCO as a Responsible Agency under CEQA, must take the following actions regarding the Mitigated Negative Declaration for this project:
   a. Find that the Initial Study and Mitigated Negative Declaration approved by the City of Morgan Hill on December 7, 2011 were completed in compliance with CEQA and 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 Mitigated Negative Declaration.
   c. Find that a mitigation monitoring program was approved by the City of Morgan Hill as Lead Agency and that the monitoring program ensures compliance with the mitigation measures identified in the Mitigated Negative Declaration that would mitigate or avoid significant impacts associated with the urban service area amendment, over which LAFCO has responsibility.

CLOSED SESSION

4. CONFERENCE WITH LEGAL COUNSEL

Conference with Legal Counsel - Existing Litigation (Gov. Code sec. 54956.9(d)(1).)
Local Agency Formation Commission of Santa Clara County v. City of Gilroy, et al.
Case No. 16CV290062

5. REPORT FROM THE CLOSED SESSION

6. ADJOURN

Adjourn to the regular LAFCO meeting on Wednesday, April 6, 2016, at 1:00 PM in the Board Meeting Chambers, 70 West Hedding Street, San Jose.

LAFCO
Local Agency Formation Commission of Santa Clara County

MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015

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LAFCO
Local Agency Formation Commission of Santa Clara County

LAFCO MEETING:	**March 11, 2016**
Date of Staff Report	**February 15, 2016**
TO:	**LAFCO**
FROM:	**Neelima Palacherla, Executive Officer** **Dunia Noel, Analyst** **Emmanuel Abello, LAFCO Clerk**
SUBJECT:	**MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015**

OVERVIEW

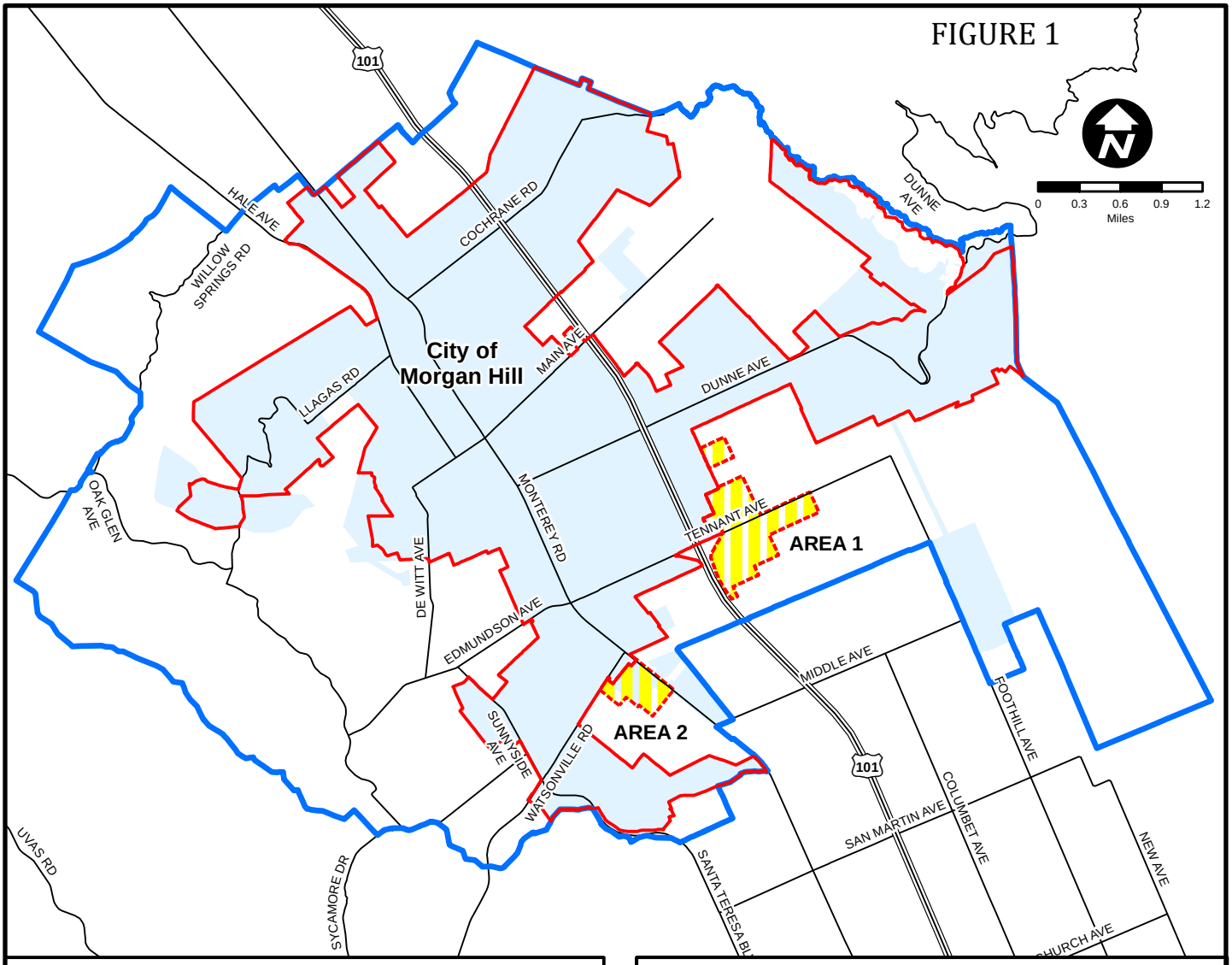
In October 2015, the City of Morgan Hill submitted an Urban Service Area (USA) amendment application to LAFCO, which included two separate areas, Area 1 and Area 2. The proposed USA amendment boundaries for Area 1 and Area 2 are depicted in Figure 1.

Area 1: Tennant-Murphy includes approximately 229 acres and comprises 21 parcels located east of US 101 and south of San Pedro Avenue, in the vicinity of Tennant Avenue and Murphy Avenue. This area lies within an area referred to as the South East Quadrant (SEQ).The proposed USA amendment would allow for annexation of the properties to the City and for development of a private high school, baseball/softball complex, various indoor/outdoor recreational facilities and other commercial uses such as retail, hotels, and gas stations.

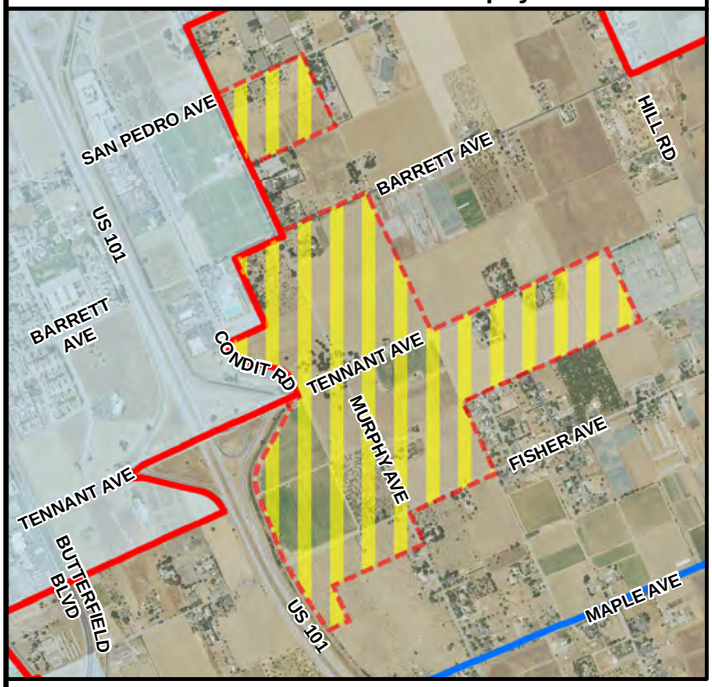
Area 2: Monterey-Watsonville includes approximately 71 acres and comprises 17 parcels located in the vicinity of Watsonville Road and Monterey Road. The USA amendment would allow for annexation of the unincorporated properties to the City and for the potential construction of multifamily housing units and expansion of the existing church as well as for the development of commercial uses and expansion of the existing school on the lands within the city limits.

This staff report includes separate analyses and recommendations for each of the two USA amendment areas.

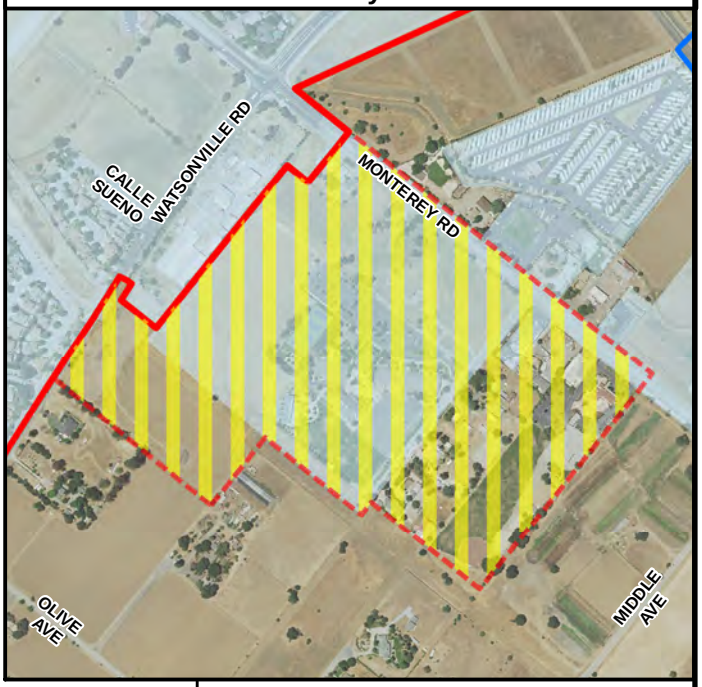
FIGURE 1



AREA 1: Tennant - Murphy



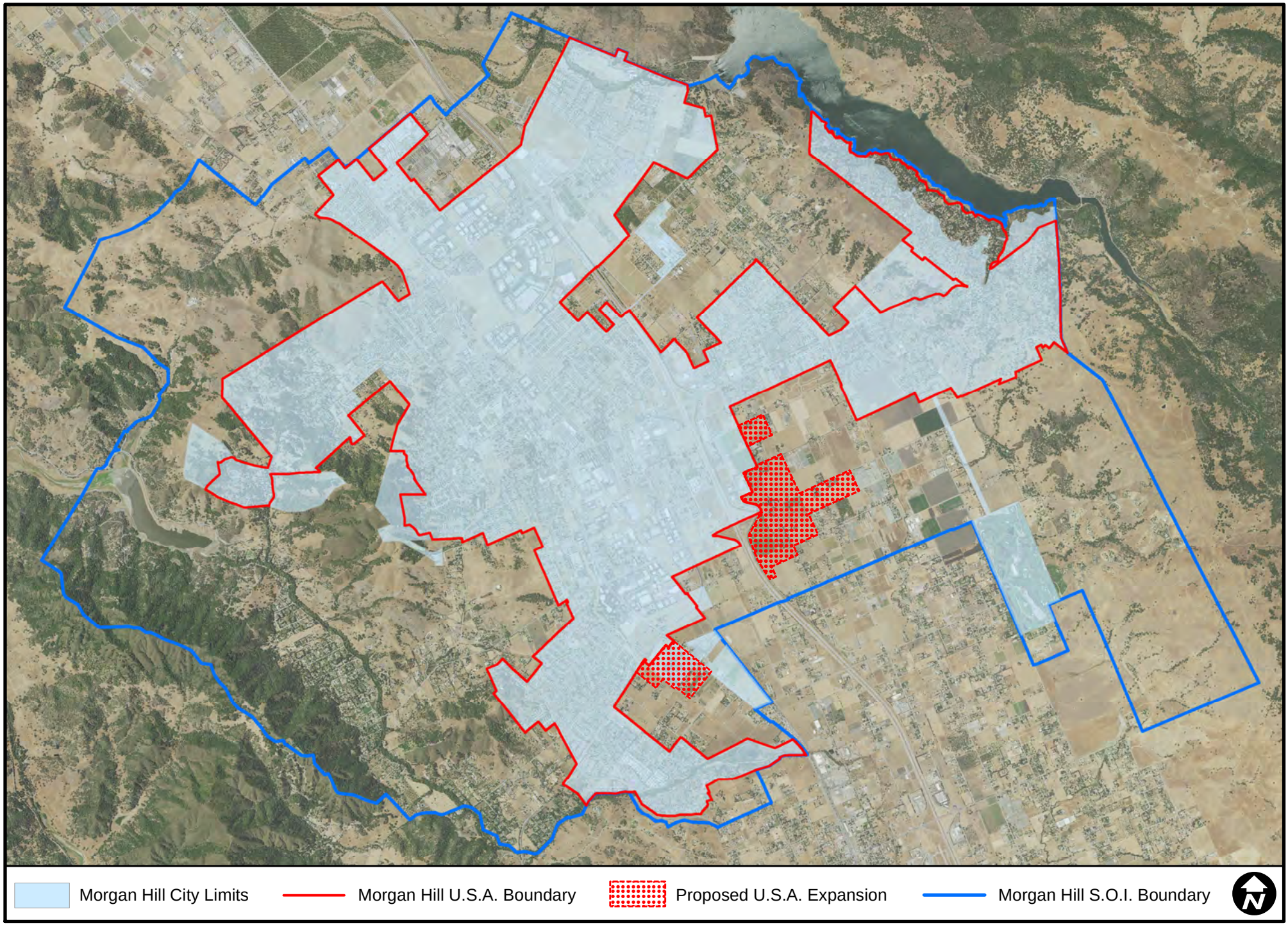
AREA 2: Monterey - Watsonville



Morgan Hill Urban Service Area Amendment 2015

Prepared by the Office of the County Surveyor

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill


Morgan Hill City Limits
Morgan Hill U.S.A. Boundary
Proposed U.S.A. Expansion
Morgan Hill S.O.I. Boundary
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LAFCO MEETING:	**March 11, 2016**
Date of Staff Report	**February 15, 2016**
TO:	**LAFCO**
FROM:	**Neelima Palacherla, Executive Officer** **Dunia Noel, Analyst** **Emmanuel Abello, LAFCO Clerk**
SUBJECT:	**AREA 1: TENNANT–MURPHY** **MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015**

STAFF RECOMMENDED ACTION

OPTION 1: STAFF RECOMMENDATION

Project Action

Deny the USA amendment request for Area 1: Tennant–Murphy.

CEQA (California Environmental Quality Act) Action:

Denial of the project does not require CEQA action.

OTHER OPTIONS FOR COMMISSION CONSIDERATION

OPTION 2:

Approve an USA amendment to include only those properties proposed for the development of the South County Catholic High School

OPTION 3:

Approve an USA amendment to include only those properties proposed for the development of the Jacoby/Morgan Hill ball fields

OPTION 4:

Approve the USA amendment request for the entire Area 1.

CEQA Action for Options 2, 3, and 4:

In order to approve the project, LAFCO as a Responsible Agency under CEQA, must take the following actions regarding the Final Environmental Impact Report (FEIR) for this project:

1. Find that, prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as shown in the FEIR.
2. Find that (a.) The Final 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. See **Attachment G** "Findings of Fact and Statement of Overriding Considerations by the City of Morgan Hill Regarding the Final EIR for Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan" for a summary of impacts.

   • Aesthetics, Light and Glare
   • Agricultural Resources
   • Biological Resources
   • Cultural Resources
   • Geology, Soils, and Seismicity
   • Hazards and Hazardous Materials
   • Hydrology and Water Quality
   • Public Services and Recreation
   • Utility Systems
3. Find that the Final EIR identified three potentially significant impacts resulting from the project that cannot be mitigated to less than significant level. These impacts are listed below:

   • Air Quality/Greenhouse Gas Emissions
   • Noise
   • Transportation
4. Find that the City of Morgan Hill submitted a mitigation monitoring program, and that monitoring program ensures compliance with the mitigation measures identified in the Final EIR that would mitigate or avoid some of the significant impacts associated with the Urban Service Area expansion, over which LAFCO has responsibility.
5. Find that, despite imposition of all feasible mitigation measures and alternatives, the project's air quality/greenhouse gases, noise, and transportation impacts will remain significant. Therefore, in order to approve the project, LAFCO must find that the project's benefits outweigh the project's significant, unavoidable environmental impacts. LAFCO staff suggest the following overriding considerations if the Commission approves the Project:

   Air Quality/Greenhouse Gases, Noise, and Transportation

   Economic, social, and other considerations justify the approval of this project in spite of the existence of unavoidable environmental effects that are deemed

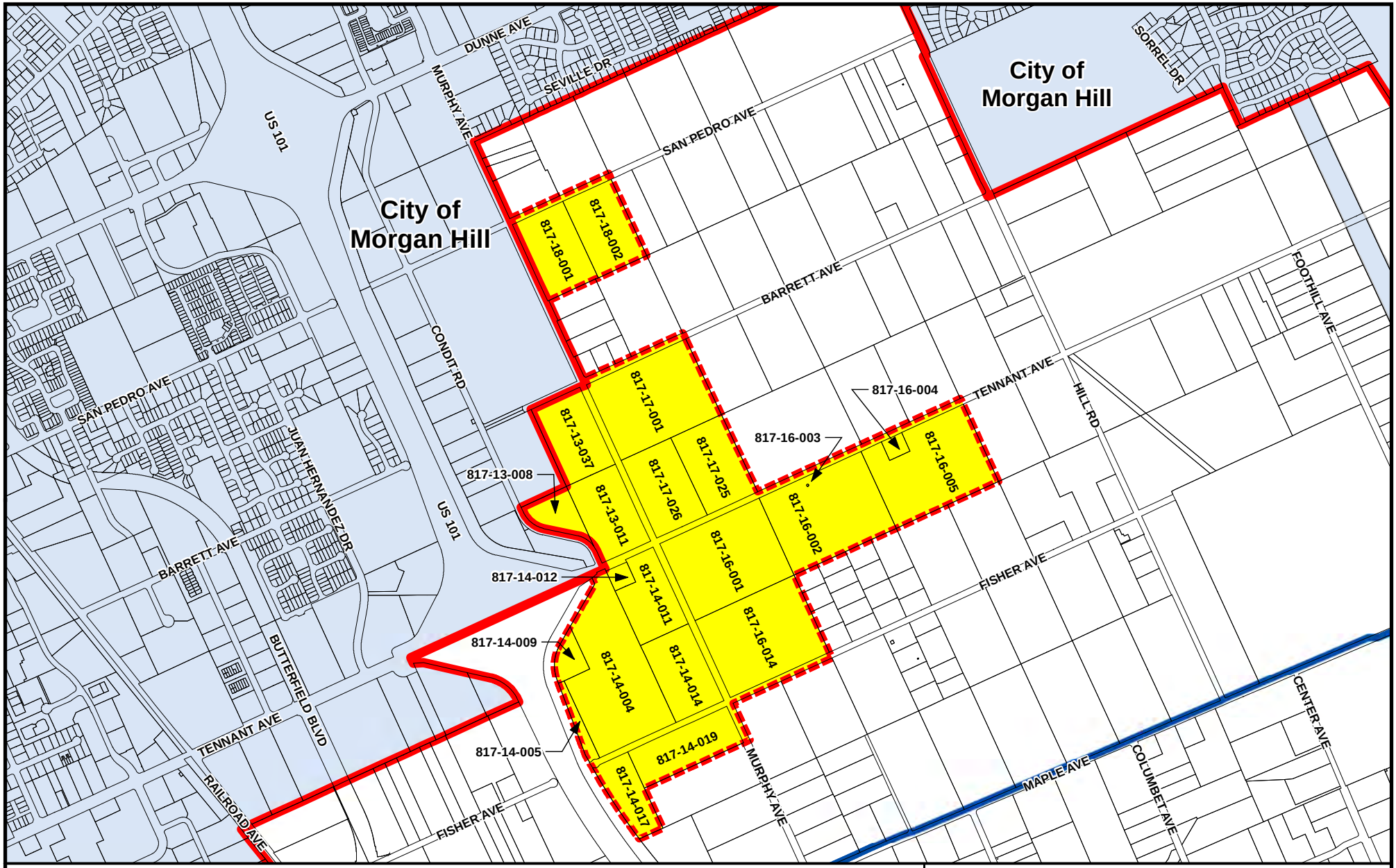
significant and that cannot be mitigated to a level of insignificant and that these benefits outweigh the risks of its potential significant adverse environmental impacts, specifically:

- The project provides an avenue to meet the educational needs of the community and support student population growth.
- The project includes sports, recreation, and leisure uses that are intended to attract visitors to Morgan Hill and is in support of the Morgan Hill General Plan policy of promoting recreation and tourism opportunities.

6. Designate the LAFCO Executive Officer as the location and custodian of the documents and other materials that constitute the record of proceedings on which this decision is based.

PROJECT DESCRIPTION

Area 1: Tennant-Murphy includes approximately 229 acres and comprises 21 parcels located east of US 101 and south of San Pedro Avenue, in the vicinity of Tennant Avenue and Murphy Avenue. This area lies within an area referred to as the Southeast Quadrant (SEQ). The proposed USA amendment would allow for annexation of the properties to the City and for development of a private high school, baseball/softball complex, various indoor/outdoor recreational facilities and other commercial uses such as retail, hotels, and gas stations. Please see map on the following page depicting existing and proposed USA boundary.



AREA 1: Tennant - Murphy
229.4 Acres ±

Morgan Hill Urban Service Area Amendment 2015

0 325 650 975 1,300
Feet

Prepared by the Office of the County Surveyor

LEGEND:
- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill

BACKGROUND

This USA expansion request for Area 1 is part of the City of Morgan Hill's larger, complex project known as the Citywide Agricultural Lands Preservation Program and Southeast Quadrant Land Use Plan, consisting of various General Plan amendments, new general plan designations, amendment of growth management boundaries, new zoning designations, development proposals, and agricultural preservation ordinances/ program – a project that the City indicates it has been working on in some form, for nearly 10 years.

Since 2010, LAFCO staff as a responsible agency for CEQA, has provided extensive comments and spent significant time and resources in discussions and meetings with the City and other affected public agencies, interested organizations, property owners and the public. **Attachment C** provides more details on City actions and LAFCO's activities related to the SEQ, such as commenting on City's CEQA documents; collaborating with local agencies to develop an alternate SEQ plan; and providing information on LAFCO to City staff/officials, organizations, and property owners. **Attachment F** is a compilation of LAFCO's letters to the City on the SEQ Plan.

The City submitted this USA amendment application to LAFCO in October 2015 – however, it did not contain all the necessary information as required by LAFCO. At staff's request for further clarification and more detailed information, the City submitted Supplemental Information in December 2015. Since the submittal of the application, staff has had numerous email and phone discussions with the City in order to get clarification and to understand the City's proposal.

The City also submitted additional material on February 11, 2015 and requested that it be provided to the Commission.

Appendix Z includes the City's Application material, Supplemental Information and the recently submitted additional material.

EXISTING AND PROPOSED LAND USES AND DESIGNATIONS

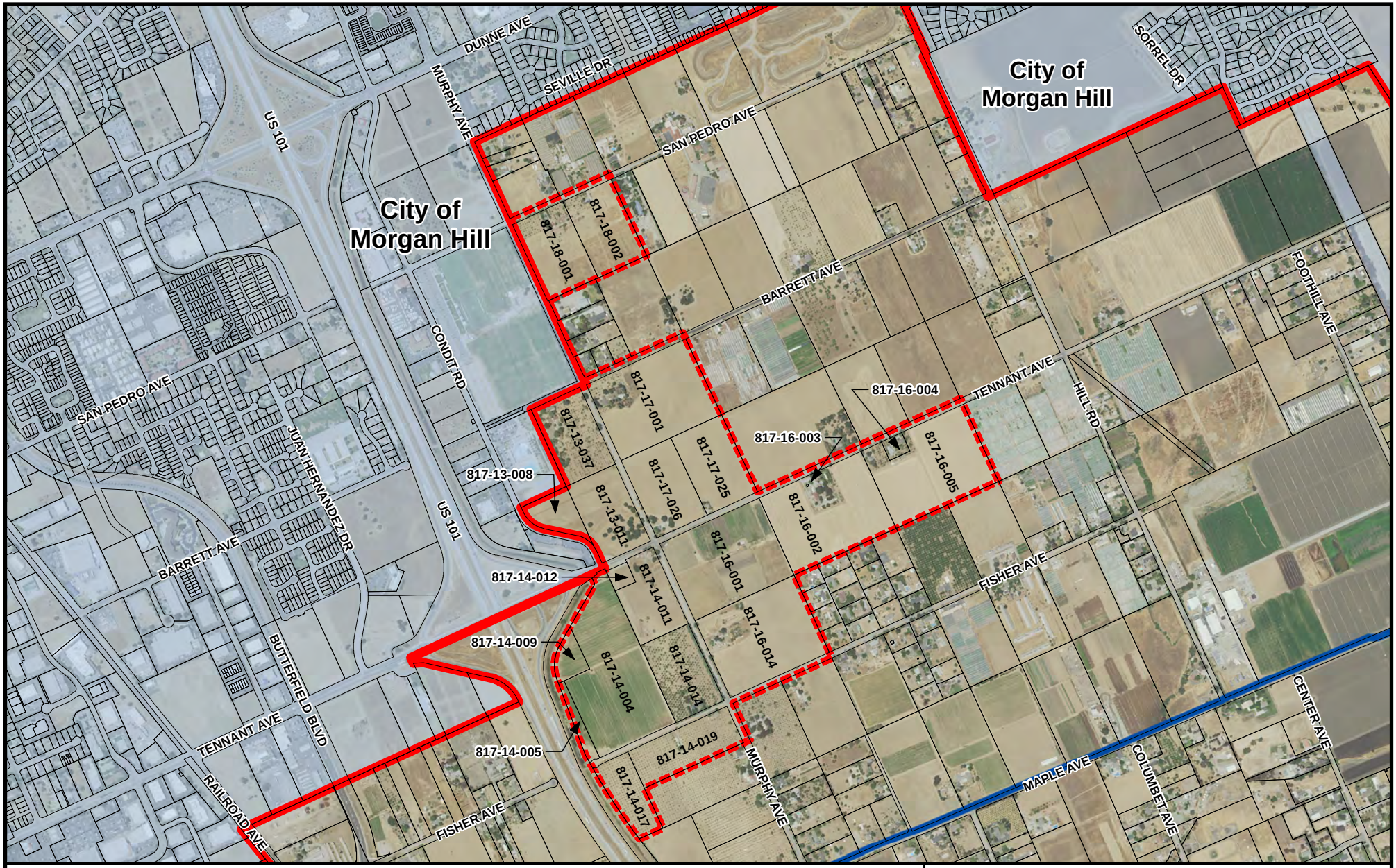
EXISTING LAND USES / DESIGNATIONS

The entire Area 1 lies in the unincorporated county and is designated as Medium Scale Agriculture in the County General Plan and is zoned for agriculture with a 20 acre minimum lot size. A site visit on October 14, 2015, indicated that the area is primarily rural farmland - much of the area is currently being farmed with row crops, some of the lands are being prepared for farming, a few properties are left fallow, and portions of some properties contain orchards and/or rural residential uses. In 2014, a 40,000 square feet concrete pad was constructed on the property at the corner of Tennant and Murphy Avenues to allow up to 40 vendors to set up stalls for a weekend-farmers market.

The table below summarizes the existing and proposed land use designations for Area 1.

AREA 1: EXISTING AND PROPOSED LAND USE DESIGNATIONS

APN	ACRES	EXISTING LAND USE	COUNTY GENERAL PLAN	COUNTY ZONING	CITY GENERAL PLAN	CITY PRE-ZONING
817-17-001	18.68	Agriculture / Residential	Agriculture Medium Scale	A-20 Acre	Public Facilities	PF PD
817-17-025	10	Agriculture / Residential	Agriculture Medium Scale	A-20 Acre	Public Facilities	PF PD
817-17-026	10	Agriculture / Residential	Agriculture Medium Scale	A-20 Acre	Public Facilities	PF PD
817-16-002	19.28	Cultivated ++ hay/ Residential	Agriculture Medium Scale	A-20 Acre	Sports/Recreation/ Leisure	SRL A
817-16-004	0.92	Residential	Agriculture Medium Scale	A-20 Acre	Sports/Recreation/ Leisure	SRL A
817-16-005	18.36	Cultivated ++ hay	Agriculture Medium Scale	A-20 Acre	Sports/Recreation/ Leisure	SRL A
817-16-014	18.68	Agriculture / Residential	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL A
817-18-001	9.54	Cultivated ++now	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL A
817-18-002	9.13	Cultivated ++ now	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL A
817-13-008	3.85	Uncultivated	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-14-004	22.04	Agriculture	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-14-005	1.52	Agriculture	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-14-009	2.24	Agriculture	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-13-037	9.18	Uncultivated	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-13-011	9.04	Uncultivated	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL B
817-16-001	19.28	Uncultivated/Farmers Market site	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL B
817-14-017	5.64	Agriculture	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-14-019	8.89	Agriculture	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-14-011	7.93	Uncultivated	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL B
817-14-012	0.99	Uncultivated	Agriculture Medium Scale	A-20 Ac-sr	Sports/Recreation/ Leisure	SRL B
817-14-014	9.04	Agriculture / Residential	Agriculture Medium Scale	A-20 Ac	Sports/Recreation/ Leisure	SRL B



AREA 1: Tennant - Murphy
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Prepared by the Office of the County Surveyor

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SURROUNDING LAND USES

Area 1 is bound on the west by Condit Road, Murphy Avenue and Highway 101. Properties to the west of Condit Road and Murphy Avenue lie within the City of Morgan Hill and include hotels and the City of Morgan Hill's Outdoor Soccer Complex and Aquatics Center. Properties west of Highway 101 lie in the unincorporated county and contain agricultural/undeveloped lands, and rural residential uses.

Properties to the east, north and south of Area 1 are unincorporated lands – this unincorporated area, within which Area 1 lies, is referred to as the SEQ and consists generally of agricultural, and rural residential uses. The SEQ includes nearly 1,200 acres of unincorporated rural and agricultural lands and is generally bound by Maple Avenue to the south; Carey Avenue to the east; Morgan Hill city limits to the north; and Highway 101 and Morgan Hill city limits to the west. It is one of the few remaining agricultural areas within Santa Clara County.

PROPOSED LAND USES / DESIGNATIONS

On November 5, 2014, the Morgan Hill City Council amended the City General Plan and established a new General Plan designation called Sports-Recreation-Leisure (SRL). On February 4, 2015, the City applied the SRL designation to all the properties in Area 1 except for three parcels which were designated Public Facilities (for the high school site). On July 15, 2015, the City amended its Zoning Code to include two new zoning districts: SRL A – which will support recreational uses such as adventure sports/ facilities, batting cages, equestrian centers, indoor /outdoor sports centers; and SRL B – located adjacent to Highway 101, which will support recreational and commercial uses such as gas stations, restaurants, hotels, and stadiums. At that same meeting, the City Council also applied the SRL A and SRL B pre-zoning designations to the properties in Area 1. Should LAFCO approve the USA expansion and city annexation of these lands, the City's General Plan and Zoning designations would become effective.

Of the several development projects anticipated in Area 1, the City indicates that except for the private Catholic High School and Jacoby/Morgan Hill Ball Fields, all other projects are speculative at this time.

South County Catholic High School

The project is proposed on approximately 38 acres between Barrett Avenue and Tennant Avenue, to the east of Murphy Avenue. The project is planned in phases and will lead to the development of 210,441 square feet of indoor facilities, sufficient to accommodate 1,600 students and 125 staff. Phase I is projected to begin in late 2017 and will include the development of 65,100 square feet of facilities to accommodate 600 students and 55 staff. The remaining project is contingent on fundraising.

Jacoby / Morgan Hill Ball Fields

The site includes approximately 26 acres and is located between Tennant Avenue and Fisher Avenue at the southeast corner of US 101/Tennant Avenue interchange. In

August 2015, the City purchased the property for the development of 6 baseball/softball fields. According to the purchase agreement, a portion of the site (3.6 acres) will be sold back to the landowner for the development of approximately 35,000 square feet of commercial uses.

In 2012, the City issued a Competitive Solicitation of Future Park Property for the purchase of property suitable for ballfields. The City indicates that it received 9 proposals in response, only one of which was located within the city limits – that proposal was rejected as its shape was deemed not particularly conducive to ballfields development.

The City Council authorized entering into a Letter of Intent on August 2, 2013 for the Jacoby property. The City Council then approved the Option to Purchase Agreement on July 2, 2014. On July 15, 2015, the City Council approved the purchase of 22.2 acres of the site for $5,283,601 (plus closing costs) at $238,000 per acre and the purchase of the remaining 3.6 acres of the site for $1 – which according to the Option Agreement, the City will sell back to the land owner for $1 in order for it to be developed for commercial uses.

Craiker / Grestoni Sports Retail and Restaurant Uses

The site includes approximately 4 acres, located along Condit Road, north of Tennant Avenue. The anticipated development on this site includes 40,000 square feet of sports oriented retail and 3,000 square feet of sports-themed restaurant space.

Puliafico Sports-Recreation-Leisure Uses

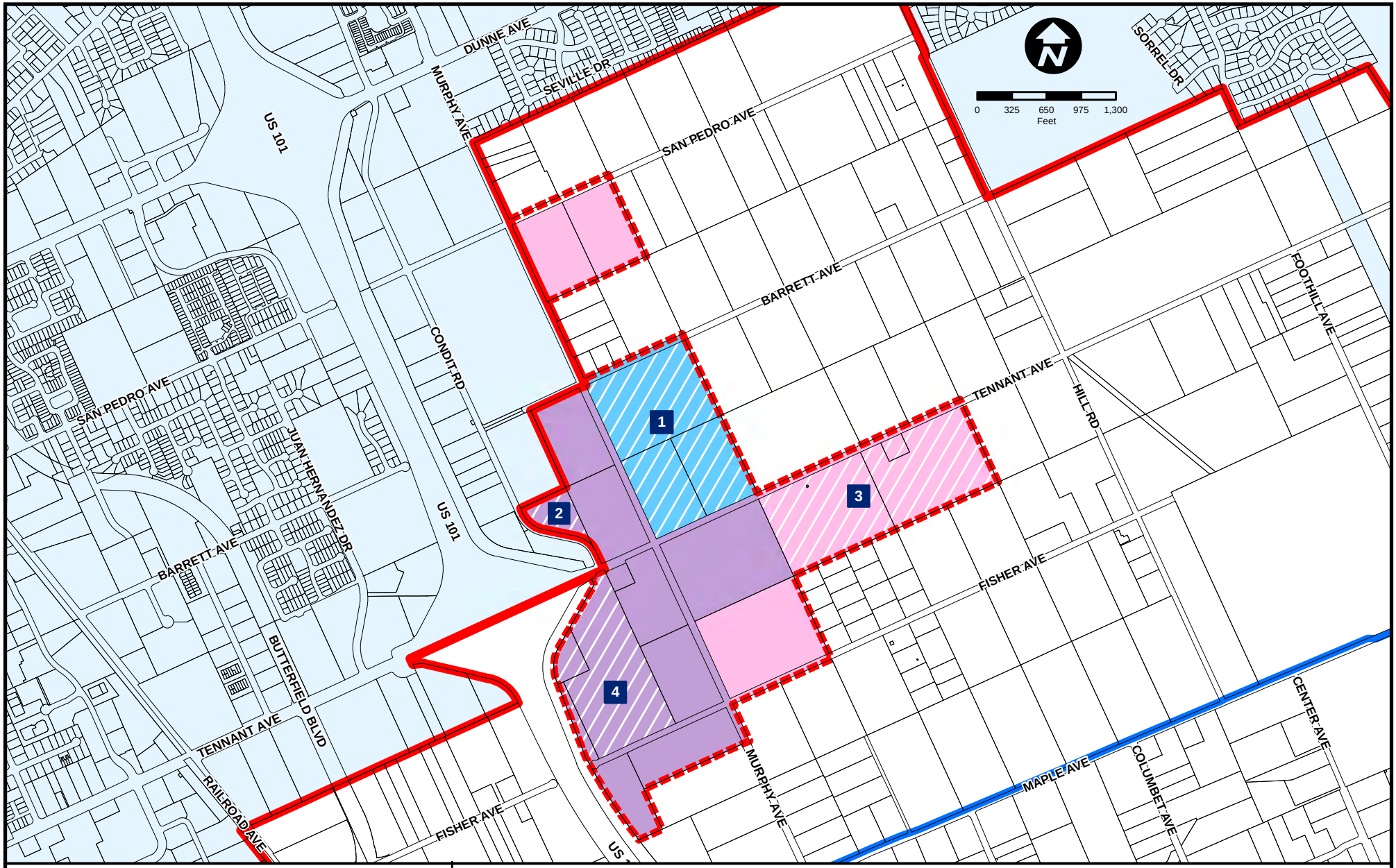
The approximately 39 acre site is located on Tennant Avenue east of Murphy Avenue. Development on this site may include 20,000 square feet of medical offices for sports injuries and up to 36 acres of sports fields and related uses.

Remaining Area

The remaining 109 acres of Area 1 is anticipated to be developed with 100,000 square feet of indoor sports facility, 80 acres of sports fields, two 120-room hotels, one gas station, and approximately 100,000 square feet of retail.

As mentioned previously, the majority of the proposed development in Area 1 is speculative at this time and specific development proposals have not been submitted.

We recently became aware that the Morgan Hill Unified School District (MHUSD) is considering negotiating the purchase of six properties involving six parcels (APNS 817-18-001 & 002; and APNs 817-16-002, 003, 004, & 005), within Area 1, including the Puliafico property, for the development of future school facilities such as a middle school and / or a high school.



Proposed Zoning Designations and Anticipated Development Projects

Prepared by the Office of the County Surveyor

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill
- Anticipated Development Project

Proposed City Zoning Designations

- PF(PD) Public Facilities Planned Development
- SRL A Sports/Recreation/Leisure A
- SRL B Sports/Recreation/Leisure B

Anticipated Development Projects

1. South County Catholic High School
2. Craiker Sports Retail/Restaurant Uses
3. Puliafico Sports-Recreation-Leisure Uses
4. Jacoby/Morgan Hill Ball Fields

CONSISTENCY WITH LAFCO POLICIES

LAFCO policies and State law identify several factors that LAFCO must consider when reviewing a proposal. The following table is a summary of staff analysis; detailed discussion and evaluation of these factors is included in **Attachment A**.

SUMMARY OF ANALYSIS: CONSISTENCY WITH LAFCO POLICIES

EVALUATION FACTORS	STAFF CONCLUSIONS	REFERENCE TO DETAILED ANALYSIS
Is there a need for the proposed USA expansion based on availability of vacant land within existing city boundaries?	No. The City has 45 years of vacant commercial and 27-67 years of vacant industrial lands within its boundaries which allow for development of the proposed uses.	Attachment A, pp. 1 - 3 Attachment B Appendix X
Are the proposed boundaries logical, and orderly?	No.	Attachment A, p. 4
Does the proposed USA expansion have growth inducing impacts?	Yes.	Attachment A, p. 4
Does the proposed USA expansion convert prime agricultural lands or adversely impact agricultural lands?	Yes. The proposed USA expansion results in conversion of 229 acres of prime agricultural lands and adversely impacts the surrounding farmlands in the SEQ.	Attachment A, pp. 6 - 11 Appendix Y
Does the City have the ability to provide and fund services to Area 1 without lowering service levels to its current residents and service area?	No. The City has not adequately demonstrated its ability to provide and fund services to Area 1.	Attachment A, pp. 12 - 17
Is the proposed USA expansion consistent with the Regional Transportation Plan / Plan Bay Area?	No. The proposed USA expansion is not consistent with the regional planning goals of focusing growth within the existing urban footprint.	Attachment A, p. 18
Has the City annexed all of its unincorporated islands within its USA prior to seeking USA expansion?	No. The City is open to annexation of Holiday Lakes Estates provided sufficient resident support for the sewer infrastructure assessment.	Attachment A, p. 19
Is the proposed USA expansion consistent with City and County General Plan Policies?	No.	Attachment A, pp. 20 - 22

ENVIRONMENTAL ASSESSMENT

LAFCO is a Responsible Agency under CEQA for the proposal. Please see **Attachment G** for the environmental assessment and supporting documents including the Draft EIR and Final EIR for the project.

COMMENT LETTERS FROM AFFECTED LOCAL AGENCIES / PUBLIC AGENCIES

LAFCO has received a comment letter from the Santa Clara Valley Open Space Authority (OSA). (See **Attachment D**)

The County of Santa Clara is expected to also provide a comment letter, which will be provided to the Commission in a Supplemental Packet.

OTHER COMMENT LETTERS RECEIVED TO DATE

LAFCO has received numerous comment letters regarding the proposed USA expansion. (See **Attachment E**)

Additional letters received after the publication of the staff report will be included in a Supplemental Packet and provided to the Commission.

STAFF RECOMMENDED ACTION

OPTION 1: STAFF RECOMMENDATION

Project Action

Deny the USA amendment request for Area 1: Tennant -Murphy.

Reasons for Staff Recommendation

The City is seeking USA expansion for Area 1 in order to allow for development of a private high school, baseball/softball complex, various indoor/outdoor recreational facilities and other commercial uses such as retail, hotels, and gas stations. The City has vast inventories of vacant commercial lands (45 years supply) and industrial lands (26 to 67 years supply) within its existing boundaries on which such public facility, commercial recreation and other commercial uses may be developed. Expansion of the USA to include Area 1 will result in the conversion of 229 acres of prime agricultural lands – a rapidly diminishing resource in the county – and will adversely impact the viability of agricultural lands in the area. The City's justification that development of these lands will generate agricultural mitigation funding which will be used to preserve farmlands nearby is unreasonable – not only because there are serious deficiencies with the City's agricultural lands preservation program as explained in this **Appendix Y**, but also because agricultural lands are a finite resource and in this case there is no demonstrated need to convert them.

The City envisions that the proposed SRL uses will be compatible with and complement its vision for agricultural preservation in the SEQ. However, the proposed large scale

urban development envisioned for Area 1 combined with the proposals being considered for lands within the greater SEQ – such as the Chiala's proposal to construct 160 new single-family residences immediately to the east of the agricultural preservation area through a potential transfer of development rights program, suggests an entirely different long-term vision – less agricultural and more like the beginnings of a new city neighborhood.

Thus the proposal in many ways is a classic example of the type of urban sprawl, and unnecessary/premature conversion of prime agricultural lands that was prevalent in the county during the 1950s and 1960s. Such projects and concerns were the impetus for the State Legislature's creation of LAFCO in 1963 and for the local adoption and use of city USA boundaries as a key planning and growth management tool since 1972. The USA is a 5 year boundary and includes only those lands that the City plans to and has the ability to annex and provide with urban services, infrastructure and facilities within the next five years. Because the inclusion of lands within a city's USA results in those lands being committed in perpetuity for urban development, it is crucial to evaluate whether the infrastructure, services and investments needed to develop the area are or will be available to the City.

The City is proposing to add 229 acres of rural / agricultural lands with minimal existing urban infrastructure to its USA, for anticipated development that for the most part (except for the private high school and ballfields totaling 64 acres) is speculative. Even though the City acknowledges that new infrastructure must be extended to serve the area, the City has not adequately demonstrated the ability to provide and fund the necessary services to the new area without impacting or lowering service levels to its current service area / residents. This is of particular concern given that the City's Public Infrastructure Financing Report indicates that the City currently has an annual $5.8 million gap in its capital improvement funding. The City is considering a potential ballot measure or other revenue enhancement options to finance this current infrastructure funding gap. Further, the Fiscal Impact Analysis for Area 1 indicates that the projected fiscal surpluses to the City from the annexation and anticipated development of Area 1 are largely dependent on the successful development and operation of the retail and lodging components of the proposed project; the development of these components is only speculative at this time.

The City's plan to expand and develop agricultural lands does not conform with the growing recognition at the state, regional and local level that future development should, when and where possible, be directed into infill areas located within existing urban footprints in order to reduce the amount of transportation related greenhouse gases generated. As LAFCO's recently adopted Cities Service Review indicates, over the last 15 to 20 years, many cities in the county have adopted strong efforts to limit their geographic expansion and have found ways to accommodate substantial population growth within their existing boundaries. For example, the City of Milpitas' population increased by 43% between 1990 and 2015, with no increase in land area; the City of

Sunnyvale's population increased by 26% with less than 5% increase in land area; and the City of Santa Clara's population increased by 29% with no increase in land area.

The City indicates that they have been working on the SEQ project for over 10 years. Since 2010, when LAFCO first became aware of the SEQ Plan, LAFCO has submitted multiple comment letters expressing various concerns about the plan and its associated environmental analysis; many of those issues have gone unaddressed and remain a concern as described in this report. Disregarding its own policies and the County's General Plan policies and various requests from public agencies, organizations and the community, the City made a deliberate decision to exclude the SEQ Plan (which included major General Plan amendments) from its comprehensive 2035 General Plan update process that began in 2012 and that is currently in progress. The good faith effort that LAFCO, OSA and the County put into working with the City in order to develop an alternate plan for the SEQ had to be cut short because the City failed as per mutual understanding to hold off on taking key actions on the SEQ plan while the discussions were in progress. Without broad community input, or a clear vision that is consistent with regional / citywide policies, plans and goals, the City has moved forward with a major USA expansion proposal that is pieced together property by property to meet individual property owner's desires.

Staff recommends denial of the USA expansion for Area 1.

OTHER OPTIONS FOR COMMISSION CONSIDERATION

Option 2:

Approve an USA amendment to include only those parcels proposed for the development of the South County Catholic High School.

Reasons for <u>Not</u> Recommending this Option

This option would allow for annexation of the 38 acre property to the City and allow for the construction of a new private high school for 1,600 students.

The Catholic Diocese of San Jose purchased this property located in the unincorporated county where urban development is not allowed and where urban services such as public sewer and water are not available, with the intent to construct a private high school. The lands proposed for the private high school are not even contiguous to the existing city limits or USA. In order to create contiguity at least three intervening properties must also be included – illustrative of leapfrog development.

In 2003, the City requested and obtained LAFCO approval for an USA expansion on behalf of the Catholic Diocese of San Jose – which owned unincorporated property at the northwestern edge of city, in order to develop a private high school. The City's rationale for that USA expansion was that it lacked parcels of the size required for a high school along a major arterial within the city limits. However, the high school was never developed and the site has since been rezoned to allow for residential development and

is currently being developed with new single family homes. Given that State law allows a city to change the zoning designation two years following annexation, there is no guarantee that the proposed private high school site in the SEQ will not be rezoned to allow more residential development or another type of land use in the future.

As described in **Appendix X**, the City has nearly 100 years of vacant land supply within its existing boundaries which would allow development of the proposed uses. The proposed USA expansion would result in unnecessary conversion of nearly 40 acres of prime agricultural lands and the proposed development would create further land use conflicts with the surrounding agricultural lands and encourage development of additional lands.

For all of the above reasons, staff does **not** recommend this option.

OPTION 3:

Approve an USA amendment to include only those properties proposed for the development of the Jacoby/Morgan Hill ball fields.

Reasons for Not Recommending this Option

This option would allow the City to annex and develop the 26 acre property located at the southeast corner of US 101 / Tennant Avenue interchange, with SRL uses – specifically ballfields and commercial development.

In August 2015, the City purchased this rural, agricultural property located in the unincorporated county outside the City's USA, where rural and agricultural land uses are planned, where urban development is not allowed, and where urban services, such as water and sewer, are not provided. Purchasing such properties prior to their inclusion in the City's USA boundary is problematic, as there is no guarantee that LAFCO will approve an USA amendment request to facilitate the City's future annexation and development of the property. The City had a similar approach for the City's nearby Outdoor Sports Center (Soccer Fields) and Aquatic Center which were included in the City's USA in 2002 and 2003 respectively, after the City purchased unincorporated lands. Such purchases are speculative and represent a disconnect between land use planning and public facility planning, particularly because this county does not provide urban services such as public sewer or water in the unincorporated areas – necessary for the development of such urban facilities. In 2003, following LAFCO's approval of the City's request to include Sobrato High School within its USA boundary, LAFCO notified school districts and cities about the potential issues with such speculative property purchases by public agencies in rural unincorporated areas and requested that LAFCO be consulted as early as possible, in order to avoid unnecessary conflicts as there is no guarantee that LAFCO will approve boundary expansions or extensions of service to the unincorporated property. LAFCO was not informed of this purchase by the City.

It appears that the expansion of the USA boundary for the Soccer Complex led to the request for the Aquatic Park and now for the ballfields. We are also aware that the

MHUSD is negotiating the purchase of properties for siting school facilities in Area 1. There is no guarantee that such requests will not continue.

As mentioned above, the City has large inventories of vacant commercial and industrial land where such recreational facilities and commercial development may be allowed. The proposed USA expansion would result in the unnecessary conversion of 26 acres of prime agricultural lands and would create further land use conflicts with surrounding agricultural lands and encourage development of additional lands.

While the City has adopted an Agricultural Lands Preservation Program, significant concerns remain about the potential effectiveness of City's Program. The City has not provided a plan to mitigate the loss of these prime farmlands and the impacts that the potential development of this property may have on surrounding farmlands.

For all of the above reasons, staff does **not** recommend this option.

OPTION 4:

Approve the USA amendment request for the entire Area 1.

Reasons for Not Recommending this Option

The City indicates that they have been working on this proposal for 10 years and that the proposal is part of the City's economic development strategy, by allowing for the development of community and regional serving facilities. Although Area 1 includes rural/agricultural lands located in the unincorporated county, a portion of the proposal area is adjacent to the City's soccer facility and aquatic center. The City has purchased 26 acres of prime agricultural lands in the unincorporated area for the construction of new ball fields in the area. Similarly, the Catholic Diocese of San Jose has purchased nearly 40 acres of prime agricultural lands in the unincorporated area for the construction of a private high school.

LAFCO's mandate is to discourage urban sprawl, preserve agricultural lands and open space, and ensure efficient delivery of services. The proposal is inconsistent with LAFCO's mandate and LAFCO's policies because the City has a substantial amount of vacant lands where it can accommodate the specific developments included in the proposal; the proposal is an example of urban sprawl and leapfrog development and is in conflict with regional plans/goals calling for infill, compact development in order to reduce the amount of transportation related greenhouse gases generated; the City has not demonstrated that it has the ability to provide and fund urban services to this area without detracting from current service levels to existing areas; the City currently has an annual $5.8 million gap in its capital improvement funding and is considering a potential ballot measure or other revenue enhancement options to finance this current infrastructure funding gap; the projected fiscal surpluses to the City General Fund from the proposal area are largely dependent on the successful development and operation of land use components that are only speculative at this time; the proposal would result in the unnecessary and premature conversion of 229 acres of prime agricultural land in one

of the last remaining agricultural areas in the county; and significant concerns have been raised by LAFCO and other local agencies and organizations regarding the effectiveness of the City's Agricultural Lands Preservation Program.

The County and OSA, working in partnership, are in the process of developing a new regional approach for preserving agricultural lands that, if successful, will generate a significant amount of funds from the State for agricultural conservation easements. This effort could be hindered by the inclusion of Area 1 in the City's USA.

For all of the above reasons, staff does **not** recommend this option.

ATTACHMENTS

Attachment A:	Analysis of Consistency with LAFCO Policies
Attachment B:	City of Morgan Hill's USA Amendment Applications for Public Facilities Since 2000
Attachment C:	LAFCO Activities and City Actions Related to the SEQ Plan
Attachment D:	Comment Letter from the Santa Clara Valley Open Space Authority
Attachment E:	Other Comment Letters Received to Date
Attachment F:	LAFCO's Comment Letters to the City of Morgan Hill on the SEQ Plan and Agricultural Lands Preservation Program
Attachment G:	Environmental Assessment and CEQA Documentation

ATTACHMENT A

LAFCO
Local Agency Formation Commission of Santa Clara County

CONSISTENCY WITH LAFCO POLICIES: AREA 1

LAFCO policies and state law identify several factors that LAFCO must consider when reviewing a proposal. The following is a discussion and evaluation of the most relevant factors for this urban service area (USA) expansion proposal.

AVAILABILITY OF VACANT LAND WITHIN EXISTING BOUNDARIES

State law and LAFCO policies encourage the development of vacant lands within existing boundaries of a city before any proposal is approved which would allow for or lead to development of open space or farmlands located outside the city boundaries – in order to prevent urban sprawl and inefficient growth patterns; and unnecessary impacts to agricultural or open space lands. USA boundaries delineate those lands needed by a city to accommodate 5 years of growth.

The City seeks to expand its USA in order to allow the development of sports–recreational-leisure (SRL) uses and a private high school.

Vacant Lands Supply

A review of the City of Morgan Hill's Zoning Ordinance indicates that commercial recreational uses such as those proposed in the SRL designation are allowed as conditional uses on all Industrial designated lands; and in a more limited manner, permitted or conditionally permitted on some Commercial designated lands. It should also be noted that the anticipated development in Area 1 (for the SRL designation) includes a significant commercial component including hotels, gas stations, restaurants, professional offices and retail. As seen in **Appendix X**, the **City has 27 to 67 years of vacant industrial land supply and 45 years of vacant commercial land supply.** This estimate does not include the commercial designated lands proposed for inclusion in the Area 2 USA amendment application or any lands contemplated for USA inclusion through the City's General Plan 2035 update process that is currently in progress.

When a city with a substantial supply of vacant land within its current boundary wants to include more lands, LAFCO policies require the City to explain why expansion is

necessary, why infill development is not undertaken first and how efficient growth patterns will be maintained.

City's Rationale for USA Expansion

The City's rationale is included in Appendix C and summarized below. The City acknowledges that such uses could be theoretically accommodated within the industrial / commercial land inventory located in the City, but believes that those lands may not be suitably located, or sized, or it may not be economically feasible to support the envisioned recreational or high school uses on such lands.

The City indicates that the development of SRL and private high school uses along Highway 101 at the Tennant interchange would benefit from existing public investment in infrastructure (the highway interchange) and proximity to existing recreational facilities (City Aquatic Center and the Soccer Fields) and further the City's economic development goals.

The City indicates that the development of the SRL uses would also further the City's agricultural lands preservation goals by funding the acquisition of easements within the City's Agricultural Lands Priority Conservation Area, while conversion of existing industrial lands would not provide a funding mechanism for preservation of agricultural lands. The City believes that if the City does not begin to implement this Program in the SEQ, the existing agricultural land supply will continue to erode as the County continues to allow such lands to be developed with residential uses.

LAFCO Staff Analysis

This rationale and approach to agricultural preservation and city growth (i.e., converting existing prime agricultural lands into speculative urban uses in order to preserve other agricultural lands) conflicts with this county's longstanding growth management framework. There is a new effort underway in the county to develop a strategy for protecting farmlands and reducing greenhouse gas emissions, which if successful will generate new funding for purchase of conservation easements.

As described in **Attachment B**, in the last 15 years alone, the City has requested and obtained USA expansions totaling over 100 acres, to locate new public facilities. The facilities for which the USA was expanded include: the City's Soccer Complex, the Aquatic Center, a private high school that was never built, and the Sobrato High School.

Additionally, in 2000, the City obtained an USA expansion for 20 acres of prime farmland for the development of industrial uses along Monterey Road north of Watsonville Road, which currently appears to only contain rural residential uses. In 2003 again, the City obtained approval for an USA expansion of nearly 20 acres of prime farmland for the development of industrial uses along US 101 north of Dunne Avenue, which also appears to be only partially developed.

While it may be convenient to acquire and/or develop rural agricultural lands on the edges of the city due to their availability for sale or their relatively large parcel sizes and

lower acquisition costs, such lands are a finite resource and should be considered for development only as a last resort. The City has nearly 100 years of vacant lands supply that could potentially be utilized for the City's proposed development purposes. The benefits of using lands within the City's existing urban footprint are that it enables the City to – maximize efficiencies for delivering services to these lands, plan for improved transit, bicycle and pedestrian access in order to reduce greenhouse gas emissions, and preserve the surrounding farmlands. The City needs to develop targeted strategies that encourage better utilization of the vacant lands located within its existing boundaries.

LOGICAL, ORDERLY BOUNDARIES AND GROWTH INDUCING IMPACTS

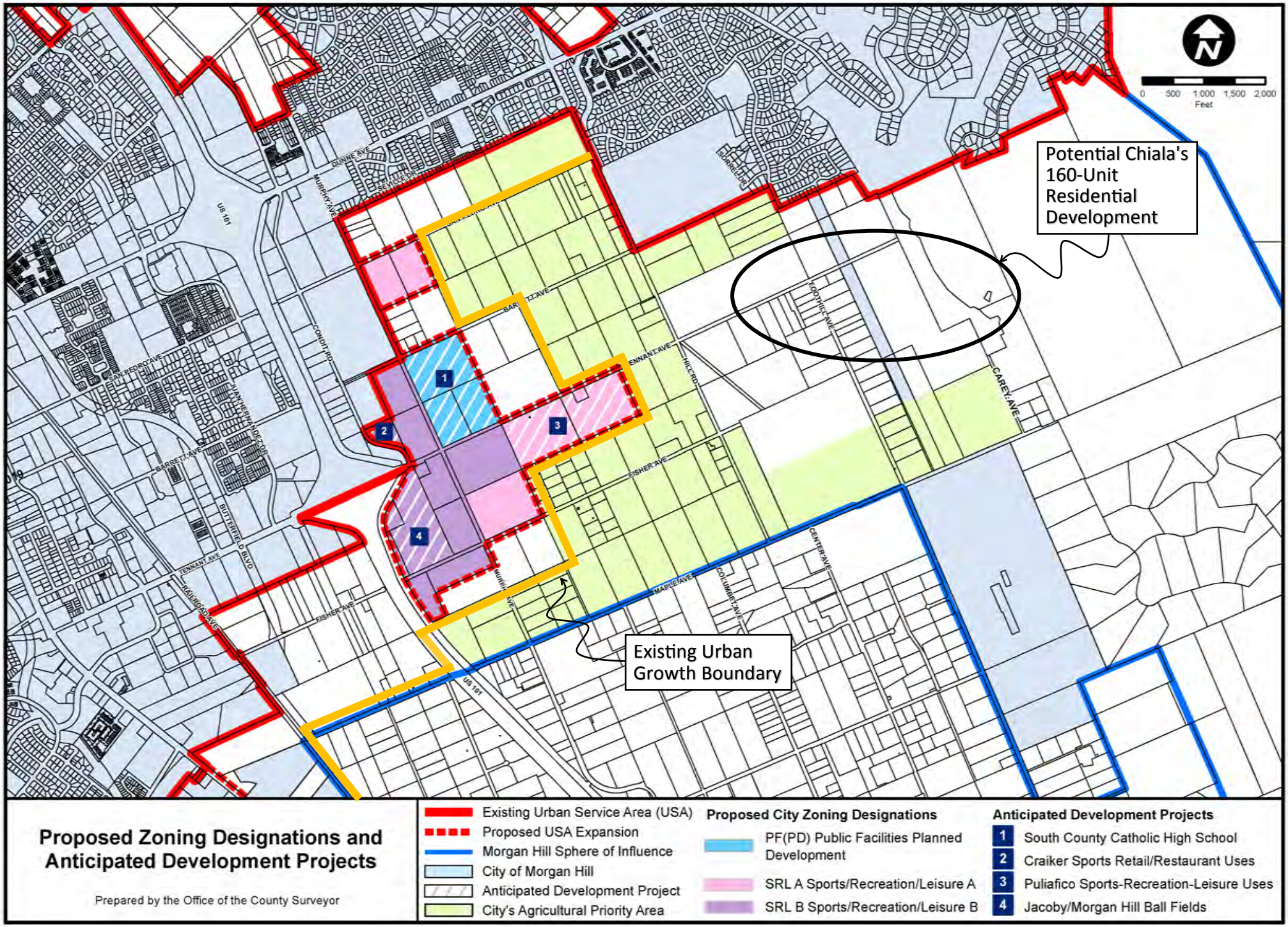
Area 1 is located within the SEQ – an unincorporated rural and agricultural area. The proposed boundaries, if approved, would create a peninsula of new urban development that juts directly into the center of the SEQ. The proposed USA boundaries are not logical or orderly and would result in the unincorporated lands to the north of Area 1 becoming substantially surrounded by the city limits, much like an island and similar to other areas historically created along the periphery of the City such as Area 2, which the City is now trying to correct.

Further, the irregular nature of the proposed boundaries and the lack of any defined buffers between the proposed urban uses and the existing agricultural/rural uses will likely increase adjacent landowners' expectations that the city will annex their properties in due time.

Because Area 1 is located in an unincorporated area without any existing urban services such as sewer, water, or storm water facilities, new infrastructure must be extended into this area, not only increasing the City's operating costs but raising adjacent landowner's expectations that further service extensions are possible in the future.

The City has identified the SEQ as its Priority Agricultural Preservation Area. The type of uses envisioned for Area 1 are generally not compatible long-term with the agricultural / rural activities and are likely to create significant land use conflicts. According to the City, the new uses such as a private high school, ballfields, sports facilities, and other commercial uses envisioned for Area 1 are intended to help the City attract a major influx of visitors from the greater region to the area. Such an influx of people into a rural agricultural area will hinder agricultural operations, generate increased traffic on the rural roads and increase potential conflicts with existing rural/ agricultural operators' use of those roads. Extension of services such as sewer and water lines and other infrastructure improvements could promote premature growth on the surrounding unincorporated lands.

The proposed boundaries and the proposed introduction of new urban uses into an existing agricultural and rural residential area are more likely to lead to greater land speculation and ultimately increased development pressure on adjacent lands, both of which will make it that much more difficult to achieve the City's stated goal of preserving agricultural lands in the SEQ.



Proposed Zoning Designations and Anticipated Development Projects

Prepared by the Office of the County Surveyor

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill
- Anticipated Development Project
- City's Agricultural Priority Area

Proposed City Zoning Designations

- PF(PD) Public Facilities Planned Development
- SRL A Sports/Recreation/Leisure A
- SRL B Sports/Recreation/Leisure B

Anticipated Development Projects

1. South County Catholic High School
2. Craiker Sports Retail/Restaurant Uses
3. Puliafico Sports-Recreation-Leisure Uses
4. Jacoby/Morgan Hill Ball Fields

CONVERSION OF/IMPACTS TO PRIME AGRICULTURAL LANDS

Area 1 is located in an unincorporated area and has a County General Plan designation of Agriculture-Medium Scale. Staff site visits and data obtained from the County Agricultural Commissioner's Office (Herbicide and Pesticide Permitting Data, November 2015) indicate that the majority of the properties within Area 1 and in the SEQ, are being actively farmed as depicted in the Agricultural Activities Map

As seen in the table below and as depicted in the Soils Map, the entire Area 1 consists of lands that contain Class I and/or Class II soils; and/or lands that qualify for 80 through 100 Storie Index. Therefore, all 229 acres within Area 1 qualify as prime agricultural lands as defined in the Cortese Knox Hertzberg Act (Government Code §56064) and LAFCO Policies. Further, the majority of lands adjacent to and in the vicinity of Area 1 also contain prime agricultural lands.

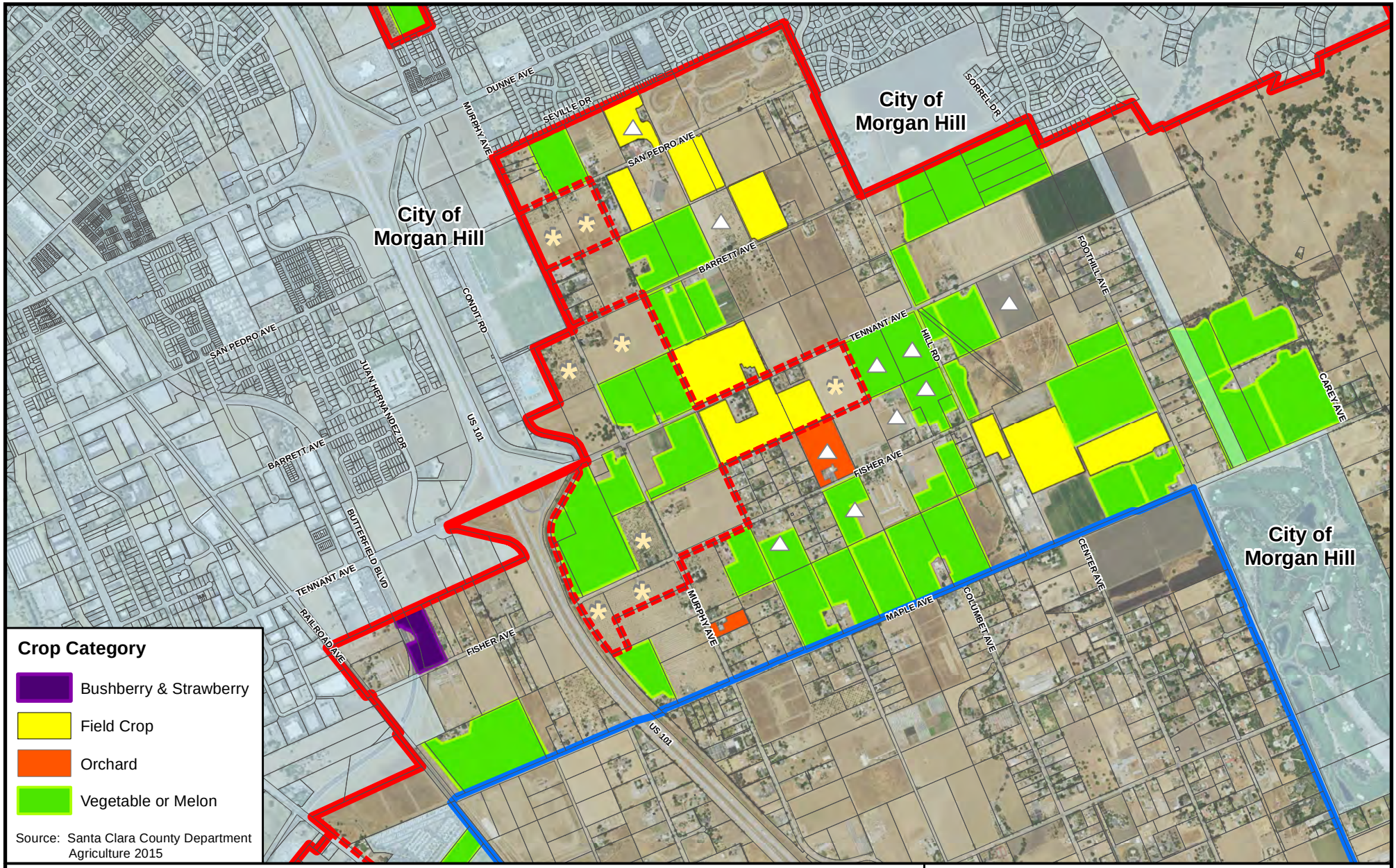
PRIME AGRICULTURAL LANDS IN AREA 1

Soil Designations	**Acres (approx.)**	**Land Capability Classification, if irrigated**	**California Revised Storie Index**
ArA - Arbuckle gravelly loam, 0 to 2% slopes	176.8	II	Grade 1-100 - 80
PoA - Pleasanton loam, 0 to 2% slopes	32.3	I	Grade 1-100 – 80
SdA –San Ysidro loam, 0 to 2% slopes	20.1	III	Grade 1-100 - 80
Total Acres	229.2		

Source: Soil Survey of Eastern Santa Clara County, California, United States Department of Agriculture Soil Conservation Service (September 1974); Web Soil Survey, USDA NRCS (accessed September 2014)

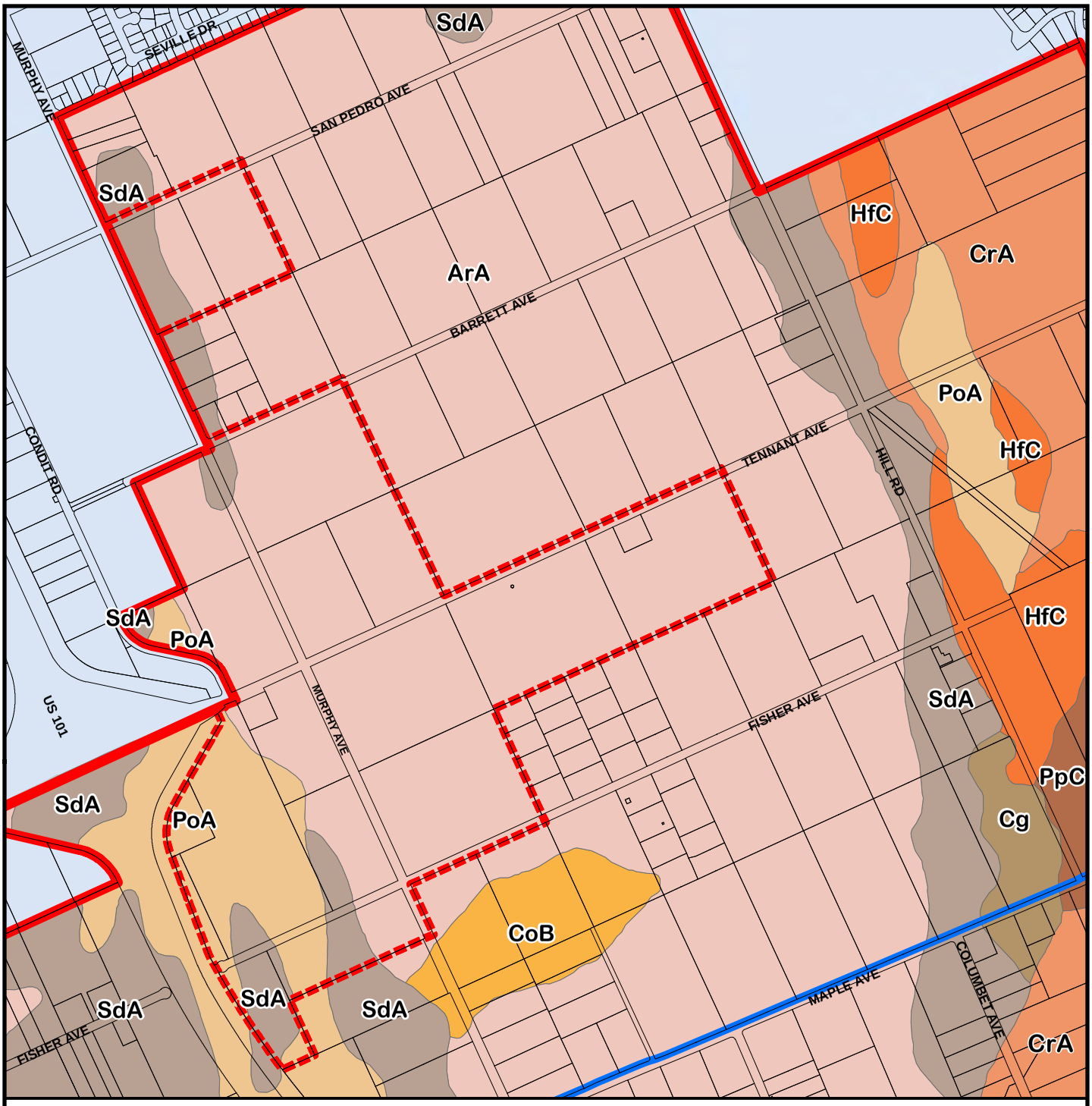
The proposed development of SRL uses and a high school, on existing agricultural lands in Area 1 would create new land use conflicts with surrounding unincorporated agricultural lands and encourage the development of these agricultural lands. The proposed local and regional serving high school and SRL uses will bring a significant amount of traffic to the SEQ.

Additionally, the proposed land uses, many of which are anticipated to be used by large numbers of school-age children, are not compatible with the existing agricultural uses adjacent to and within the surrounding area or with the City' stated long-term vision of preserving lands in the surrounding area for agricultural use. Agricultural operations often involve dust, noise, spraying of chemicals, and smells, all of which are typically not welcomed by the public. And even though these issues in actuality may not be a threat to public health and safety, the public may still perceive them in this way. Such conflicts often lead to farmers feeling that they need to curtail their operations or deciding that they cannot continue operating in an area.



AREA 1: Agricultural Activities

Prepared by the Office of the County Surveyor



Soils:

- ArA Arbuckle Gravelly Loam, 0 to 2% Slopes, MLRA 14
- Cg Clear Lake Clay, 0 to 2% Slopes, Occasionally Floods, MLRA 14
- CoB Cortina Very Gravelly Loam, 0 to 5% Slopes
- CrA Cropley Clay, 0 to 2% Slopes, MLRA 14
- HfC Hillgate Silt Loam, 2 to 9% Slopes
- PoA Pleasanton Loam, 0 to 2% Slopes
- PpC Pleasanton Gravelly Loam, 2 to 9% Slopes
- SdA San Ysidro Loam, 0 to 2% Slopes, MLRA 14

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill

0 250 500 750 1,000
Feet

AREA 1: Soils Map

AREA 1: PRIME AGRICULTURAL LANDS

Soil Designations	Acres (approx.)	Land Capability Classification, if irrigated	California Revised Storie Index
ArA - Arbuckle gravelly loam, 0 to 2% slopes	176.8	II	Grade 1- 100 - 80
PoA - Pleasanton loam, 0 to 2% slopes	32.3	I	Grade 1- 100 – 80
SdA –San Ysidro loam, 0 to 2% slopes	20.1	III	Grade 1- 100 - 80
Total Acres	229.2		

Source: Soil Survey of Eastern Santa Clara County, California, United States Department of Agriculture Soil Conservation Service (September 1974); Web Soil Survey, USDA NRCS (accessed September 2014)

The proposed USA expansion to include Area 1 will therefore convert approximately 229 acres of prime agricultural lands to non-agricultural uses and will have a significant adverse impact on surrounding agricultural lands.

In response to staff's request for further information about the proposed mitigation for conversion of agricultural lands in Area 1 and impacts of development of Area 1 on surrounding farmlands, the City provided supplemental information in December 2015 (See **Appendix Z**) indicating that (1.) the Sports Recreation Leisure (SRL) designation is a key component of the City's Agricultural Lands Preservation Program; (2.) the development of the SRL uses in Area 1 is a key means of funding easements to provide the 1:1 mitigation; and (3.) the SRL designation in Area 1 would among other things, also establish a buffer of uses compatible with agriculture. As part of the supplemental information the City also provided a comparative analysis of the City's Program with LAFCO's policies and concluded that they are substantially consistent.

While the City's Agricultural Lands Preservation Program appears to include some of the elements called for in the LAFCO Policies such as 1:1 mitigation, a careful review of the City's Agricultural Mitigation Program (**See Appendix Y**) raises serious doubts about the feasibility and effectiveness of the City's Program and indicates that actual 1:1 agricultural mitigation cannot be attained by implementing the City's program. A summary of some of the major deficiencies follows.

Under the City's Program, only approximately 185 acres of Area 1 are subject to mitigation requirements, whereas under LAFCO policy, the entire 229 acres of Area 1 is considered prime farmland.

The City indicates that the SRL designated lands would be adjacent to the City's Agricultural Preservation Priority Area and would serve as an appropriate buffer of land uses compatible with ongoing agricultural activity. As described in the Appendix Y, staff believes, that the proposed SRL land uses would be incompatible with agricultural uses and would intensify land use conflicts in the area and put undue development pressure on surrounding farmlands in the SEQ.

The City indicates that their Program requires 1:1 mitigation for the conversion of agricultural lands and the City has designated an Agricultural Preservation Priority Area within the SEQ where mitigation would occur. However, the proposed in-lieu fee of $15,000 per an acre is insufficient to purchase an agricultural conservation easement in the Morgan Hill area. The City's Nexus Study on which the in-lieu fee is based, estimated that agricultural conservation easements in the Morgan Hill area would be approximately $47,500. The City indicates they will use City Open Space funds to close the projected funding gap. The actual availability and timing of those funds is unclear.

The City's Program allows for the exclusion of certain portions of a property when calculating the total agricultural mitigation acreage requirement and exempts projects with discretionary land use approvals prior to August 1, 2014 from agricultural

mitigation requirements. It is unclear at this time what specific developments included in Area 1 will ultimately be subject to the City's Program and how many acres of agricultural lands will be permanently preserved through the City's Program. The City has not submitted a plan or agreement for providing agricultural mitigation that establishes the specifics of that mitigation; including the mitigation method; total number of acres that will be preserved, location of the preservation lands, expected time-frame for fulfilling the mitigation requirement; and identifying the conservation entity that will be responsible for holding the in-lieu fees or mitigation lands, purchasing mitigation lands, and ensuring that the selected lands are preserved and used for agricultural purposes long-term. The City has yet to identify a conservation entity that they will contract with for the administration of the City's Program. Further information is anticipated from the City on this matter.

The proposal will convert prime agricultural lands and adversely impact adjacent and surrounding agricultural lands. The feasibility and effectiveness of the City's Program is questionable.

Agricultural Lands: Finite and Diminishing Resource in County

The preservation of agricultural lands and open space is a key mission of LAFCO of Santa Clara County. Agriculture has thrived in Santa Clara County, covered with orchards and farms, it was once known as the "Valley of Hearts Delight." Just within the last 20 years, Santa Clara County has lost over 8,000 acres of this valuable farmland to urban development. There remain less than 27,000 acres of agricultural lands that contain the high quality soils that have allowed agriculture to flourish in Santa Clara County.

County Has Some of the Most Productive Agricultural Lands in the State

Despite urban development pressure and land speculation, agricultural lands in the county remain highly productive.

The gross value of the County's agricultural production for 2014 is $276 million – the county's production value ranked 30th out of the 58 counties in the state. The most valuable crops in the county are bell peppers, cherries, chili & wax peppers, fresh market tomatoes, and salad greens. The production value per acre of farmland in Santa Clara County is $11,000 and the County ranks 6th in land productivity, ahead of Monterey County. In 2014, twenty-three different agricultural commodities grown in the county exceeded $1 million in crop value. The County ranks 4th nationally in the value of pepper production; 33% of all mushrooms grown in the state come from the county; and 5% of all mushrooms in the country are produced in the county. Consumer demand, locally and in international exports, for healthy fruits, nuts, and vegetables continues to increase and this trend supports strong prices for many of the crops produced in the county.

In total, Santa Clara County agriculture contributes $832 million in value added to the Santa Clara County economy and employs 8,110 people annually. Agriculture provides valuable ecosystem services for county residents through preservation of open space and

habitat, flood and erosion control, groundwater recharge, improved air quality, water filtration, pollination, biodiversity, and carbon sequestration.

Sustainable Agricultural Lands Policy Framework for Southern Santa Clara County

The County recently received $100,000 grant from the California Sustainable Growth Council to prepare a Sustainable Agricultural Lands Policy Framework for Southern Santa Clara County. The County, in partnership with the Santa Clara Valley Open Space Authority will be developing the Framework. If successful, the project would increase county's competitiveness for grants supporting the purchase of agricultural conservation easements.

ABILITY OF THE CITY TO PROVIDE URBAN SERVICES

The City submitted a Plan for Services with its USA amendment application – however, it did not contain all the necessary information as required by LAFCO. At staff's request for further clarification and more detailed information, the City submitted Supplemental Information in December 2015. In addition to those documents, staff also reviewed the City's Draft EIR and Final EIR for the Project and the service/fiscal information presented in the City's Fiscal Impact Analysis Report for Area 1. The information provided by the City is included in **Appendix Z**. In some instances as noted below, the information presented in one document is not consistent with that presented in another document; and no clarification is offered regarding the discrepancies.

Fire

The South Santa Clara County Fire Protection District (which contracts with Cal Fire) currently provides fire protection services to the subject area. Upon inclusion in the USA and annexation to the City, fire protection services will be provided by the City of Morgan Hill, which currently contracts with Cal Fire for the service.

According to the Fiscal Impact Analysis, the proposed annexation and development is not expected to result in any significant increase in service calls and no new facilities, personnel, apparatus or equipment are envisioned as a result of adding the new areas. The report indicates that the City is in the process of preparing a Public Safety Master Plan which anticipates establishing a volunteer fire company that will provide supplementary services.

The Supplemental Information submitted by the City indicates that while the City is not currently experiencing any deficiencies in staff, facilities or equipment, existing stations are not sufficient to meet future demands as projected under the existing General Plan. The City is preparing a Public Safety Master Plan in Fiscal Year 2016 which among other things will address the need, timing and location of future stations. The City is considering hiring a firm to design a new fire station - which would be needed to meet future needs of the City. The City indicates that it may need to consider changing or increasing staffing and/or equipment at existing stations in order to adequately serve new development allowed under the proposed Morgan Hill 2035 General Plan.

The Fiscal Impact Analyses indicates that even as development occurs and the level of calls increases in the project area, the City's cost of its contract for services will not increase due to the structure of the City's contract with Cal Fire. The Supplemental Information indicates that the proposed development would provide sufficient revenue to the City to fully fund the City paying an increased fee to Cal Fire for services.

The City has not adequately demonstrated the ability to provide and fund fire protection service to Area 1.

Police

The City of Morgan Hill Police Department will provide service to Area 1 upon annexation and development of the proposed uses.

The Fiscal Impact Analysis indicates that the City anticipates a significant increase in service costs based on an increased number of large events that would draw in large numbers of people. In addition to a multiservice officer for addressing issues associated with the proposed private high school, the City anticipates it would need to hire three additional sworn officers, a part time records specialist, and a public safety dispatcher in order to adequately respond to the increased demand generated by the project. The cost associated with adding 5.5 FTE is expected to be approximately $699,300 and the cost for purchasing new equipment is expected to be approximately $42,300. The increased annual cost of providing law enforcement services to the proposed development is expected to be $707,720. The Fiscal Impact Analysis indicates that new revenue from development of the SRL uses would cover these costs, with the caveat that the projected new revenues are largely dependent on the successful development and operation of the retail and lodging components of the proposed SRL uses. It should be noted however, that there is no specific development proposal for these types of uses; the retail and lodging components of the proposed development are speculative at this time. The City has not adequately demonstrated the ability to provide police services to Area 1.

Recreation

The City estimates that the operating costs for the ballfields developed by the City on the Jacoby property would total approximately $600,000 per year. Assuming 75% cost recovery through program fees, the total annual cost is expected to be approximately $150,000 to the City General Fund.

The Fiscal Impact Analysis indicates that new revenue from development of the SRL uses would cover these costs, with the caveat that the projected new revenues are largely dependent on the successful development and operation of the retail and lodging components of the proposed SRL uses. It should be noted however, that there is no specific development proposal (other than the private high school and the ballfields) for these types of uses; the retail and lodging components of the proposed development are only speculative at this time.

No information is provided on how the construction/development of the City's ballfields facility will be financed.

Water Supply and Service

Upon inclusion in the USA and annexation to the City, the City of Morgan Hill would provide water service to the proposal area.

The City's Water Supply Assessment (WSA) for Area 1 is included as Appendix J to the Draft EIR. The Santa Clara Valley Water District (SCVWD), in its comment letter to the City on the Draft EIR, requested corrections and clarifications to the WSA. Some of the

requested changes were addressed in the City's Final EIR but the information in the WSA remains confusing at best and there is a lack of consistency in the information included in the WSA, the City's Plan for Service and the Supplemental Information provided by the City.

For example, the City's Plan for Services indicates that the water demand from the proposal area would be 432 acre-feet per year (AFY). However, the City's WSA indicates that the demand in the proposal area would be 876 AFY. The Supplemental Information provided by the City indicates that the demand would be 599 AFY and would drop to 107 AFY by Year 10. No explanation has been provided for the variation in these demand projections.

The WSA indicates that the City's 2011 Water Supply and Storage Requirements Report estimates water demands within City's Urban Growth Boundary to be 9,596 AFY. Including the water demands of the proposed SEQ development (876 AFY), the City's total water demand is estimated to be approximately 10,472 AFY.

The Supplemental Information indicates that the total water demand through Year 2035 would be 13,655 AFY.

The Supplemental Information provided by the City references the WSA and indicates that there would be a net reduction in water demand of 170 AFY. However, the City's Final EIR includes a correction to the WSA (based on a comment letter from the SCVWD) which indicates that the correct impact of the proposed land use would be a net increase of 625 AFY.

LAFCO staff consulted with the SCVWD staff regarding the information in the WSA. SCVWD staff concurred that the WSA includes conflicting information, and does not present a clear analysis or respond effectively to the SCVWD's comments. While the SCVWD did not independently verify the information in the WSA, it appears that the project's projected water demand as presented in Table 5 of the WSA is within the City's water supply reliability numbers in Table 8 of the WSA.

The City of Morgan Hill relies on local groundwater as its sole source of water supply. Via its seventeen wells, the City extracts ground water from the Llagas Sub basin and the Coyote Valley Sub area which underlie the City. The City's 2010 Urban Water Management Plan (UWMP) indicates that the City has an average ground water supply reliability of 15,946 AFY.

The City indicates that in 2012, the total design capacity of its 17 wells (15,009 AFY) was not sufficient to meet the City's water supply capacity requirement estimated at 15,906 AFY. Therefore the City is planning construction of new wells to mitigate this deficiency.

The Draft EIR states that a new water distribution system must be constructed to serve the proposed development and that any such infrastructure upgrades would be subject to project level environmental review at that time. The Draft EIR includes a diagram of the new conceptual water distribution system but does not include an analysis of any

potential environmental effects of the proposed new system, or any detailed information regarding size/capacity, or detailed information regarding the cost, financing mechanism, and time frame of construction of the infrastructure – as required by LAFCO as part of a Plan for Services. The City's Plan for Service only indicates that these costs will be funded by development impact fees and water rates.

Additionally, the City is in the process of updating its General Plan and is considering adding other areas to its boundaries and service area. The City indicates that the area's infrastructure needs will be evaluated in the City's Utility master plans which will be prepared for the General Plan 2035. The SCVWD and water retailers are currently working to develop their respective Urban Water Management Plans, which should account for planned development or changes affecting future water demands. The full/cumulative impacts of water demand and the need for and cost/financing of new infrastructure as a result of the proposed development are therefore not fully known at this time.

The City has not adequately demonstrated the ability to provide and fund water service in Area 1.

Wastewater Service

Upon inclusion in the USA and annexation, the City of Morgan Hill would provide waste water collection and the South County Regional Wastewater Authority (SCRWA), a joint powers authority comprised of the cities of Morgan Hill and Gilroy, would provide waste water treatment to the proposal area.

SCRWA's waste water treatment plant is currently permitted to treat up to 8.5 million gallons per day (mgd) of wastewater, average dry weather flow with approximately 3.6 mgd of treatment capacity available for the City of Morgan Hill. The Supplemental Information estimates that the waste water flow rate from the proposed development in Area 1 will be 3,500 gallons per day in Year 0 and will increase to 95,670 gallons per day in Year 10. No information is provided on the current citywide flow rate but the City indicates that the City's flow is expected to exceed current capacity in 2020 or 2021.

SCRWA projects its wastewater treatment plant flow between 9.1 and 9.7 mgd by year 2020 and between 10.7 and 11.6 mgd by year 2030. The City indicates that since recent flow studies have indicated that the expanded capacity will not be necessary for a few more years and because both Morgan Hill and Gilroy are currently in the process of updating their general plans, SCRWA will begin design /construction work on the wastewater treatment plant expansion in the next couple of years.

The Supplemental Information indicates that new infrastructure will be needed within the proposal area to convey wastewater from the properties to the wastewater system and indicates that the City has policies and impact fees in place that will cover the costs of the new infrastructure. However, no further information is provided on what new infrastructure is required, where it is required, when it is expected to be constructed or the cost of the new infrastructure or how the City proposes to fund the new

infrastructure. The Draft EIR indicates that the City will update its utility master plans as part of its 2035 General Plan Update process and will identify new infrastructure needed to serve the area at that time.

The City has not adequately demonstrated the ability to provide and fund sewer service to Area1.

Storm Water Drainage

The Plan for Service indicates that there is minimal existing storm drain infrastructure in the vicinity of the proposal area and no infrastructure south of Tennant Avenue. The EIR indicates that there is limited potential for expansion of the City's storm drain system in the proposal area and states that onsite or offsite retention is the most appropriate method of storm water management in the area. No detailed information is provided on the location, feasibility, or cost of construction of retention facilities.

The City has the not adequately demonstrated the ability to provide and fund storm water management services in Area1.

FISCAL IMPACT TO THE CITY OF MORGAN HILL AND AFFECTED AGENCIES

The City of Morgan Hill prepared a Fiscal Impact Analysis, which concludes that the proposed USA amendment and annexation could be fiscally attractive to the City's General Fund over the long term. The proposed project would generate a small annual fiscal surplus in the base year of approximately $24,000 based on reallocation of existing property tax base from the South Santa Clara County Fire Protection District. The proposed new development would generate a net annual fiscal surplus by Year 5 of only $7,200, which would increase to $633,000 by Year 10. The Report indicates that the projected fiscal surpluses are largely dependent on the successful development and operation of the retail and lodging components of the proposed project; which are all speculative.

As mentioned in previous sections, the proposed USA expansion and annexation would require major capital improvements.

LAFCO's Cities Service Review (adopted in December 2015) indicated that the City's adopted FY 2016 General Fund budget includes a five-year financial plan that anticipates drawing down its reserves to the minimum 25% reserve threshold by FY 2020 to invest in its street infrastructure by setting aside $1.1 million per year. The City prepared a Public Infrastructure Financing Report, adopted by the City Council in April 2015, indicating an annual $5.8 million gap in its capital improvement funding. The City is currently conducting a revenue enhancement study, including a Community Needs survey to develop recommendations such as a potential 2016 ballot measure to finance the public infrastructure funding gap.

For the County of Santa Clara, the Fiscal Impact Analyses indicates that the net annual fiscal impact to the County would be zero in the base year, would generate annual deficit of $18,600 in Year 5 and an annual deficit of $24,600 in Year 10.

Since the proposed USA amendment and annexation does not include any residential development, the proposal will not generate any new students and would not have a significant impact on the MHUSD or on the Gavilan Community College.

CONSISTENCY WITH THE REGIONAL TRANSPORTATION PLAN / PLAN BAY AREA

SB 375, a landmark state law, requires California's regions to adopt plans and policies to reduce the generation of greenhouse gases (GHG), primarily from transportation. To implement SB 375, in July 2013, ABAG and MTC adopted Plan Bay Area as the "Regional Transportation Plan and Sustainable Communities Strategy" for the San Francisco Bay Area through 2040.

Plan Bay Area focuses on where the region is expected to grow and how development patterns and the transportation network can work together to reduce GHG emissions. Its key goals are to reduce GHG emissions by specified amounts; and to plan sufficient housing for the region's projected population over the next 25 years. The Plan Bay Area directs future development to infill areas within the existing urban footprint and focuses the majority of growth in self-identified Priority Development Areas (PDAs). PDAs include infill areas that are served by transit and are located close to other amenities, allowing for improved transit, bicycle and pedestrian access thereby reducing the amount of transportation related GHG generated.

Plan Bay Area supports infill development in established communities and protects agricultural and open space lands. Further, it directs 100% of the region's growth inside the year 2010 urban footprint, which means that all growth occurs as infill development. The Plan assumes that all urban growth boundaries are held fixed through the year 2040 and no sprawl-style development is expected to occur on the regions' open space or agricultural lands. Plan Bay Area includes projections for the region's population, housing and job growth and indicates that the region has the capacity to accommodate expected growth over the next 25 years without sprawling further into undeveloped land on the urban fringe.

The City's proposal, rather than focusing growth within the City to reduce GHG emissions, extends the urban footprint into adjacent agricultural lands in direct conflict with the regional growth goals of Plan Bay Area.

As part of its General Plan 2035, the City has prepared its own population projections showing more rapid growth than ABAG's projections. While ABAG expects the community to grow to a population of 48,400 by 2035, the City has estimated that its "preferred" land use scenario for the General Plan could accommodate 68,000 residents, far in excess of the 25-year projections in Plan Bay Area. Further, all of the growth scenarios that the City is evaluating as part of its General Plan 2035 envision expansion of its USA and conversion of agricultural land –which is again inconsistent with Plan Bay Area.

ANNEXATION OF UNINCORPORATED POCKETS

LAFCO's policies require cities to annex unincorporated islands prior to requesting USA expansions. The City of Morgan Hill has two remaining islands, Holiday Lake Estates, and a second island on the south side of Llagas Road, west of Llagas Court in the northwest part of the City. The City in its letter dated October 25, 2012, indicates that it does not have any current plans to annex Holiday Lake Estates as the residents are unwilling to pay for an assessment district for necessary sewer line infrastructure. The island receives water service from Morgan Hill but properties in the area rely on aging septic systems and do not have access to sewer service. The City is unable to annex the Llagas Road island because portions of properties are located outside the USA.

CONSISTENCY WITH CITY GENERAL PLAN POLICIES

In 2013, the City of Morgan Hill began working on a comprehensive update of the City's General Plan (General Plan 2035) that is scheduled for completion in August 2016 and that will guide the City's development and conservation for the next 20 years. As part of the General Plan update, the City is considering various land use alternatives, including further outward expansion of city boundaries; and changes to its urban growth boundary and its growth management ordinance known as the Residential Development Control System.

However, the SEQ Land Use Plan, which required a major amendment of the City's General Plan, was not prepared as part of the comprehensive General Plan 2035 update. The City, in a parallel process separate from the comprehensive General Plan 2035 process, has developed the SEQ Land Use Plan and the Citywide Agricultural Lands Preservation Program. The SEQ Land Use Plan resulted in several major amendments of the City's General Plan including amendments to the City's Urban Limit line and its Urban Growth Boundary (UGB); adoption of a new general plan designation (SRL); and amendment of the general plan land use diagram to establish SRL and Public Facilities districts within the SEQ. The City approved a major amendment of its general plan to include the SEQ in the City's UGB. This UGB amendment was done outside of the City's comprehensive General Plan update, thus allowing the City to submit this USA amendment application to LAFCO even though the City is in the process of updating its General Plan.

First, this is contrary to the City's own (and the County's) General Plan policies that require Urban Growth Boundaries be amended only in conjunction with a comprehensive General Plan update; the City explicitly excluded discussion of UGB amendment in the SEQ from the comprehensive General Plan 2035 update process. The City, by separating the SEQ Land Use Plan from the comprehensive General Plan 2035 process, has limited its own General Plan Advisory Committee's ability and Morgan Hill residents' ability to comprehensively review, evaluate and consider a vision/plan for the City in its entirety. This separation has also made it difficult for LAFCO staff to obtain a firm understanding of the City's long-term plans for urban growth and its service demands/capabilities in relation to the City's current urban service area amendment proposal.

Furthermore, the City Council has deferred consideration of general plan amendment proposals for lands owned by the Chiala family, also located within the SEQ, until conclusion of the City's General Plan Update. This continued segmenting of analysis and actions further downplays potential impacts resulting from the proposal.

While the City indicates that it does not anticipate any further changes to the SEQ land use designations in the General Plan 2035, the SEQ Land Use Plan will be considered a pre-existing condition and the cumulative impacts of the proposed SEQ Land Use Plan combined with the other proposed changes in the General Plan 2035 will not be fully

disclosed or evaluated, in clear violation of sound planning principles and CEQA objectives.

Second, the City's General Plan policies require the City to coordinate with the County on any proposed UGB changes and require that major UGB changes must afford greater opportunities for County participation in evaluating the proposal. Even though the SEQ Land Use Plan is a significant proposal, coordination with the County on the SEQ Land Use Plan appears to be limited.

CONSISTENCY WITH COUNTY GENERAL PLAN POLICIES

The proposal is not consistent with County General Plan Policy R-LU 170, which states that modification to the UGB should be considered in conjunction with a comprehensive City General Plan land use element update, which occurs on an approximately 10 year interval, unless triggered by established criteria, findings, or prerequisites, to ensure coordination between relevant land use planning issues and growth management considerations. The City is in the process of completing a comprehensive update of its General Plan. However, the City prepared the SEQ Land Use Plan, which includes a major amendment to the City's UGB, new City General Plan and Zoning designations, and the current USA amendment proposal, in a disjointed manner, separate from the City's comprehensive General Plan Update process, resulting in segmented and uncoordinated planning.

The proposal is also not consistent with County General Plan Policy R-LU 174, which states that County staff and decision-makers should have adequate opportunity to participate in the evaluation of proposals to modify the UGB–the relative level of participation in keeping with the geographic scale or impact of proposed UGB changes (i.e. major revisions imply more significant role for joint City/County coordination; very minor or insignificant modifications would imply a potentially less significant role for joint City/County coordination). This type and level of coordination was not a part of the City's process to develop and adopt is new expanded UGB, an action which helped facilitate the City's current USA amendment proposal.

The proposal area is inconsistent with County General Plan Policy C-GD 3, which states that urban service areas should include only those areas suitable for urban development by being: reasonably serviceable with public services, relatively free from risks associated with natural hazards, that do not create substantial adverse environmental impacts, and that are not likely to create severe off-site impacts on the surrounding areas or to any natural resource. Please see sections discussing the issues regarding proposed development, impacts to surrounding agricultural lands and potential growth inducing impacts.

The proposal is not consistent with County General Plan policy C-GD 8. The City has not demonstrated the ability to provide public services and facilities within 5 years without lessening existing levels of service; the City has more than a 5 year supply of vacant lands within its USA.

ATTACHMENT B

LAFCO
Local Agency Formation Commission of Santa Clara County

CITY OF MORGAN HILL'S USA AMENDMENT APPLICATIONS FOR PUBLIC FACILITIES SINCE 2000

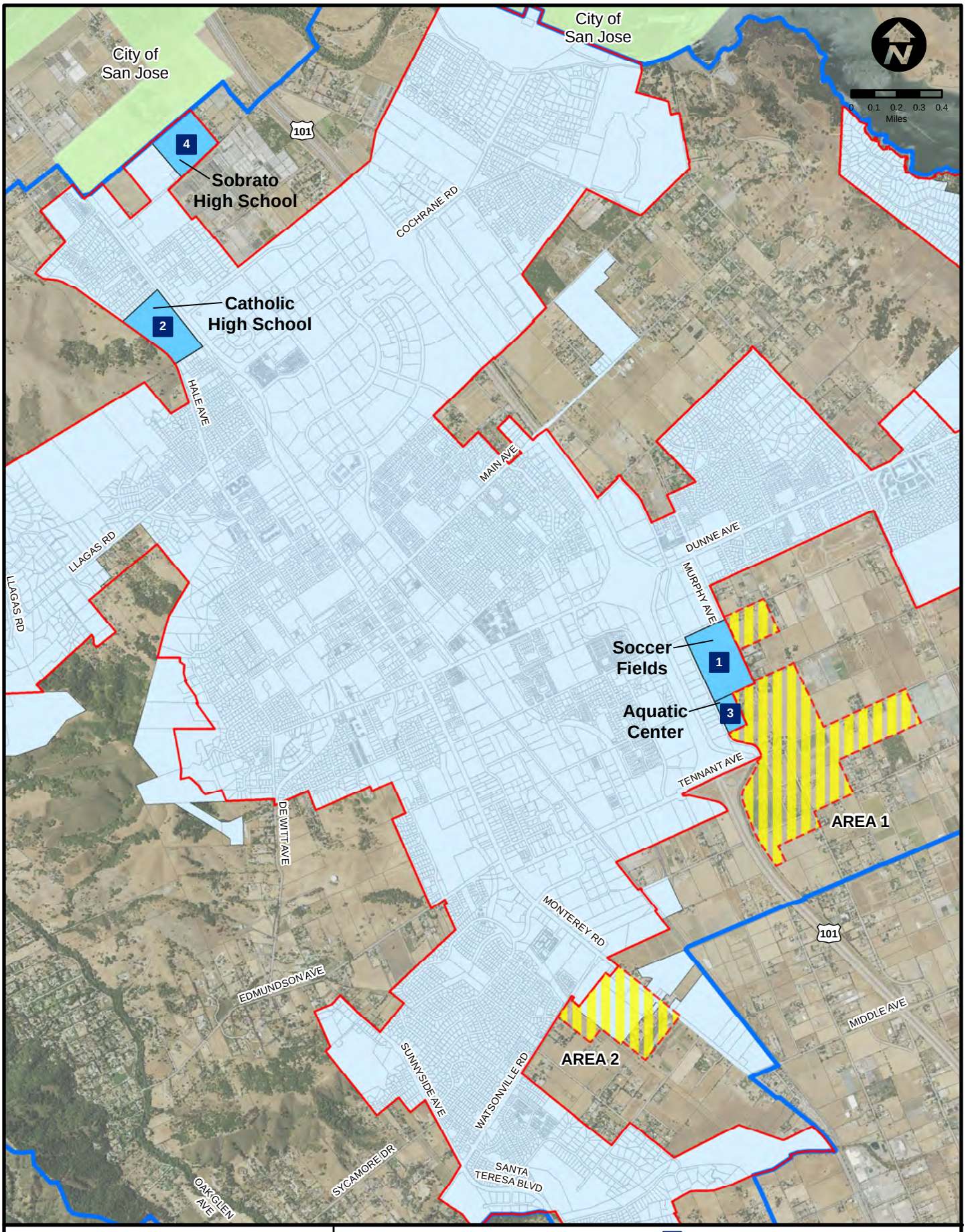
In the last 15 years, the City of Morgan Hill has sought various USA expansions in order to locate public/quasi-public uses.

For instance, in the case of the Outdoor Sports Center located on Condit Road, the City in 2001, purchased an existing soccer facility and in 2002 obtained a 35-acre USA expansion which enabled the City to eventually annex the land. Again, in the case of the Aquatics Center located on Condit Road just south of the Outdoor Sports Center, the City purchased unincorporated land and in 2003, obtained LAFCO approval for a 9-acre USA expansion.

Similarly, in 2003, on behalf of the Catholic Diocese of San Jose – which owned property just outside the northwest city limits, the City requested and obtained approval for a 30-acre USA expansion, in order to develop a private high school. The City's rationale for an USA expansion was that it lacked parcels of the size required for a high school along a major arterial within the city limits. However, the high school was never developed and the site has since been rezoned to allow for residential development and is currently being developed by Signature Homes.

In another example, in 2000, MHUSD acquired a site outside the Morgan Hill city limits within San Jose's greenbelt with the intention that Morgan Hill would provide services to the site. Following a lawsuit by San Jose, the agencies negotiated a settlement agreement as a result of which MHUSD relocated the facility to an adjacent site also outside the Morgan Hill city limits and eventually in 2004, the City of Morgan Hill requested and obtained LAFCO approval for a 27-acre USA expansion to allow it to annex the site and provide services to the school.

Thus over the years, rather than plan proactively through a process (such as a comprehensive general plan update) to accommodate public facility needs within the city limits, the City has sought to, or entertained proposals that, locate public facilities on the edges of the city limits. Such an approach have resulted in unnecessary conversion of farmland in almost every case; and placed undue development pressure on adjacent farmland triggering more requests for further outward expansion such as the current proposal. This USA expansion request continues this practice. Please see the map on the following page for the location of the above referenced USA applications from the City.



Morgan Hill USA Amendments for Public Facilities

Prepared by the Office of the County Surveyor

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill
- Previous USA Amendment

1. 2002 Soccer Fields (35 acres)
2. 2002 Catholic High School (30 acres)
3. 2003 Aquatic Center (8.8 acres)
4. 2004 Sobrato High School (26.5 acres)

ATTACHMENT C

LAFCO
Local Agency Formation Commission of Santa Clara County

LAFCO ACTIVITIES AND CITY ACTIONS RELATED TO THE SEQ PLAN

The Morgan Hill City Council, on July 15, 2015, voted (4-1) to forward the USA expansion request to LAFCO.

This USA expansion request for Area 1 is part of the City of Morgan Hill's larger, complex project known as the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan, consisting of various general plan amendments, new general plan designations, amendment of growth management boundaries, new zoning designations, development proposals, and agricultural preservation ordinances/ program – a project that the City indicates it has been working on in some form, for nearly 10 years.

LAFCO First Submits Comments on the SEQ Project (2010)

LAFCO staff first submitted written comments to the City on this project in February 2010, in response to the City's Notice of Public Workshop. LAFCO staff met with City staff on March 25, 2010, to better understand the proposed project and to explain LAFCO's policies. In a letter to the City dated April 6, 2010, LAFCO staff summarized its major concerns with the project and requested that the City address the issues before proceeding further and spending time and resources on preparing an Environmental Impact Report (EIR). On November 22, 2010, LAFCO submitted a comment letter on the City's Notice of Preparation of the project EIR, reiterating comments from its previous letters and recommending that such a major revision of the City's General Plan which has the potential to impact the entire city and even the region, be considered and analyzed through a comprehensive General Plan update process. Please see **Attachment F** for the LAFCO letters referenced above.

LAFCO Submits Comments on the Draft EIR and Final EIR (February – June 2014)

In February 2014, LAFCO staff submitted a detailed comment letter to the City on the Draft EIR for the Southeast Quadrant Land Use Plan including a letter from LAFCO Counsel identifying significant deficiencies in the Draft EIR and requesting that the City revise and recirculate the document. Again in June 2014, LAFCO submitted another comment letter to the City on the Final EIR requesting the City Council to not certify the EIR or approve the project as the Final EIR does not adequately respond to these comments and in many cases adds to the confusion identified in the comments

concerning the scope of the project and analysis of its environmental impacts. Please see **Attachment F** for LAFCO's comment letters on the Draft EIR and Final EIR.

Presentation on LAFCO and Meetings regarding SEQ Plan (April – May 2014)

At their invitation, the LAFCO Executive Officer attended the Morgan Hill Chamber of Commerce Environmental Affairs Committee meetings in April and May 2014, to provide a presentation on LAFCO and listen to presentations/discussions on the SEQ proposal. In May 2014, LAFCO staff met with Rich Constantine, Morgan Hill City Council member and also with the representatives of the South County Catholic High School to discuss the SEQ project.

Partner Agencies Collaborative Effort to Develop Alternative Plan for SEQ Cut Short & without Resolution of Key Issues (June- September 2014)

In early June 2014, LAFCO Staff met with Morgan Hill City Manager Steve Rymer, to explore the possibility for the four local agencies – County, LAFCO, City of Morgan Hill and the Santa Clara County Open Space Authority (OSA) – to work collaboratively on the SEQ; and on June 20, 2014, the agencies met and expressed their willingness to work with Morgan Hill to reach a more successful outcome for agricultural lands preservation in the SEQ that would not undermine longstanding land use policies. The Morgan Hill City Council on July 2, 2014, directed City staff to work with LAFCO, County and the OSA to chart a course that meets the City's goals and that is in alignment with its regional partners. Over the course of the next two months, staff from the County, OSA and LAFCO dedicated considerable staff time and financial resources to the project. On behalf of the group, the OSA hired a consultant to work on a scope of work for developing a SEQ agricultural preservation plan and the group met several times to discuss various alternative approaches, and review case studies and a draft scope of work prepared by the consultant. Despite the understanding amongst the partner agencies that the City would put a hold on its SEQ actions while these collaborative efforts were underway, the City began to move forward on various SEQ actions in August. Expressing concern, the group requested that the City hold off on decision making and allow the group to complete its dialogue to identify an alternative approach. At a meeting in late September, the City informed the group of its intention to complete City Council actions on the SEQ by December 2014, following which, the group's/consultant's work to develop an alternative plan was discontinued.

Joint Letter from Partner Agencies Request City Not Approve SEQ Plan & Summarize Agencies' Concerns (November 2014)

In November 2014, the County, OSA and LAFCO sent a joint letter (see **Attachment F**) to the Morgan Hill City Council requesting that the City not approve the SEQ project and the Final EIR; and requesting that the City step back from its current plan, and allow the three partner agencies to continue to work with the City to prepare a SEQ plan that would qualify for future grant funding for the planning/conservation work in the SEQ. The joint letter also summarized the key concerns identified in several previous letters

by the three agencies regarding the SEQ proposal. However, the City Council at its November 5, 2014 meeting certified the Final EIR, and various individual items of the SEQ plan but directed its staff to continue collaboration with the partner agencies.

Partner Agencies Continue to Seek Meaningful Collaboration with City on SEQ Plan (January – February 2015)

In January 2015, staff from the County, OSA and LAFCO met to discuss the potential for further meaningful collaboration with the City. In response to LAFCO staff's request for clarification of the City's intent, the City Manager indicated that the City was scheduled to take action in February 2015 on various additional items of the SEQ plan but noted the City's interest in continuing to collaborate with the partner agencies as there may be future opportunity to amend the General Plan based on the outcome of the collaborative work.

LAFCO staff submitted another letter in February 2015 (See Attachment F) to the City Council once again requesting postponement of further action on the SEQ to allow partner agencies to refine the SEQ plan; and informing the City of the potential new funding opportunity available through the Strategic Growth Council grants. However, the City Council at their February 2015 meeting, approved various additional aspects of the SEQ plan.

Staff Meets with City staff, Developer, and Landowner & Tours Chiala Family Lands (February – May 2015)

In February 2015, at the request of the City, LAFCO staff met with City staff and a SEQ developer (Mr. Gordon Jacoby) and a landowner (Mr. Bill Chiala) to discuss their proposals; in March 2015, LAFCO staff, at his request facilitated a meeting between City Council Member Rich Constantine and the County and OSA to discuss the SEQ project and agencies' concerns; in May 2015, at the invitation of Mr. Chiala, LAFCO staff attended a tour of his property and the SEQ. On July 15, 2015, the City Council voted (4-1) to forward the urban service area expansion request to LAFCO.

Thus over a 12 month period, the City Planning Commission and the City Council considered individual elements of the SEQ plan separately and approved them at various hearings. LAFCO staff spent a significant amount of time in an attempt to develop an alternate SEQ Plan consistent with local / regional goals and policies.

City Submits USA Amendment Application to LAFCO

In October 2015, the City submitted the USA amendment application to LAFCO – however, it did not contain all the necessary information as required by LAFCO. In response to LAFCO staff's request for further clarification and more detailed information, the City submitted Supplemental Information in December 2015. The City also submitted additional material on February 11, 2015 and requested that it be provided to the Commission. **Appendix Z** includes the City's Application Cover letter, Supplemental Information and the additional material provided on February 11, 2016.

ATTACHMENT D

OPEN SPACE AUTHORITY
SANTA CLARA VALLEY

VIA E-MAIL

February 11, 2016

Local Agency Formation Commission of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

Re: City of Morgan Hill Urban Service Area Amendment Area 1: Tennant - Murphy

Dear LAFCO Commissioners,

The Santa Clara Valley Open Space Authority (OSA) appreciates the opportunity to provide this letter of comment on the City of Morgan Hill's application for Urban Service Area (USA) Amendment Area 1 (Tennant-Murphy) within the Southeast Quadrant (SEQ).

The OSA is a public land conservation agency and special district created by the California Legislature in 1993 to balance growth with the protection of open space, natural resources, greenbelts and agricultural land. To date, the OSA has worked with farmers, ranchers, public agencies and non-profit partners to conserve and steward over 20,000 acres of open space and agricultural land through voluntary acquisition of land and conservation easements. The OSA effectively partners with federal, state, regional and local agencies, non-profit organizations and foundations to leverage funding for agricultural land conservation projects.

As one of the few agencies or entities in Santa Clara County responsible for conserving *agricultural land,* conservation of the remaining South County farmland is a high priority for the OSA. The County has already lost over half of its farmland in the past 30 years to development. Approximately 27,000 acres of production farmland remains primarily within the areas of Coyote Valley, Morgan Hill SEQ and Gilroy and half of this acreage is projected to be lost to conversion in the next 30 years. The SEQ is one of the last large areas of aggregated prime farmland remaining in South County. In the OSA's Santa Clara Valley Greenprint, the SEQ is identified as one of 10 important land areas to be conserved through coordinated planning, partnerships and strategic conservation investment.

Many of the OSA's concerns regarding the USA amendment and its effects on the continued viability of surrounding agricultural land were previously stated in a joint letter to the City of Morgan Hill from the OSA, County and LAFCO (see attached letter, November 5, 2014).

The Southeast Quadrant has been the focus of much discussion and study over the past 10 years regarding conservation and development and whether agriculture can still be viable on the City's southern boundary, given relatively small parcel zoning and allowance for single

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408.224.7548 F
openspaceauthority.org

family residences in this unincorporated area. In the last several years, the City of Morgan Hill completed economic studies that concluded that small scale agriculture is still viable in the SEQ. The County of Santa Clara just released its study that the economic contribution of South County agriculture has never been higher, with the agricultural industry producing $830 million annually and $1.6 billion of total output value.

SEQ Annexation and Development Phasing

As stated in the USA amendment application and the City's *Southeast Quadrant Land Use Plan and Citywide Agricultural Preservation Program/EIR* (November 2014), the City plans to develop over 400 acres of sports, commercial and residential uses in the SEQ over several phases. The first phase of the development is addressed in the Area 1 application before LAFCO which proposes to expand the USA by converting approximately 229 acres of agricultural land within the 310-acre Sports, Recreation and Leisure (SRL) Zoning Designation to sports fields, hotels, restaurants, a Catholic High School and other unknown uses. The City plans to mitigate the conversion of 229 acres of farmland through its *Citywide Agricultural Lands Preservation Program*, adopted in November, 2014. Stated elements of the City's program include mitigating farmland loss on a 1:1 basis and generating in-lieu fees through development to acquire agricultural conservation easements. The City believes that annexing and developing farmland and mitigating farmland conversion by using in lieu fees to acquire agricultural easements is preferable to leaving the SEQ within the County. We respectfully disagree.

City's Agricultural Land Preservation Program is Infeasible

The OSA acknowledges the City has put considerable time and effort toward developing a *Citywide Agricultural Preservation Program* that includes elements that LAFCO would look for in evaluating USA amendments. These include 1:1 mitigation, payment of an agricultural mitigation (in-lieu) fee, acquisition of other agricultural land or dedication of a permanent agricultural conservation easement, and payment of a fee to cover ongoing management and monitoring activities. Indeed many of these elements are important components of agricultural preservation programs. However, implementation of the City's preservation/mitigation program and financial plan, as currently structured, is infeasible and would be difficult for any third party conservation entity such as an open space agency or agricultural land trust to administer for the following reasons:

The cost of a conserving agricultural land in the SEQ through in lieu fees is underestimated. The City's in lieu fee requirements rely on lower land values more appropriate to acquiring agricultural easements around Gilroy. A 2013 Market Analysis and Nexus Study prepared for the City that provided the foundation for the *Citywide Agricultural Lands Preservation Program* found that the cost to acquire agricultural easements in the SEQ would be $47,500 per acre. The in lieu fee proposed by the City in its Agricultural Preservation Program for the purchase of agricultural conservation easements is set at $15,000 per acre. Thus, though the program requires 1:1 mitigation, the funding generated by the proposed mitigation fee would not be

able to meet the 1:1 mitigation requirement in the SEQ. Instead, mitigation will likely be directed to other parts of the County. It is also likely that the fees would be insufficient to fully fund a qualified entity to administer and implement the agricultural easement program.

The City recently estimated that approximately $11 million would be needed for acquisition of conservation easements in the SEQ to mitigate for the 229 acres of farmland converted to development in the Area 1 annexation. Yet there has been no clear estimate of the amount of in lieu fees that could be generated by proposed development for purchase of agricultural conservation easements. An SEQ project applicant recently estimated approximately $1 million of in lieu fees could be generated by development within the SEQ. The City has stated it would cover the shortfall of in-lieu fees by contributing up to $9-10 million from City Open Space funds. Given that the in lieu development fees would generate little of the necessary funds to adequately fund the agricultural preservation program, alternatives should be considered including directly funding agricultural preservation without development or a with a reduced development footprint along Hwy. 101, increasing the in-lieu fee to what the actual per acre cost of an agricultural easement is in Morgan Hill, and creating an agricultural overlay zone with the County to incentivize agricultural land uses and productivity.

Based on the *Southeast Quadrant Land Use Plan and Citywide Agriculture Preservation Program/EIR* and Draft 2016 General Plan update (in preparation), implementation and feasibility of the City's agricultural preservation program appears to rely on continued annexation and development of land within the SEQ to generate land and easement dedications and in-lieu fees, but this is not addressed in the Area 1 application before LAFCO. This phasing or piecemeal approach makes it difficult to fully evaluate the City's plans for development and the efficacy of the City's Agricultural Preservation Program. Specifically, the City's approved *Southeast Quadrant Land Use Plan and Citywide Agriculture Preservation Program/EIR* proposes to transfer 38 development rights on existing lots of record on Chiala parcels to the northeast corner of the SEQ which would then be annexed to the City to create a cluster of rural residential homes and conservation easements. However, the 2016 update of the City's General Plan now in preparation increases the number of units at this location from 38 to 160 homes through a post annexation rezoning, with single family medium (3-5 units/acre), single family low (1-3 units/acre) and Residential Estate (1 units per acre) zoning designations. Since this level of both commercial and residential growth is not addressed in the Area 1 application before LAFCO, it is difficult to evaluate both the anticipated growth and mitigation for loss of agricultural land in the SEQ. Lastly, a linear strip of agricultural parcels separating the Area 1 development and the future residential area would remain in the County for the stated purposes of creating a *priority agricultural preserve* through the acquisition of conservation easements.

The purpose and need for annexation is not entirely clear

It is still unclear whether there is land inventory within the existing city limits to accommodate all or some of the total development proposed for the SEQ (ballfields, visitor-serving commercial and residential uses) to decrease the amount of farmland converted to development. The City has stated that there are no feasible sites for locating sports complexes within the existing City and that the importance of annexing Area 1 is to provide revenue through sports, recreation and other public, quasi-public uses. However, should those uses prove to be financially infeasible in the future, could those annexed lands be converted to residential use? The City's *Desirable Infill Standards* (originally drafted 1997 and updated as of 2007) state "*the City may petition LAFCO for expansion of the USA irrespective of the amount of vacant land available for residential development; and that properties with public and quasi-public land uses would be eligible for conversion to residential use two years after the properties are officially annexed to the City.*"

The City is now updating its General Plan 2035 and voter-approved *Residential Development Control System (RDCS),* a growth management mechanism that meters out building permits to maintain a cap on population growth. Updates of these two important policy tools presents an opportunity to work with the County, LAFCO, OSA and other conservation entities to incentivize infill development, thereby taking pressure off prime agricultural land in the unincorporated area.

Inconsistency of Application with State and Regional Plans

LAFCO should ensure that the Morgan Hill Area 1 Annexation and other applications for urban service area amendments are consistent with State and Regional goals, including climate change mitigation and sustainable communities. State, regional and local agencies are increasingly linking the protection of agricultural land with infill development as key climate change/greenhouse gas emission (GHG) reduction strategies. Yet as stated in the USA application, the City of Morgan Hill's certified environmental impact report for the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan necessitated a finding of overriding consideration with respect to greenhouse gas emissions generated by proposed development.

In 2015, Santa Clara County and the Santa Clara Valley Open Space Authority were awarded a $100,000 *Sustainable Agricultural Lands Conservation Strategy Grant (SALC)* from the State's Strategic Growth Council to create a regional policy framework and implementation plan to protect South County agricultural lands and reduce GHG emissions. The grant is one of only 5 awarded across the State and is funded by cap and trade revenues. The purpose of the grant is to identify and preserve high priority South County farmlands and coordinate the preservation policies and programs of the County, LAFCO, OSA and cities of San Jose, Morgan Hill and Gilroy. This endeavor, the first of its kind in the county, could result in more efficient growth, protect

bigger blocks of high priority South County farmland, make the region more competitive for land conservation funding (from cap and trade revenues), provide greater certainty to landowners and farmers and reduce speculation that threatens farmland viability on the edge of cities. In summary, a comprehensive agricultural preservation strategy and easement program developed through the SALC Grant and coordinated amongst the County, Cities, LAFCO and the OSA and other key partners, offers a better chance of implementing the stated goals of the County, LAFCO and cities than project by project mitigation.

In closing, Santa Clara County's remaining agricultural lands are a finite resource at risk of being lost forever, with potential impacts to the local economy, agricultural viability and quality of life. The Open Space Authority urges LAFCO to not approve the urban service area amendment for Area 1 as proposed and encourage the City of Morgan Hill to work with the County, OSA, LAFCO, Farm Bureau and other agricultural conservation entities to create a feasible and fundable strategy and program based on the needs of agriculture and consistent with state, regional, LAFCO and county policies.

Thank you for the opportunity to comment.

Sincerely Yours,

Andrea Mackenzie

Andrea Mackenzie
General Manager

Cc: OSA Board of Directors

ATTACHMENT E
Corrected on 03/01/2016

Palacherla, Neelima

From: sousans@eta-usa.com
Sent: Monday, February 08, 2016 7:00 PM
To: Palacherla, Neelima
Cc: Rene Spring; 'Rebeca Armendariz'
Subject: South County Democratic Club resolutions
Attachments: morgan hill resolution 1-2016-2.doc

Good Afternoon Neelima

Hope you are well. On behalf of the South County Democratic Club (SCDC) please forward this email and its attachment to all LAFCO COMMISSIONERS.

The **South County Democratic Club** & the **Santa Clara County Democratic Party** have endorsed & passed the **Resolution In Opposition To The City Of Morgan Hill's Annexation Of The South East Quadrant** and the **Resolution In Opposition To The North-Gilroy Neighborhood Development Proposal.**

Both resolutions have been endorsed by following local organizations as well:

Gilroy Growing Smarter

1. **Greenbelt Alliance**
2. **Save Morgan Hill**
3. **Thrive! Morgan Hill**
4. **Committee for Green Foothills**
5. **CHEER**

In less than 3 weeks, Lafco will meet and decide on the City Of Morgan Hill's Annexation of the South East Quadrant. It is imperative that all the Commissioners are aware of the severe impact this annexation will have on the South County community and the sheer number of residents and organizations that oppose this move.

Please confirm that this email has been received in good order. You may contact me with any questions regarding the Morgan Hill Opposition resolution, my contact information can be found below.

Sousan Manteghi-Safakish
SCDC President
E-Mail:sousan@eta-usa.com
Phone: 408-778-2793 X112
Direct: 408-404-4025
Fax: 408-779-2753

South County Democratic Club

SOUTH COUNTY DEMOCRATIC CLUB

Resolution In Opposition To The City Of Morgan Hill Annexation Of

The South East Quadrant

WHEREAS southern Santa Clara County contains the majority of the remaining irreplaceable farmland that contributes significantly to the overall quality of life of all county residents and that the County is committed to protecting this resource and

WHEREAS agriculture continues to be a growing and viable industry in Santa Clara County- with an annual output equaling $1.6b, contributing $830 million to the County's economy and providing 8,100 jobs for a sector that is not served by other industries and

WHEREAS Local, Regional, State and Federal planning has prioritized the investment in sustainable communities in preparation for climate change and it's vitally important mitigation measures,

THEREFORE, BE IT RESOLVED that the South County Democratic Club, a Chartered Club within the Santa Clara County Democratic Party, urges Santa Clara County Local Agency Formation Commission to deny the Morgan Hill Sports- Recreation-Leisure District Urban Service Area Amendment request.

THEREFORE BE IT FURTHER RESOLVED that a copy of this resolution will be transmitted to the appropriate City, County, State and Federal elected officials.

Signed: Sousan Manteghi-Safakish Date: 1-16-2016

Authored by: Rebeca Armendariz

Palacherla, Neelima

From: Green, Mark P. <Mark.Green@gd-ms.com>
Sent: Monday, January 25, 2016 2:36 PM
To: Palacherla, Neelima
Subject: Morgan Hill SEQ Annexation

I am writing as a resident of Morgan Hill bordering the so-called "Southeast Quadrant (SEQ)". I oppose the City's proposed annexation of this land and its plans for development therein. This area constitutes one of the last contiguous agricultural areas in the Morgan Hill area. There are many areas within current Morgan Hill boundaries to build the facilities proposed for this area of prime farmland. Morgan Hill's proposed plan will result in additional sprawl development, which will accelerate the loss of farmland in the SEQ. Please forward this email to the other members of the LAFCo Commission.

Thank you,

Mark Green

From: Virginia Pfluger [mailto:virginia@pfluger.org]
Sent: Saturday, February 06, 2016 2:03 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: No to urban sprawl

I think the lives of every citizen would be healthier if we kept things GREEN and natural.

develop instead the urban areas, bring life back to the cities.... do away with urban plight. Make city life attractive.

Thanks

Virginia

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Friday, February 05, 2016 12:00 AM
To: Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Cortese, Dave <Dave.Cortese@BOS.SCCGOV.ORG>
Cc: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>; andrew.crabtree@morganhill.ca.gov; michael moore <mmoore@morganhilltimes.com>; Steve Tate <Steve.Tate@morganhill.ca.gov>; Marilyn Librers <Marilyn.Librers@morganhill.ca.gov>; CA Oosterman John - FSA Davis <John.Oosterman@ca.usda.gov>; mark.hultgren@ca.usda.gov; CA Barbosa Sylvia - RD Salinas <Sylvia.Barbosa@ca.usda.gov>; Stephen Vernon <Stephen@gilfix.com>
Subject: LAFCO Meeting Commentary--February 3, 2016car

Dear SCC Supervisor Cortese and
SCC Supervisor Wasserman,

The following surfaces the perception that can almost be like biased reporting is in the news media, if cognizance and awareness is not brought to the attention such that all are careful in being objective, leading to fair results for property owners in Morgan Hill.

The February 3, 2016 LAFCO Meeting was attended, in part, about 2 hrs., because parking was limited, restricted to two hours around the Santa Clara County Building. There was construction activity and sidewalk work underway. In the future, when the Meeting addresses MH Southeast Quadrant properties, I will seek out an alternative plan or parking garage.

I did grasp enough of the Meeting in the first portion to raise this request for special cognizance level, however, so that the decision makers are more sensitive to this observation, resulting in decision fairness, on an individualized property owner and property basis, please.

The presentation by Mr. DeVinney was very impressive insofar as the millions commanded in Santa Clara County on an annual basis, for agriculture, promoting agricultural preservation. Presentation could sell anyone on the idea of agricultural preservation. Figures may be all accurate and convincing. The presentation could not have been more positive, in supporting agricultural preservation, where the figures are really applicable and true, in reaping annual profits.

THE IMPORTANT FACTOR TO REMEMBER, IS THAT THESE ARE SPOTS ON THE MAP, NOT THE WHOLE SCC MAP.

The critical distinction is that this does NOT include all property owners, nor does the income reflected represent all properties in Morgan Hill. Wherever there are barren fields, counteracting weeds, the impressive presentation and figures do not apply.

There are property owners who are struggling economically, who have long term generational agricultural land, who have expended considerable amounts of money, to convert their former farmland property into a business, so that as a compromise, the agriculture can be sustained and preserved by the business, with 2016 economics.

Please also note, that many of the aforementioned property owners have owned their land 50-100 years, in their family. This means that even with properties not being recalculated in tax assessment, as typically happens when there is a sale--agricultural preservation is not financially sustainable at the lower tax assessment figures.

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

Separately, this morning on the radio, to be confirmed in content, there seems to have been a hint in a broadcast that open space property ownership has sold a considerable amount of acreage to development.

I cannot help but question, are there forms of unjust enrichment that occur when there are public announcements such as the aforementioned, when the words open space and development are used in the same context, as typically, these two are like planets apart in land use discussions.

Thank you for your consideration and review.

Julie Borina Driscoll

From: Bill Barnhart [mailto:wbarnhart@verizon.net]
Sent: Saturday, January 30, 2016 3:59 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

William Barnhart

From: Myra Kaelin [mailto:myrakaelin@yahoo.com]
Sent: Wednesday, January 27, 2016 8:48 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Protect Morgan Hill

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

Morgan Hill already has a glut of new developments. We do not need more traffic to add to our already growing population. My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Myra Kaelin

From: Linda Barbosa <lbarbosagarlic@gmail.com>
Sent: Saturday, January 16, 2016 7:00 AM
To: Abello, Emmanuel
Subject: SEQ Morgan Hill

Dear Mr. Abello,

I am a resident of Morgan Hill.

I oppose the addition of the SEQ to the city of Morgan Hill.

I believe that area should remain in it's current designation.

Morgan Hill should use available land with the city for development rather than seek to expand it's boundaries.

Thank you,

Linda Barbosa
1835 Bluebonnet Ct
Morgan Hill, CA 95037

Subject: FW: Confidential Review, Please--USDA Loan

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Thursday, January 14, 2016 12:30 AM
To: <excel_financial@sbcglobal.net> <excel_financial@sbcglobal.net>
Subject: Confidential Review, Please--USDA Loan

Dear Sheldon, Diane, Excel Financial,

This is just information at this
time, pending further review, as
I do have the 2014 private investor loan to consider with hopes that there will be no interference or conflicts with the USDA opportunity.

New year, new government budget,
by the USDA. I was fortunate to receive USDA information via email yesterday. Dependent upon the overall, loans can be up to
$3 million. Opportunity for small
woman owned business, in a
category on its own, as opportunity.

50/50 ag preserve, allowed land use.

I have either a custom home senior
residential or a Montessori /
Challenger type of school, in
mind as a business prospect, the
latter being more compatible with
the area, as the Catholic Diocese
is scheduled to begin construction
of the site for 1600 high school
students, on next corner from
family property, this year, 2016.

Thank you for your review.

Julie Borina Driscoll

Subject: Please deny City of Morgan Hill's request to annex

From: Diane Berney [mailto:jdberney@charter.net]
Sent: Thursday, January 07, 2016 11:38 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please deny City of Morgan Hill's request to annex

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

In addition, with our aquifer under such a huge burden already, not counting the massive residential construction already going on in Morgan Hill, and the water consumption from all those future occupants, we just cannot put any further strain on it. Until that problem, and the roadway problems, have been addressed there should not even be talking of expanding anything. Let's improve, and preserve, our small town, agricultural, Morgan Hill feel.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision. Morgan Hill is our city. We should have a vote on how we envision Morgan Hill in the future.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands. I pray this is the case!

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Diane Berney

408-316-0700

Subject: SEQ

From: Janet Conrey <jco5nrey@gmail.com>
Date: January 6, 2016 at 12:33:04 PM PST
To: "Neelima.Palacherla@ceo.sccgov.org" <Neelima.Palacherla@ceo.sccgov.org>
Subject: SEQ

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Janet Conrey

Subject: SEQ Morgan Hill

From: jmargaretmccann@aol.com
Date: January 2, 2016 at 10:49:51 AM GMT+5:30
To: Neelima.Palacherla@ceo.sccgov.org
Cc: <jmargaretmccann@aol.com>
Subject: SEQ Morgan Hill

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill.

The City did not make it easy to follow what was going on like they have for so many other issues.
This is unacceptable for such an important decision.
My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.
The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Margaret McCann

Learn from the Past
Plan for the Future
BUT
Live in the Present

Subject: LAFCO Consideration, Please--Labor Commissioner

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Monday, December 28, 2015 1:16 PM
To: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>
Cc: Cortese, Dave <Dave.Cortese@BOS.SCCGOV.ORG>; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Steve Tate <Steve.Tate@morganhill.ca.gov>; Senator.Beall@senate.ca.gov; CA Oosterman John - FSA Davis <John.Oosterman@ca.usda.gov>; mark.hultgren@ca.usda.gov; Stephen Vernon <Stephen@gilfix.com>; jRosen@da.sccgov.org; jBoyarsky@da.sccgov.org; andrew.crabtree@morganhill.ca.gov; Jim.Rowe@morganhill.ca.gov; Leslie.Little@morganhill.ca.gov; Marilyn Librers <Marilyn.Librers@morganhill.ca.gov>; Joseph Mueller <joemueller@verizon.net>; fcilia@dsj.org
Subject: LAFCO Consideration, Please--Labor Commissioner

Dear Emmanuel,

My understanding is that a Meeting
is scheduled by LAFCO in early
February, to discuss the future of the Southeast Quadrant in Morgan Hill.

I believe there are important
matters to take into consideration
throughout, which may be identified
in various governing documents,
as to what has happened -- is it legal,
by all governing documents, at
every government level. The
Initiating principles of 50/50
agricultural mitigation, has shifted
from its originating foundation,
whereby, now, there are drastic valuation differentials that are becoming more and more to be at the loss or expense of the MH SEQ property owners, by imposed agricultural preservation, not being evenly distributed, as initially represented.

All matters equal, all agricultural
properties began with equal status,
with 50/50 agricultural mitigation requirements, identified at outset.

Development happens, certain
properties are enriched, while
MH SEQ properties, bearing the
brunt of the agricultural preservation
requirements, by shift, are suddenly,
unjustly impoverished, because the
50/50 mitigation is now concentrated
in the MH SEQ. Development reaps
much higher returns and value
than agriculture.

I will explain how the

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

50/50 agricultural mitigation requirement in the City of Morgan Hill, enriches certain properties and financially impoverishes other properties, posing the question, is this unconstitutional in County, State and/or Federal laws, when this form of "mitigation," is imposed as a general "shift" requirement,as an overall City of Morgan Hill stipulation, first initiated on a neutral basis, but becomes a factor of unequal enrichment, benefitting certain areas, benefitting developers, but works to now impoverish MH SEQ property owners?

All of a sudden, the initial foundational base, of agricultural land in City of Morgan Hill, all areas once equal, with development, the agricultural preservation, heavily shifted over to the MH SEQ, while MH development escalates the value, of previously zoned equal agricultural land to development. Property owners in the MH SEQ become victimized by this imposed agricultural preservation shift concentration to the MH SEQ after the development, which technically, now cannot be labelled 50/50, equal for all of Morgan Hill, any longer.

THE AGRICULTURAL MITIGATION AND PRESERVATION IS REALLY NOW BECOMING TO BE AT THE EXPENSE OF THE MH SEQ PROPERTY OWNERS, WITH THIS CONCENTRATED SHIFT.

This alters the initial parameters of 50/50 mitigation, whereby, there may be legal unjust enrichment and legal unjust impoverishment considerations applicable.

The parameters of 50/50 agricultural mitigation is no longer equal property valuation, as it was at the outset. Is this identified in LAFCO guidelines?

Separately, State of California (alone) is attempting to collect around $300M, (which would be more with interest), in unpaid wages.

I believe future proactive prevention is important not to add to the violations in employment law and this wages unpaid figure. Agricultural preservation without strong business or development in the MH SEQ would encourage employment law violations and wages unpaid,

for the future, with agriculture passé.

Many property owners
in the MH SEQ, could not afford to
take crops from seed to harvest,
with the crew necessary to harvest
crops, complying to federal and
state employment laws. I do
not believe it is ethical to affix
a label of agricultural preservation,
if there is not business strong enough
to support agricultural preservation,
on an independent basis.

I have letters enroute to the Offices
of California Senator Jim Beall,
California's Labor Commissioner
Julie Su and US Department of
Labor Secretary, Thomas Perez,
on various issues, in time for after the New Year Holiday. I plan to mention this imposed agricultural preservation mitigation issue when it is so impossible in Silicon Valley 2016, unless there is strong business to support the agricultural preservation as fancy landscaping, with ideas on how future unpaid wages in California can be prevented, using the MH SEQ history and future plans as an example.

I simply believe that all levels of government and officials should be "on standby" to oversee the legal compliance, feasibility calculations of agricultural preserve in the MH Southeast Quadrant, 2016.

All government officials, City,
County, State and Federal, obligated
to promote and facilitate property
zoning, which will be compliant
to employment laws, not promote
zoning and decision making that
will lead to more unpaid wages
to be collected later, that economics
impossible will certainly bring,
with legal violations. This is the
responsibility every government
official owes to our Country
and citizenry--through decision
making processes, to please lead,
with decisions that will benefit,
not mislead, into legal violations.

Where unwise decisions mislead,
causing violations and unpaid wages,
impeachments may become
inevitable, to elect officials who
understand wise zoning decisions
in Silicon Valley radius communities,
modern laws and financial economics, what works and does not longer work.

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

The property owners in the MH Southeast Quadrant, on an overall basis, have been the "agricultural mitigators," while development builds and thrives in other areas of Morgan Hill. We, in MH SEQ, in essence, are being given short "shrift," bearing the burden of "agricultural mitigation" shift, cast upon the SEQ, while other areas of MH development enjoy lucrative "enrichment" that development brings--at our expense.

Scales in property values, have tipped, with this short shrift and shift of MH SEQ agricultural preservation/ dispositioning over to the MH SEQ-- so how do MH SEQ property owners equalize this property zoning and value shift, economically, which has been imposed, through time and development concentrated in other areas of Morgan Hill?

Do we assert "unjust enrichment" to be victimized in the MH SEQ by the agricultural mitigation rule, by imposition, without consent?

Many property owners cannot economically relive 1930's style agriculture in 2016-- unless there is a very lucrative business on site, to treat the "agricultural preserve" as expensive landscaping, or esthetic hobby.

This is no longer equal, fair 50/50 agricultural mitigation and preservation, as development reaps exponentially higher figures in other areas of now developed Morgan Hill, property appreciation figures, values, while the property owners in the MH SEQ, are unjustly deprived the equal level of "enrichment," with an imposed label of agricultural preservation instead of a 2016 appropriate property zoning label, which will be profitable and lucrative for all.

The scales are now tipped, to be of disadvantage to MH SEQ property owners, even if we implement 50/50 ag mitigation on our own properties. We are still affected, because real estate is affected by neighboring property values, not being equal in value as developed areas of Morgan Hill that have tossed their mitigation requirements upon the MH SEQ property owners to carry the figurative load of agricultural passé consequences 2016, in the MH SEQ.

I believe we need to have federal, state labor officials oversee any

and all future "agricultural preservation" zoning areas, to prevent, at the very outset, labor non -compliance, brought by imposed agricultural deficient profits 2016, high Silicon Valley financial cost of living economics, in the area, so that the figure approaching $300M, in unpaid wages, the State of California is trying to collect, is not compounded, further by agricultural passé.

Federal tax, by definition, is also involved, on wages unpaid, so the US Department of Labor should also be brought in to monitor MH SEQ planning. I believe that setting the precedent, using MH SEQ as a prototype example, would serve as a proactive means to prevent the approaching $300M in unpaid wages, from becoming $500M plus in unpaid wages. In other words, wise planning for high economic Silicon Valley needs to be placed on a proactive and preventative path now with zoning that is compatible to the economics of Santa Clara County, not Yolo County, which is worlds apart in geographical comparisons.

Time is high that the MH SEQ properties are taken out of being the "fall zones" to be the Agricultural Preservation mitigators with consequences at SEQ expense, for developed areas of Morgan Hill, to be greatly enriched, at expense of unjust economic deprivation, shifted over to the MH SEQ, through the label of agricultural preserve-- which really it is not. Take a drive around and view barren fields, as agricultural preservation, it is not. It is not right nor fair to inflict significant economic impoverishment to property owners in the MH SEQ, while developers and development, heavily concentrated in other areas of Morgan Hill, enjoy a form of "unjust enrichment" through this "shift" at the MH SEQ property owners' expense.

Thank you very much for your consideration and review.

Julie Borina Driscoll

Subject: Morgan Hill annexation

From: the Flaggs <brianflg@garlic.com>
Date: December 19, 2015 at 8:51:10 PM GMT+5:30
To: <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill annexation

Dear LAFCO: For some reason the Morgan Hill City Council is hurrying to annex and denvelop land known as the South East Quadrant. Morgan Hill is growing very fast now, and I don't see how we will be able to accommodate even more residents with their need for city services, especially water. Please don't grant the City's request at this time. We need to slow down and develop sensibly. Let's preserve open space for future generations.
Thank you.
Chuck Flagg
2350 Fountain Oaks Drive
Morgan Hill, CA 95037

Subject: Morgan Hill Development

From: Todd Perry <tapconbuilders@charter.net>
Date: December 10, 2015 at 12:17:21 AM GMT+5:30
To: <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill Development

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Todd Perry

Morgan Hill, CA

Subject: Southeast Quadrant (Morgan Hill)

From: Trina Hineser [mailto:thineser@e-ecosound.com]
Sent: Sunday, December 06, 2015 3:13 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: Southeast Quadrant (Morgan Hill)

Hello Neelima,

I did not get a chance to introduce myself to you at the recent LAFCO meeting, but was very glad that I attended.

I did however introduce myself to Andrew Crabtree with the Morgan Hill Planning Office. I have requested a meeting for the SMNA Board to meet with him in the coming week (December 10th, 2015). I also plan on attending the Open Space Authority meeting this week where the project will be presented.

I mentioned to Andrew the concern that long time homeowners within the Southeast Quadrant have never been notified about this project. He stated at LAFCO that his project has been in the works for 12 years. If this is the case, what type of outreach has been done? There are at least 12 homeowners on Maple Avenue & Murphy Avenue that know nothing about this proposed project. Andrew stated that he was told that someone went door to door and spoke with everyone on Maple Ave., I smiled and stated, "well I have lived at 840 Maple Avenue for over 15 years and no one has come to speak to me or any of the surrounding homeowners as I am in personal contact with them."

I would ask LAFCO to postpone action on the Morgan Hill annexation until proper and just notification, public outreach, and homeowner input has been made available. To date, the San Martin Neighborhood Alliance has been the one to reach out to Morgan Hill and we will view the plans and attend the OSA meeting to hear further information. However, with the holiday season upon us and this project going before LAFCO on February 3rd, 2016 this does not provide adequate time or notice to the individuals and the community of San Martin, in which this project with greatly affect.

As President of SMNA I will be personally reaching out to each LAFCO Board Members in order to notice them on the lack of public notification and outreach that has taken place surrounding this project. I would ask that this be public notice of SMNA's object to this project going to a vote in February.

Sincerely,

Trina Hineser
SMNA Board - President
www.sanmartinneighbor.org

San Martin Neighborhood Alliance

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Tuesday, November 10, 2015 4:28 PM

To: thineser@e-ecosound.com
Subject: RE: Southeast Quadrant (Morgan Hill)

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

Trina,
Thank you for your interest in LAFCO. It was good chatting with you. I have now added you to the LAFCO agenda notice/mailing list. Per your request, I have attached the maps of the two areas proposed for inclusion in the Morgan Hill Urban Service Area and a notice informing the city when the application is likely to be heard at LAFCO. Please do not hesitate to contact me if you have any questions.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Trina Hineser [mailto:thineser@e-ecosound.com]
Sent: Tuesday, November 10, 2015 3:05 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Southeast Quadrant (Morgan Hill)
Importance: High

Hello Neelima,

I was provided your name as a contact person for LAFCO and as being one who is familiar with the proposed annexation of the Southeast Quadrant (Morgan Hill).

First, let me take a moment to introduce myself. My name is Trina Hineser and I am the current President of the San Martin Neighborhood Alliance (SMNA) and have been a board member for three years. Our SMNA membership is made up of 400+ households within unincorporated rural San Martin. Additionally, I regularly attend the San Martin Planning Advisory Committee (SMPAC) meetings for Santa Clara County and most recently was appointed to sit on the SMPAC Board by Mike Wasserman.

I am reaching out to you because; not until this week, have I or any of the SMNA Board Members ever heard about the potential annexation of the Southeast Quadrant. Nor has this item been brought up or discussed at any of the SMPAC meetings in the last few years. This is quite concerning as the Southeast Quadrant directly boarders San Martin and residents there have never been notified of this potential annexation.

SMNA is committed to maintaining our rural residential community. The idea of there no longer being any buffer between Morgan Hill City boundaries; i.e. sphere of influence, and the rural community of San Martin is of great concern to SMNA.

It was my understanding that since the adoption of countywide urban development policies, that they are to serve as examples of how planning and growth management principles can help **discourage urban sprawl**, preserve agricultural lands and maintain open space. The implementation of these policies is what has made Santa Clara County a more livable, sustainable place then it would have otherwise become. How will LAFCO implement these policies if the sphere of influence between Morgan Hill and San Martin is abolished at this Southeast Quadrant?

If you would bring me up to speed on how long this project has been in the works, when it is scheduled to go before LAFCO, when & where has public outreach been done, and where the proposed plans can be viewed along with the environmental studies, it would be appreciated.

Please feel free to contact me directly, at (408) 507-2221.

Sincerely,
Trina Hineser
SMNA Board - President
www.sanmartinneighbor.org

Subject: Morgan Hill SEQ

From: John Jenkins [mailto:jenkins5289@gmail.com]
Sent: Tuesday, November 24, 2015 2:30 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ

I have lived in Morgan Hill for 25 years. I have witnessed the population double since then. And it will go higher. Prime agricultural land has been either paved over or developed with a tendency to sprawl type growth rather than high density, multi floor buildings. I moved up here from Southern California and I see Morgan Hill looking more like LA sprawl than a unique city with a heathly, open border separating us from Gilroy and San Jose.
I urge you and the commissioners in LAFCO to preserve what scarce ag. land we have left in the SEQ.
Thank you.

John Jenkins
740 Easy Street
Morgan Hill, CA 95037

Subject: The East Quadrant of Morgan Hill

From: Debbie Kenyon [mailto:debbiekenyon@mac.com]
Sent: Monday, November 23, 2015 12:05 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; julie@greenfoothills.org
Subject: The East Quadrant of Morgan Hill

To whom it may concern:
I am requesting that the annexation be denied and that my request be forwarded to the LAFCo Commission http://www.santaclara.lafco.ca.gov/about-lafco/commissioners

We have lived in Morgan Hill for 29 years on our 2 1/2 acres happily without being annexed. We have horses and sheep and maintain our property very well. What exactly would annexation mean for us? No more large animals, sidewalks, city water??? We did NOT move to MH to live in a neighborhood!

Where is OUR voice in all of this?

Debbie Kenyon
debbiekenyon@mac.com

Subject: SEQ Morgan Hill

From: Linda Barbosa [mailto:lbarbosagarlic@gmail.com]
Sent: Sunday, November 22, 2015 6:47 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: SEQ Morgan Hill

Dear Director Palacheria,

I am a long time resident of Morgan Hill.

I also believe in preservation of open space and agriculture.

I believe the South East Quadrant of Morgan Hill should maintain it's current designation and NOT be annexed to the city of Morgan Hill.

The current management of that area is fine.

I would rather see the city of Morgan Hill build on open land within city limits.

Sincerely,

Linda Barbosa
1835 Bluebonnet Ct
Morgan Hill, CA 95037

Subject: Morgan Hill SEQ Annexation

From: Ashley Woodworth [mailto:ashleyrosewoodworth@gmail.com]
Sent: Tuesday, November 17, 2015 2:28 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ Annexation

Dear LAFCo Commissioners,

As a Morgan Hill resident, I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant as I value our region's remaining farmland. We need LAFCo's help to protect Morgan Hill's open space resources as both greenspace and productive land. I desperately urge you to deny the annexation of the Southeast Quadrant, we already have too much sprawl in our small town.

Thank you for your consideration,
Ashley Woodworth

Palacherla, Neelima

From: Trina Hineser <thineser@e-ecosound.com>
Sent: Tuesday, November 10, 2015 3:05 PM
To: Palacherla, Neelima
Subject: Southeast Quadrant (Morgan Hill)

Importance: High

Hello Neelima,

I was provided your name as a contact person for LAFCO and as being one who is familiar with the proposed annexation of the Southeast Quadrant (Morgan Hill).

First, let me take a moment to introduce myself. My name is Trina Hineser and I am the current President of the San Martin Neighborhood Alliance (SMNA) and have been a board member for three years. Our SMNA membership is made up of 400+ households within unincorporated rural San Martin. Additionally, I regularly attend the San Martin Planning Advisory Committee (SMPAC) meetings for Santa Clara County and most recently was appointed to sit on the SMPAC Board by Mike Wasserman.

I am reaching out to you because; not until this week, have I or any of the SMNA Board Members ever heard about the potential annexation of the Southeast Quadrant. Nor has this item been brought up or discussed at any of the SMPAC meetings in the last few years. This is quite concerning as the Southeast Quadrant directly boarders San Martin and residents there have never been notified of this potential annexation.

SMNA is committed to maintaining our rural residential community. The idea of there no longer being any buffer between Morgan Hill City boundaries; i.e. sphere of influence, and the rural community of San Martin is of great concern to SMNA.

It was my understanding that since the adoption of countywide urban development policies, that they are to serve as examples of how planning and growth management principles can help **discourage urban sprawl**, preserve agricultural lands and maintain open space. The implementation of these policies is what has made Santa Clara County a more livable, sustainable place then it would have otherwise become. How will LAFCO implement these policies if the sphere of influence between Morgan Hill and San Martin is abolished at this Southeast Quadrant?

If you would bring me up to speed on how long this project has been in the works, when it is scheduled to go before LAFCO, when & where has public outreach been done, and where the proposed plans can be viewed along with the environmental studies, it would be appreciated.

Please feel free to contact me directly, at (408) 507-2221.

Sincerely,
Trina Hineser

SMNA Board - President
www.sanmartinneighbor.org

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

San Martin Neighborhood Alliance

Subject: Please deny annexation request

From: Kristyn Greenwood [mailto:kristyngreenwood@gmail.com]
Sent: Monday, November 09, 2015 11:02 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please deny annexation request

Hi - I am writing to request that you deny the City of Morgan Hill's request for annexation of the South East Quadrant. I am opposed to any annexations that are designed to change the zoning of an area. The projects that are proposed for that area could be accommodated within the existing city limits and within current zoning. There is no need for the city to look outside for room to expand. Let the current zoning for these areas stand.

Thanks, Kristyn Greenwood
Morgan Hill Resident

Subject: FW: Annexation

From: Marilyn Dober [mailto:marilyn@windvest.com]
Sent: Wednesday, November 04, 2015 9:15 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Annexation

Please deny the City of Morgan Hill's request for annexation of 215 acres of an area known as the Southeast Quadrant (SEQ). We do not need further urban sprawl in our beautiful town. The city has done enough damage by tearing up the downtown with a very vague purpose. We need our farmlands!
Thank you for granting the request of many who live in Morgan Hill.

Marilyn Dober
WindVest Motorcycle Products, Inc.
16840 Joleen Way B2
Morgan Hill, CA 95037
408-377-7323
408-377-7346 fax
877-370-7326 toll free

Subject: FW: Stop Morgan Hill Annexations

From: Jordan Wittman [mailto:jordan.wittman@gmail.com]
Sent: Monday, November 02, 2015 1:01 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Stop Morgan Hill Annexations

Hi Neelima-

I grew up in San Martin, Morgan Hill's unincorporated neighbor to the south. As a child, my family moved here in the early eighties to escape the urban intensities of the greater San Jose area. They both grew up in Los Gatos and Saratoga and watched as more and more orchards and farmland gave way to housing developments, office buildings, and shopping centers. I can't tell you how many times when we'd go to visit the grandparents that we'd drive by a neighborhood and my dad would make comments along the lines of, "This used to all be cherry orchards," and, "I used to spend my summers picking 'cots right here." Clearly today those orchards are gone and landscape has changed. So too has the economy.

And I get it, Silicon Valley is an epicenter of business on a global scale. As far as tech and innovation go, there is nowhere else like it. And to keep this engine moving forward, the people that work here now and will work here in the future need places to live and communities to be a part of. My wife and I run a tech-related business. We are part of that economy.

When we moved back to the Bay Area 5 years ago, my wife and I wanted to be close enough to commute, but far enough away to not live in a city. It's a lot to ask for in today's Bay, but if you look hard enough there are still a few pockets that remain. For the short term, we rented up in Scotts Valley. But when conversations turned to starting a family and buying a home, our eyes turned back to the South Valley, where real estate was still "somewhat affordable" and the community make was a blend of rural and urban areas. There are still farms and orchards woven into our landscape, the smell of garlic and mushroom compost is still heavy in the air, and well-dressed caballeros still trot along the shoulders of local county roads.

We bought our house in Morgan Hill in the summer of 2013. It's a 1940's post-war era ranch home. We bought it off the great grandchildren of the original family to settle the land - the Daubergs. The first building to go up was a barn, built in 1908, that still stands on the southern edge of our lot. While the original home was being built, the Daubergs took up residence in a small room inside the barn. Stepping inside today you can still see the remnants of wall paper clinging to redwood boards and the outlines of where photographs once hung on the wall. The Daubergs initially planted prunes, but switched over to chickens some time after WWII. Aside from a few chicken houses across the street, the only evidence that a farm once operated here are the barn and another small out building.

I bring this all up because the history of the bay area is rich in agriculture, and the future of the Bay Area is driven by tech. But somewhere in there we need to find a balance. One that merits our history the same value as our future. To turn our backs on the open spaces and remnants of a still-thriving agricultural industry would do great injustice to the legacy of those who have come before, and would be robbing future generations of knowing that world.

Morgan Hill is an oasis, one of only a few remaining in the Bay Area. People choose to live here for the open spaces and rural-burbia interface. Unrestrained development is our greatest threat. We passed Measure C as a community voter initiative in 2004 for that very reason. You are in a position to help our community preserve

what makes it great. There are countless vacant lots within the current city limits that should be developed before we should even consider expanding the city limits. The move to annex property in the Oak Meadows and South East Quadrant area is a developer driven initiative that puts profits for a few ahead of quality of life for current residents. I trust that you will listen to the voices of our community members above the rhetoric of developers.

I don't speak for any organized group, just myself and family. But I do honestly believe my beliefs represent the majority of Morgan Hill and South County residents. Feel free to reach out to me directly if you'd like to discuss this.

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

Thanks for your time,

Jordan Wittman
14657 Stonebridge Ct
Morgan Hill, CA 95037

530.228.0974
jordan.wittman@gmail.com

Subject: FW: Stay Away from the Last Remaining Stretches of Open Space in Morgan Hill, or the SEQ, for the Love of God

From: Lisa Benson [mailto:lfbenson@gmail.com]
Sent: Monday, November 02, 2015 11:11 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>
Cc: mmoore@morganhilltimes.com
Subject: Stay Away from the Last Remaining Stretches of Open Space in Morgan Hill, or the SEQ, for the Love of God

Dear LAFCo Executive Director Palacherla and Supervisor Wasserman:

I was appalled to read this morning of the City of Morgan Hill's most recent land grab and farmland conversion efforts, namely the Southeast Quadrant (SEQ) of San Martin/Santa Clara County lands.

My perspective is, that by the time I was born in south San Jose and before I moved in childhood to Morgan Hill, the famed bucolic valleys, oak woodlands, marshes, estuaries, and then, later, agricultural orchards of these two areas were all long gone. I could only read about what John Muir saw, the fragrances he took in. Unfortunately, my experience of growing up and living in this part of the West has neither been one of a pleasant urban city life. No -- San Jose in particular is simply a nightmare of grossly incompetent urban planning, nothing but endless strip malls, sprawling non-traversable business campuses, massive, perilous intersections and expansive parking lots, with no significant consideration given, whatsoever, to the once beautiful environmental surroundings of the valley, its rivers and the bay, nor pedestrians who wish to reside there. In fact, the City of San Jose has been an archetypical disgrace in the couple hundred years to the very notion of city planning and environmental preservation, resultantly affording its residents a very poor quality of life based on concrete sprawl and ugliness, with some of the worst traffic congestion in the world.

I am appalled to see that Morgan Hill is charging precipitously down the same path. Already, 101 weekday traffic is disgustingly thick in San Martin and Morgan Hill from 5 AM. No lessons have been learned nor is any care being taken to prevent a mini-urban sprawl nightmare from enveloping Morgan Hill. You are destroying whatever semi-rural, country charm remains. All of the recent, publicized Open Space purchases have been made in the deep hills. Now, you think you can annex the SEQ on the valley floor without public input, whether it's for big box stores, sports fields or anything else. There is space within current MH City boundaries, so urban sprawl and making the town a mini-San Jose, is entirely unnecessary and detrimental to no-one but the developers in whose pockets you seem to be so thoroughly ensconced. Furthermore, this should absolutely not be done without wider solicitations for public input. You are being very sneaky rail-roading this over the public, and are mistaken if you think you are serving our interests because you are not.

On the contrary, you have a responsibility to defend the very last vestiges of valley floor open space in the south bay from the incessant development that would pave over every last remaining inch of it in Morgan Hill. It's tragic how incompetent and poor city planning has been in San Jose and Santa Clara Valley over all, and now, stop Morgan Hill from so quickly following suit. Don't touch the Southeast Quadrant, for the love of God -- that is my written request. It is not OK to build over every inch of the valley floor and leave no open space, and I am committed to the protection of farmland, agricultural lands, and the ability of the public to experience the natural environment on Morgan Hill's valley floor. Period. Stay off of it! Massive cities are not meant to be built this way with endless sprawl and no buffering countryside. Just stay away from every last piece of valley land you can set your sights and hands upon.

Thank you,

Lisa Voss

This page was inadvertently omitted in Exhibit E of Area 1 Staff Report on February 15, 2016.

Subject: Annexations be denied

From: Jane [mailto:jane_ycui@yahoo.com]
Sent: Monday, November 02, 2015 9:19 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Annexations be denied

This is request to deny the annexation for Morgan Hill area, need to preserve green belt, the only green belt left in Bay Area along HW 101.

The city planning has the obligation to consciously protect the beautiful Bay Area with green belt

Please forward this email to all committee members and commissioners who are involved in the decision making.

We travel oversea a lot, most impressive by the green belts surrounding nice towns and city boundaries that provides peace and space in many developed country such as UK. We can do better.

Appreciate your time and consideration

Ying Leighton

Sent from my iPhone

Subject: Please stop development in Morgan Hill's SEQ.

From: Fenex, Lyn [mailto:lyn.fenex@experis.com]
Sent: Friday, October 30, 2015 2:38 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please stop development in Morgan Hill's SEQ.

With the recent news about petroleum compromised crops from Kern County, California will need all if the farmland we can spare.

Thank you,
Lyn Fenex
408/309-8293
95037

Subject: FW: Southeast Quadrant

From: Charmel Perrier [mailto:charmels2626@yahoo.com]
Sent: Monday, October 26, 2015 11:44 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Southeast Quadrant

Dear **Neelima Palacherla, LAFCO Executive Officer and Board Members**

We are deeply sadden to receive your email, regarding the agricultural land of the Southeast Quadrant. We along with many others, have been working and praying for LAFCO to finally protect all the farmland in Southeast Quadrant from developers once in for all. Both the agriculture land and the environment now looks to have little chance of being saved. It appears that it has become a popularity contest for George Chiala and his desire for a Catholic High School. That along with the greed of the Morgan Hill City Council for County land. Now it is clear, why it was printed in the Morgan Hill Times that it is felt they have support from LAFCO Board Members. We also counted on the facts, that this land is being used this very day for crops, shows to everyone, that it should be saved at all costs!!

Many years ago, we attended the Morgan Hill School Board Meeting regarding the proposed Sobrato High School in Southeast Quadrant. We went door to door that year, wrote editorials to the newspaper in an effort to save that agriculture land. That night when the School Board announced that the high school would be built on Burnett Avenue in Morgan Hill, instead of in the Southeast Quadrant, the then Mayor Dennis Kennedy came up to us and said "You may have one won this time, but I will make sure that a third High School goes there"!

If George Chiala and Morgan City Council want this Catholic High School, it should be put in within the City limits of Morgan Hill, which that is already open and not being used for agriculture! It is long overdue, that they leave the County and the Southeast Quadrant out of their plans. **Who will finally stand up for the land? Will it be LAFCO? Will it go to the greed of Developers with the support of the Morgan Hill City Council?**

Please save the Southeast Quadrant .....The environment is counting on you!

Sincerely, Charlyn and Mel Perreir
Morgan Hill Residents

This email was inadvertently provided as part of comment letters for Area 2 (Area 2 Staff Report, Attachment E).

Subject: FW: Morgan Hill Southeast Quadrant Annexation & Agricultural Mitigation Preservation Plan

From: Charmel Perrier [mailto:charmels2626@yahoo.com]
Sent: Tuesday, August 04, 2015 12:16 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill Southeast Quadrant Annexation & Agricultural Mitigation Preservation Plan

Neelima Palacherla, LAFCO Executive Officer
and Board Members:

LAFCO Board members, the final Southeast Quadrant annexation and agricultural preservation plan was approved by the Morgan Hill City Council on July 15, 2015.

Board members please consider the reasons why Rich Constantine (Morgan Hill City Councilman) voted against the plan. His comments were: " agricultural mitigation program is unlikely to achieve its goals. This program would require developers to pay a per-acre fee that would go toward the permanent preservation of an equal acreage of farmland on which they plan to build. To say that you're going to take acreage in the Southeast Quadrant and mitigate acreage that's already in the Southeast Quadrant, that doesn't make any sense", Constantine added.

LAFCO members, this plan of extending the "urban service area" boundary in the SEQ, requesting annexation of 215 acres into the city limits, pre-zoning a 38-acre parcel "public facilities" where the San Jose Diocese plans to build the South County Catholic High School, and applying the new SRL classification to several private properties in the SEQ, still do not support its stated goals to preserve agriculture and open space.

Please consider not approving this Southeast Quadrant plan, until the City of Morgan Hill designs a new responsible, sustainable development plan, with acreage that is already in the city limits, and owned by the City of Morgan Hill. The SEQ plan has the potential to attract urban sprawl. This plan supports wealthy land owners and rich developers, not the goals of LAFCO in protecting open space and agricultural preservation.

An alarming article in the Morgan Hill Life Newspaper (July22 - August 4, 2015) stated that George Chiala (Morgan Hill farmer) felt that he already had the support from LAFCO members, for the San Jose Diocese plans to build the South County Catholic High School. This being even before the LAFCO members were able to agenized the city's requests for an upcoming meeting. Suggesting that he knew the out come before hand, was a very inappropriate statement. This local farmer desire to get approval for re-zoning a 38 acre parcel, is a personal project of his own. This plan does not in reality support the goals of LAFCO, or contribute to the preservation of farming and open green space.

Mel & Charlyn Perreir
Morgan Hill, CA (SEQ residents)

AGENDA ITEM # 16.3
April 2, 2014

February 13, 2014

To: City Council of Morgan Hill
Board of LATCO
Rebecca Tolentino

This letter was inadvertently provided as part of the comment letters for Area 2 (Area 2 Staff Report, Attachment E).

From: Mrs. Carol Neal
15600 Foothill Ave.
Morgan Hill, Ca 95037
Phone 408-779-7133
nealfamily1@hotmail.com

Re: Southeast Quadrant Land Annexation and Uses

To whom it may concern,

1. Who am I?

I am a resident of the County of Santa Clara and have lived in our home on Foothill Ave for about 40 years. Our property is the proposed area to be annexed to the City of Morgan Hill. This property is the primary asset in our estate. It is very important to us how the proposed annexation will affect the value and environment of our neighborhood. The greatest asset of our property is the rural beauty of this valley.

There is an easement that runs in the back of my property that connects the property of John Fry's American Institute/golf course to the city. This property was formerly owned by Irvin Perch who developed the Flying Lady Golf Course and Restaurant. As Mr. Perch could not get county approval, he used his money, and power on the city of Morgan Hill and was annexed. I use this as an example of the money and special interest that rule what is done in my neighborhood Currently, Fry's property is an eyesore with it's wall of trees destroying the view from the bottom and it's current plan to build a "castle" obstructing the view from the top.

As part of the "existing residential units' listed in the General Land Use Program, we cannot subdivide. We have NO say in the use of our property. As we are not in the city limits of Morgan Hill, we cannot vote for the policy makers, and we are little fish in the county of Santa Clara, we have limited influence. We are in effect, powerless. What will be the cost to us in migration fees, assessment fees, city taxes, property taxes, etc.?

2. My concerns or objections;

a. Location of proposed South County Catholic High School. There is no need to place the high school in this location. Today, the Daughters of Charity Health System wants to rezone it's current 24.5 acre plot that is currently in the city limits of Morgan Hill. As a Catholic organization why not deed the property for a school. Also, it is of note that Mr. George Chiala who is the biggest winner in the SEQ plan is an important member of the Catholic organization. It is a concern of mine that the placement of the school has become a stepping stone for the annexation.

b. Effect of a private high school on the Morgan Hill Unified School District. Currently enrollment in this district is low and not growing with the population increase. As a former member of the school board, I saw the declining enrollment as a possibility and fought against the building of Sobrato High School. Live Oak is close to the proposed Catholic site. Live Oak did have an agricultural program. I am not opposed to private schools but I feel that placing the Catholic High School on the west side near Gilroy or San Jose would have less effect on the local school district.

c. Annexing this property would accelerate the growth of Morgan Hill and the rural atmosphere will be lost. Just talking to new members of the area, they love the rural area.

d. **Currently the City of Morgan Hill has many large vacant areas that could hold all of the proposed recreational improvements.** Why take on more land when they cannot improve the land south of Dunne Ave on Monterey Road. . How can the city say it wants to have a greenbelt but in continues to push eastward with Cochrane Plaza while many vacant units exist in the core city area?

e. How can you preserve agriculture when you remove the most productive area from cultivation and make it into businesses. How will this area look in the future? A small farmer has put in a successful strawberry farm at the corner of Murphy and Tennant. Now you want to make it a sports field. The proposed Sustainable Agriculture Education is nothing but a grab of the government to control private land. How will this be supported? They say they have a grant but most likely it will be passed on to the taxpayer in mitigation fees and taxes.

g. What will be the effect of the Fry golf course? What will be needed for the proposed PGA golf tournaments? How will this affect the area? What about traffic, roads, etc. The current road that the city is responsible for is not maintained and is a hazard.

h. How is the City of Morgan Hill going to pay for this? Also it is to be noted that some of the stakeholders in this development are the city employees who make a good salary in promoting and developing this program.

It would be my hope that someday, before all of the plans, zoning changes, etc. are considered that all of the stakeholders, as in this case, all property owners, could meet as a group and have an opportunity for input. Having a minute to express you concerns in a public meeting doesn't allow for constructive and meaningful dialogue.

Frustrated and Powerless

Mrs Carol Neal

Mrs. Carol Neal

LAFCO
Local Agency Formation Commission of Santa Clara County

ATTACHMENT F

February 17, 2010

Kathy Molloy Previsich, Community Development Director
Community Development Department
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037-4128

RE: SOUTH EAST QUADRANT (SEQ) PROJECT

Dear Ms. Previsich:

Thank you for advising LAFCO about the City's public workshop on the South East Quadrant (SEQ) Project. The SEQ Project area consists of unincorporated lands that are located outside of the City of Morgan Hill's Urban Service Area (USA) boundary. As you are aware, the City of Morgan Hill must seek and obtain LAFCO approval to expand its USA boundary prior to annexing any lands within the SEQ Project area. As part of the USA amendment, LAFCO would consider whether the project is consistent with LAFCO's four primary objectives. These objectives are as follows:

- Encourage the orderly formation of local governmental agencies
- Preserve agricultural land and open space resources
- Discourage urban sprawl
- Encourage the efficient provision of services

LAFCO has adopted local policies based on these objectives. Specifically applicable to the SEQ Project are LAFCO's policies relating to USA amendments, annexation requests, and agricultural mitigation (See Attachments B, C & D). Pursuant to these policies, some of the key issues that the City must consider prior to proposing an USA expansion relate to the need and timeliness of an USA amendment/annexation request, availability of lands within existing city boundaries that could accommodate the proposed growth, the ability of the city to extend and finance urban services to the growth area without detracting from current service levels to residents within the city, premature conversion of agricultural lands and open space lands, other environmental impacts, and the fiscal impacts on local agencies and service providers.

In general, the purpose of including lands within a city's USA is to allow the city to annex and provide urban services to those lands in order to allow development. It is our understanding that the SEQ Project Area includes a substantial amount of agricultural land. State law and LAFCO policies discourage USA expansions that prematurely include or result in the conversion of agricultural land to non-agricultural uses.

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LAFCO policies call for the development of existing vacant and underutilized sites that are located within a city's existing boundaries before expanding into agricultural lands. Development of existing vacant and underutilized sites that are located within the city's existing boundaries typically would not impact agricultural land and open space resources, would be a more efficient and effective use of existing city infrastructure, and would result in a more efficient provision of city services which is particularly important in these times as public agencies struggle financially to maintain existing service levels.

The inclusion of the SEQ Project area within the City's USA for Sports-Recreation-Leisure and Public Facility land uses would result in the conversion of agricultural lands to non-agricultural uses. If the City decides to move forward with the SEQ USA expansion, the City must address agricultural mitigation issues in a manner consistent with LAFCO's Agricultural Mitigation Policies. Additionally, we encourage the City to consider LAFCO's policies as a point of reference as the City develops its own agricultural mitigation program.

Based on the information provided in the City's notice, LAFCO would be a "Responsible Agency" for the SEQ Project under the California Environmental Quality Act (CEQA). As a Responsible Agency, LAFCO expects to use the City's environmental documents when considering any associated LAFCO applications. Therefore, please ensure that LAFCO's potential role in the project is adequately described in the project scope and that LAFCO Policies are adequately addressed during the City's environmental review process. We will provide further comments upon receipt of the City's Notice of Preparation for the Environmental Impact Report.

Please notify LAFCO about any future public workshops, Planning Commission or City Council meetings related to this Project. If you have any questions regarding these comments, you can reach me at (408) 299-5127. Thank you.

Sincerely,

Neelima Palacherla, LAFCO Executive Officer
LAFCO of Santa Clara County

Cc: LAFCO Members
Morgan Hill City Council Members
Jody Hall Esser, Director, County of Santa Clara Department of Planning and Development
Michele Beasley, Greenbelt Alliance

Attachments:

A. City of Morgan Hill's Notice of Public Workshop
B. LAFCO Urban Service Area (USA) Policies
C. LAFCO Policies on Annexation/Reorganization for Cities and Special Districts
D. LAFCO Agricultural Mitigation Policies

LAFCO
Local Agency Formation Commission of Santa Clara County

April 6, 2010

Steve Piasecki, Community Development Director
Community Development Department
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Re: South East Quadrant (SEQ) Project

Dear Mr. Piasecki:

Thank you for meeting with us on March 25th and for providing us with an overview of the South East Quadrant Project. As we indicated to you at the meeting, the proposed project presents several issues of concern to LAFCO. The following is a summary of our concerns based on our initial understanding of the Project.

Annexation of Lands Outside of a City's Urban Service Area is Not Supported by LAFCO's Policies

It is our understanding that as part of the Southeast Quadrant Project, the City intends to request annexation of lands outside of its Urban Service Area (USA). LAFCO Policies strongly discourage such annexations until inclusion into the Urban Service Area is appropriate because the general purpose for a city to annex lands is to provide them with urban services in order to allow their development. As you know, LAFCO has no authority over lands once they are annexed into a city. Upon annexation, these lands are under the city's authority for land use and development decisions and a city can amend the zoning and general plan designations for these lands and develop them.

LAFCO would only consider annexations outside of the USA if it is to promote the preservation of open space and/or agricultural land. If it is the City's intent to annex lands outside its USA for open space/agricultural purposes, LAFCO will require the City to sufficiently demonstrate that the affected lands will be permanently preserved for agricultural/open space purposes, and not developed or provided with urban services. One potential way in which permanent preservation can be demonstrated is by dedicating such lands to a qualified agricultural/open space conservation entity that has a clear preservation program and has the legal and technical ability to hold and manage conservation easements or lands for the purpose of maintaining them in open space or agriculture. Absent these measures, such a request to annex lands outside of a City's USA Boundary is not supported by LAFCO's Policies. Please see LAFCO's *"Policies Relative to Annexation / Reorganizations for Cities and Special District" (B)(1).*

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LAFCO Policies and State Law Encourage Cities to Pursue the Development of Vacant and Underutilized Incorporated Lands before Seeking to Annex Agricultural Lands

The City is also seeking to expand its USA and annex portions of the SEQ Area. We understand that the SEQ Area consists of largely prime agricultural land - land that the City wants to include in its USA even as the City has substantial amounts of land within its current boundaries that are vacant or underutilized. State law and LAFCO policies discourage the conversion of agricultural land to non-agricultural uses and require that development be guided away from existing prime agricultural lands. Please see LAFCO's *"Policies Relative to Annexations / Reorganizations for Cities and Special Districts" (A)(3) and (B)(3) and Government Code Section 56377 (a) & (b).*

The statutes and policies call for a city to exhaust existing vacant or underutilized lands within its boundaries before expanding into agricultural lands because developing lands which are already within a city's boundaries would allow for more effective use of existing city infrastructure, would result in more efficient provision of city services, would discourage premature and unnecessary conversion of irreplaceable agricultural land to urban uses, and would encourage compact development that would be more consistent with recent greenhouse gas reduction regulations and goals. Therefore we encourage the City to conduct a comprehensive review of its large inventory of vacant or underutilized lands to consider how best to provide opportunities for its development and maximize its use prior to expanding outwards into agricultural lands.

LAFCO Policies and State Law Require Consideration of many Factors, Including whether the City has the Ability to Provide Urban Services to the Expansion Area without Detracting from Current Service Levels

In addition to considering the impacts on agricultural lands and evaluating the need and timeliness of expanding the City's boundaries to accommodate growth, the City must also evaluate whether or not it has the financial ability to extend and provide services to the new area without detracting from current service levels to existing residents within the city. This is a particularly important issue in these economic times when many cities are struggling to provide and maintain acceptable service levels for services such as public safety (emergency medical, fire and police), libraries and schools. Other factors that LAFCO would consider in evaluating such proposals are contained in LAFCO's USA policies and include among other things, environmental impacts of the proposed development, availability of adequate water supply for the proposed development, and fiscal impacts to other affected agencies.

City is Encouraged to Adopt Agricultural Mitigation Policies/Program that are Consistent with LAFCO's Agricultural Mitigation Policies

We understand that the City is in the process of developing its agricultural mitigation program and that the specifics of the program are yet to be finalized by the City. However, we believe it is timely to let the City know that many of the key recommendations that are being discussed and considered by the City are not

consistent with LAFCO's Policies. Please see LAFCO's *"Agricultural Mitigation Policies" (Policies #1 & #2).* As you may know, in 2007, LAFCO adopted Agricultural Mitigation Policies in order to provide guidance to property owners, potential applicants and cities on how to address agricultural mitigation for LAFCO proposals and to provide a framework for LAFCO to evaluate and process in a consistent manner, LAFCO proposals that involve or impact agricultural lands. LAFCO encourages cities with potential LAFCO applications involving or impacting agricultural lands to adopt citywide agricultural mitigation policies and programs that are consistent with LAFCO's Agricultural Mitigation Policies.

Proposed Agricultural Mitigation for SEQ Project is not Consistent with LAFCO's Agricultural Mitigation Policies and is Problematic

If the City decides to move forward with the SEQ Urban Service Area expansion request, the City must address agricultural mitigation issues in a manner consistent with LAFCO's Agricultural Mitigation Policies. Please see the table below for a summary of the key differences between the City's Proposed Agricultural Mitigation and LAFCO's Agricultural Mitigation Policies. If these inconsistencies are not addressed, LAFCO would be unable to consider the proposed mitigation as effective.

COMPARISON OF CITY'S RECOMMENDED AGRICULTURAL MITIGATION PROGRAM AND LAFCO'S AGRICULTURAL MITIGATION POLICIES AS THEY RELATE TO THE SOUTH EAST QUADRANT		
	CITY'S RECOMMENDED AGRICULTURAL MITIGATION *(based on information provided at the February 18th Workshop)*	**LAFCO'S AGRICULTURAL MITIGATION POLICIES**
Lands Subject to Agricultural Mitigation	Uses Important Farmland Map and modified LESA model to determine if mitigation is required. No mitigation required for development during first year of City's Agricultural Mitigation Program.	Mitigation recommended for LAFCO proposals resulting in the conversion of any and all lands that meet LAFCO's definition for "Prime agricultural land." *(Policies #1 & #6)*
Exemption from Mitigation for Converting Agricultural Lands to Certain Land Uses	Consider potential exemptions and/or reduced mitigation fees for certain types of land uses such as less intensive sports, recreational, and leisure uses or for economic development uses.	Mitigation recommended for all projects resulting in the conversion of "Prime agricultural land" irrespective of the type of proposed land use or development. *(Policies #1 & #6)*

Mitigation Ratio	Less than 1:1 Mitigation Ratio.	1: 1 Mitigation Ratio recommended. *(Policy #7)*
Future Use of Lands Preserved as Agricultural Mitigation	Consider allowing low intensity sports, recreational and leisure uses on agricultural preservation areas.	Areas preserved as agricultural mitigation are intended in perpetuity for the purpose of agriculture. *(Policy #7)*

City Should Consider and Address these Major Concerns and Re-Evaluate the Scope and Need for the SEQ Project

The City's USA expansion and annexation proposals for the SEQ area in their present form are contrary to LAFCO objectives of preventing urban sprawl and preventing premature conversion of agricultural lands and are inconsistent with LAFCO policies and provisions in state law. The proposed agricultural mitigation program under consideration varies significantly from what is recommended in recently adopted LAFCO policies and is inadequate for providing effective mitigation. We urge the City to fully consider and address the issues presented before proceeding further and spending time and resources on the Environmental Impact Report for the SEQ Project.

If you have any questions regarding these comments, please contact me at (408) 299-5127. Thank you again for providing us with the opportunity to comment on this significant project.

Sincerely,

Neelima Palacherla,
LAFCO Executive Officer

Cc: LAFCO Members
Morgan Hill City Council Members
Jody Hall Esser, Director, County of Santa Clara Department of Planning and Development
Michele Beasley, Greenbelt Alliance

Attachment A: LAFCO's February 17, 2010 Comment Letter Re: Southeast Quadrant, including LAFCO's Urban Service Area Policies, Annexation Policies, and Agricultural Mitigation Policies.

LAFCO
Local Agency Formation Commission of Santa Clara County

November 22, 2010

Rebecca Tolentino, Senior Planner
Community Development Department
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037-4128

RE: NOTICE OF PREPARATION FOR THE MORGAN HILL SOUTHEAST QUADRANT (SEQ) GENERAL PLAN AMENDMENTS AND AGRICULTURAL MITIGATION AND PRESERVATION PROGRAM

Dear Ms. Tolentino:

Thank you for providing the Local Agency Formation Commission (LAFCO) of Santa Clara County with an opportunity to comment on the City of Morgan Hill's Notice of Preparation for the SEQ General Plan Amendments and Agricultural Mitigation and Preservation Program and for extending the comment period to November 23rd. The Notice of Preparation notes that the project will require approval from LAFCO for annexation and inclusion of the project area in the City's Urban Service Area. Therefore, LAFCO is a responsible agency. LAFCO's comments on the NOP are provided below.

1. THE NOP CONTAINS INSUFFICIENT INFORMATION

LAFCO's response to the NOP is limited to the information provided to it, and LAFCO reserves the right to comment upon any information ultimately included in the EIR:

Project Description in the NOP is Inadequate and Confusing (Section 1.3)

The State CEQA Guidelines require that a Notice of Preparation (NOP) "provide the responsible and trustee agencies and the Office of Planning and Research with sufficient information describing the project and the potential environmental effects to enable the responsible agencies to make a meaningful response." (State CEQA Guidelines, §15082(a) (1)) The NOP does not provide a clear or sufficiently detailed description of the project. LAFCO requests that a more complete project description be provided and that it include, at a minimum, the following information:

- Language for the City's proposed Agricultural Land Use Designation
- Language for the City's proposed Sports-Recreation-Leisure Land Use Designation
- Language for the City's proposed Open Space Zoning District
- Language for the City's proposed Agricultural Zoning District
- Language for the City's proposed Sports-Recreation-Leisure Zoning Districts
- Language for the City's proposed Agricultural Preservation Policies/Program
- Language for the City's proposed Agricultural Conversion Policies
- Language for the City's proposed Open Space Program

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- Site plans for the proposed Private High School and any specific details or plans available for the other 6 development proposals

In addition, the NOP also lists the following two objectives of the EIR:

- Identify lands within the SEQ viable for long-term agriculture
- Develop a program that fosters long-term agriculture within the SEQ through land use planning, agricultural preservation policies/programs, and agricultural mitigation.

Based on the NOP, it appears that these objectives are to be accomplished through the environmental impact report (EIR), which is in conflict with the purpose of an EIR. Pursuant to State CEQA Guidelines §15121(a), an EIR only serves the purpose of "an informational document which will inform public agency decision makers and the public generally of the significant environmental effects of a project ...". Please provide clarification and more detailed information on the two objectives listed above and their relationship to the EIR.

The NOP indicates in sections 1.3.3 through 1.3.5 that the City intends to develop various policies for agricultural preservation and conversion, as well as an Open Space Program. Those policies and programs are included in the Project Description, but it is not clear whether such policies would actually be included in the City's General Plan Amendment. Moreover, few details about such policies and programs are provided, limiting the ability to provide a meaningful response to the NOP. Nevertheless, at a minimum, the EIR must address all of the comments raised in prior LAFCO letters to the City dated April 6 and February 17, 2010, both of which are incorporated herein by reference.

Description of Existing Conditions Requires Clarification (Section 1.2)

The description of existing conditions in section 1.2 of the NOP states that the Southeast Quadrant area is "characterized by rural residences and agricultural lands." It then predicts that agricultural and orchard uses of the area would gradually cease and that rural residential uses would predominate. These statements in the NOP appear to prejudge the feasibility of continued agricultural uses of the area, despite a contrary statement in section 1.3.3 of the NOP. In any event, section 15125(a) of the State CEQA Guidelines requires that the EIR include a description of physical environmental conditions in the project area "as they exist at the time the notice of preparation is published [.]" Additionally, the EIR's description of the environmental setting must include both local and regional perspectives. (State CEQA Guidelines, §15125(a)). Thus, the EIR will need to address existing agricultural uses, and conversion pressures, not just in the Southeast Quadrant, but the rest of the region as well. This description of the existing environmental setting must also address the availability of vacant and underutilized lands within the City.

Information on Probable Environmental Effects is Insufficient (Section 1.5)

Pursuant to state law, at a minimum, the NOP must also identify any "[p]robable environmental effects of the project." (State CEQA Guidelines, §15082(a) (1) (C)).

Section 1.5 of the NOP lists fifteen topics that will be analyzed in the EIR. That section does not describe those potential effects, or indicate which environmental effects may be probable. Please provide more information regarding potential environmental impacts or please provide a copy of the initial study. Based solely on the information provided in the NOP, the following impacts, alternatives and mitigation measures must be addressed in the EIR.

Agricultural Impacts: As previously noted, the EIR will need to address impacts to all agricultural land. Such lands should include not just those identified on the Important Farmland Map and modified LESA model, but also all of those lands that fall within LAFCO's definition of prime agricultural land. Further, the EIR must analyze potential indirect impacts to agriculture resulting from the development of urban uses in close proximity to agricultural uses. Cumulative impacts related to conversion of agriculture within the region must also be analyzed. LAFCO has also adopted many policies for protecting agricultural resources that should be addressed in the EIR's analysis of agricultural impacts.

Biological Resources: Agricultural lands often provide foraging and nesting habitat for wildlife. The EIR should, therefore, address the potential direct, indirect and cumulative impacts to listed, special-status and non-listed species.

Climate Change: The list of topics in Section 1.5 indicates that the EIR would address climate change along with air quality. Recent amendments to the State CEQA Guidelines clarify that an EIR address whether the project will increase greenhouse gas emissions compared to the existing environmental setting. (State CEQA Guidelines, § 15064.4(b).) Thus, the analysis should address the project site's existing carbon sequestration, as well as the emissions that may result from conversion, construction and ultimate operation of activities described in the NOP. The EIR should also address the project's consistency with statewide policies encouraging in-fill and compact development and discouraging expansion into non-urbanized areas.

Energy Impacts: Appendix F of the State CEQA Guidelines requires analysis of a project's energy impacts. This analysis should address energy conservation, consumption and efficiency, particularly related to the expansion of services in the project area.

Land Use: LAFCO's prior comments alerted the City to the proposed project's inconsistency with existing LAFCO policies. Appendix G of the State CEQA Guidelines suggests addressing whether the project conflicts with any applicable policy of an agency with jurisdiction over the project. Here, LAFCO is a responsible agency. Consistency with its policies is a key issue that must be addressed in the EIR.

Public Services: The project includes extension of the City's Urban Service Area and annexation of agricultural lands for conversion to more urban uses. The City's ability to provide urban services, including, among others, public safety, libraries, schools, utilities, etc., must be analyzed in the EIR. Additionally, given the project's size and character, a water supply assessment may be required.

Mitigation Measures: As noted in LAFCO's previous comments, LAFCO has adopted Agricultural Mitigation Policies. The most recent information provided by the City indicates that its mitigation plan is not consistent with LAFCO policies. Those inconsistencies must be addressed in order for LAFCO, acting as Responsible Agency, to find that mitigation to be effective.

Alternatives: The EIR will be required to analyze a reasonable range of alternatives to the proposed project. Given that the project site includes prime agricultural land, the EIR must analyze alternative locations within the City to establish Sports-Recreation-Leisure districts. If the City concludes that no feasible alternative location exists, it must disclose the reasons for that conclusion in the EIR.

2. THE PROJECT IS A MAJOR REVISION OF THE CITY'S GENERAL PLAN AND SHOULD BE CONSIDERED IN THE CONTEXT OF A COMPREHENSIVE GENERAL PLAN UPDATE AND SHOULD INVOLVE BROAD STAKEHOLDER PARTICIPATION

As we understand it, the scope of the City's potential project is extensive; it involves major changes to the City's General Plan and includes at least the following:

Changes to existing growth management boundaries and jurisdictional boundaries
• Expanding the City's Urban Limit Line to include 700 acres in the SEQ. • Expanding the City's Urban Growth Boundary to include 660 acres in the SEQ. • Expanding the City's Urban Service Area to include 305 acres in the SEQ. • Annexing 760 acres of the SEQ into the City Limits
Creation of New Land use Designations in the City's General Plan and Creation of New Zoning Districts
• Create an Agriculture land use designation and zoning district • Create a Sports-Recreational- Leisure land use designation and zoning district
Application of Land Use and Zoning Designations to Lands in the SEQ
Apply the following land use designations to SEQ lands: • Sports-Recreation-Leisure: 359 acres • Residential Estate: 215 acres • Public Facility: 82 acres • Open Space: 121 acres • Agriculture: 266 acres • Rural County 291 acres
Establishment of Citywide Policies / Programs re. Agricultural & Open Space Lands
• Development of Agricultural Preservation Policies and Mitigation • Development of Agricultural Conversion Policies • Development of Open Space Program
Analysis of Development Proposals in the SEQ
• Project level analysis of development of a private high school on 40 acres • Programmatic level analysis of five other public and privately initiated development proposals in the SEQ covering over 376 acres

Given the project's sizeable scope (as outlined above), the large amount of unincorporated land that will be directly affected by the project (approximately 1,300 acres in the SEQ which is equal to over 15% of current city lands), the fact that these lands are overwhelmingly prime agricultural lands and the long-term significance of planning for these lands not only to the property owners/businesses in the vicinity but to the entire city and the region, the project should be considered in the context of a comprehensive general plan update.

Furthermore, in 1996, the City of Morgan Hill adopted its urban growth boundary (UGB). Subsequently, the County and the City adopted joint policies in their respective general plans to address among other things, how to administer and maintain a dependable UGB and established a rational process for considering changes to the UGB over time. According to these policies, major modifications to the UGB location should be processed only in the context of a "comprehensive City General Plan land use element update , which occurs on an approximately 10 year interval, unless triggered by the established criteria, findings, or prerequisites, to ensure coordination between relevant land use planning issues and growth management considerations."

This project has the potential to impact the entire city, the surrounding unincorporated lands, and the region. Consideration of these impacts and the overall need, timeliness, and location of such a project are best considered and analyzed through a comprehensive general plan update process.

3. LAFCO'S PREVIOUS LETTERS IDENTIFY SEVERAL MAJOR CONCERNS REGARDING THIS PROJECT AND ITS CONSISTENCY WITH LAFCO POLICIES AND STATE LAW

As noted in this letter and our two previous letters (dated February 17, 2010 and April 6, 2010) to the City, there are many issues and unanswered questions concerning the project's consistency with the various City, County, and LAFCO Policies.

These are the type of issues that should be fully considered by the community, the stakeholders and the decision makers through a comprehensive general plan update process. Furthermore these are the types of issues LAFCO is required to consider in its review of any USA amendment proposals. Therefore we respectfully recommend that these issues be addressed as early as possible in the process.

Lastly, the NOP is inadequate for LAFCO's use as a responsible agency. Please revise the NOP to clearly define the project, identify the potential impacts and re-circulate it for review and comment to the affected agencies and the public.

If you have any questions regarding these comments, please contact me at (408) 299-5127. Thank you again for providing us with the opportunity to comment on this significant project.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Cc: LAFCO Members
Jody Hall Esser, Director, Santa Clara County Department of Planning & Development

ATTACHMENTS

LAFCO's April 6, 2010 and February 17, 2010 Comment Letters Re: Southeast Quadrant, including LAFCO's Urban Service Area Policies, Annexation Policies, and Agricultural Mitigation Policies.

LAFCO
Local Agency Formation Commission of Santa Clara County

February 18, 2014 VIA EMAIL

Rebecca Tolentino, Senior Planner
Development Services Center
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037-4128

Re: Draft Environmental Impact Report for Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan

Dear Ms. Tolentino

Thank you for providing the Santa Clara County Local Agency Formation Commission (LAFCO) with an opportunity to review and comment on the Draft Environmental Impact Report (DEIR) for the City of Morgan Hill's Proposed Southeast Quadrant Land Use Plan and Citywide Agriculture Preservation Program. Furthermore, thank you for extending the public comment period to February 18th and for discussing the proposed project with LAFCO staff on February 5th.

It is our understanding that, as part of the proposed project, the City intends to apply to LAFCO in order to expand its Urban Service Area (USA) boundary to facilitate the City's eventual annexation of certain lands and also in order to annex additional lands outside of its USA boundary. Therefore, LAFCO is a Responsible Agency under CEQA for the City's proposed project. LAFCO staff and LAFCO's Legal Counsel (Attachment A) have reviewed the City's DEIR & Citywide Agriculture Preservation Program and have provided the following comments for the City's consideration.

Separation of the SEQ Land Use Plan from the City's General Plan Update Process that is Currently in Progress is a Violation of Rational Planning Practices and CEQA Procedures

As we understand it, the scope of the City's proposed project is extensive; it involves major changes to the City's General Plan and includes at least the following:

Changes to Existing Growth Management Boundaries and Jurisdictional Boundaries

- Expanding the City's Urban Limit Line to include 840 acres in the SEQ.
- Expanding the City's Urban Growth Boundary to include 659 acres in the SEQ.
- Expanding the City's Urban Service Area to include 305 acres in the SEQ.
- Annexing 759 acres of the SEQ into the City Limits

Creation of a New Land Use Designation in the City's General Plan and Creation of a New Zoning Districts • Create a Sports-Recreation-Leisure land use designation and zoning district
Application of City Land Use Designations to Lands in the SEQ Apply the following land use designations to SEQ lands: • Sports-Recreation-Leisure: 251 acres • Residential Estate: 76 acres • Public Facilities: 38 acres • Open Space: 445 acres • Rural County: 480 acres
Application of City Zoning Designations to Lands in the SEQ Apply the following zoning district designations to SEQ lands: • Sports-Recreation-Leisure (142 acres in Subdistrict A and 109 acres in Subdistrict B): 251 acres • Residential Estate: 9 acres • Public Facilities (with a Planned Development overlay): 38 acres • Open Space (with a Planned Development overlay): 461 acres • 531 acres will remain under County Jurisdiction with the County's A-20 Acre (Exclusive Agriculture 20-acre minimum) Designation
Establishment of Citywide Policies / Programs re. Agricultural & Open Space Lands • Development of Agricultural Preservation Policies and Mitigation

Development Proposals in the SEQ
• Private high school on 38 acres
• Privately initiated development proposals in the SEQ covering over 375 acres
  • Craiker Sports Retail/Restaurant Uses
  • Puliafico Sports-Recreation-Leisure Uses
  • Jacoby Sports-Recreation-Leisure Uses
  • Chiala Planned Development (Under Chiala Family Ownership)

Given the project's sizeable scope (as outlined above), the large amount of unincorporated land that will be directly affected by the project (approximately 1,300 acres in the SEQ which is equal to over 15% of current city lands), the fact that these lands are overwhelmingly prime agricultural lands and the long-term significance of planning for these lands not only to the property owners/businesses in the vicinity but to the entire city and the region, the project should be considered in the context of a comprehensive general plan update.

Furthermore, in 1996, the City of Morgan Hill adopted its urban growth boundary (UGB). Subsequently, the County and the City adopted joint policies in their respective general plans to address among other things, how to administer and maintain a dependable UGB and established a rational process for considering changes to the UGB over time. According to these policies, major modifications to the UGB location should be processed only in the context of a "comprehensive City General Plan land use element update , which occurs on an approximately 10 year interval, unless triggered by the established criteria, findings, or prerequisites, to ensure coordination between relevant land use planning issues and growth management considerations."

This project has the potential to impact the entire city, the surrounding unincorporated lands, and the region. Consideration of these impacts and the overall need, timeliness, and location of such a project are best considered and analyzed through a comprehensive general plan update process.

The DEIR states that the City has begun such a process to create a new General Plan through 2035 and that the process will involve updating the City's master plans and identifying infrastructure needed to service future growth areas. The DEIR also indicates that the SEQ Area will be included in these studies and will contribute to the build-out of the necessary infrastructure as a condition of development and through payment of development impact fees. However, we understand that the proposed SEQ Land Use Plan and Citywide Agriculture Preservation Program were developed and are being considered and are intended to be approved/adopted separate from the City's current General Plan update process.

The proposed Project is a major revision of the City's General Plan and should be considered in the context of a comprehensive general plan update and should involve broad stakeholder participation.

LAFCO Policies and State Law Encourage Cities to Pursue the Development of Vacant and Underutilized Incorporated Lands Before Seeking to Annex Agricultural Lands

As part of the proposed project, the City is seeking to expand its Urban Service Area boundary (USA) and annex portions of the SEQ Area. We understand that the SEQ Area consists of largely prime agricultural land and that the City wants to include these lands in its USA even as the City has substantial amounts of land within its current boundaries that are vacant or underutilized. State law and LAFCO policies discourage the conversion of agricultural land to non-agricultural uses and require that development be guided away from existing prime agricultural lands. The statutes and policies call for a city to exhaust existing vacant or underutilized lands within its boundaries before expanding into agricultural lands because developing lands which are already within a city's boundaries would allow for more effective use of existing city infrastructure, would result in more efficient provision of city services, would discourage premature and unnecessary conversion of irreplaceable agricultural land to urban uses, and would encourage compact development that would be more consistent with greenhouse gas reduction regulations and goals. The County also has similar long-standing policies discouraging the premature conversion of agricultural lands and managing growth. It is unclear how the proposed project is consistent with State law, LAFCO policies, County General Plan policies, and City policies.

Annexation of Lands Outside of City's Urban Service Area is Inconsistent with LAFCO Policies

As part of the proposed project, the City intends to request annexation of lands outside of its Urban Service Area (USA). LAFCO Policies strongly discourage such annexations until inclusion into the Urban Service Area is appropriate because the general purpose

for a city to annex lands is to provide them with necessary urban services (including police, fire, water, wastewater, and storm water management) in order to allow for their subsequent development.

As you know, LAFCO has no authority over lands once they are annexed into a city (irrespective of whether they are in the USA boundary or not). Upon annexation, these lands are under the city's authority for land use and development decisions and a city can amend the zoning and general plan designations for these lands and develop them. As part of any annexation or urban service area amendment request, LAFCO is required to consider whether the city has the ability to provide urban services to the proposed growth areas without detracting from current service levels.

Furthermore, LAFCO would only consider annexations outside of the USA if it is to promote the preservation of open space and/or agricultural land. If it is the City's intent to annex lands outside of its USA for such purposes, LAFCO will require the City to sufficiently demonstrate that the affected lands will be permanently preserved for agricultural/open space purposes. One potential way in which permanent preservation can be demonstrated is by dedicating such lands to a qualified agricultural/open space conservation entity that has a clear preservation program and has the legal and technical ability to hold and manage conservation easements or lands for the purpose of maintaining them in open space or agriculture. According to the DEIR, these lands are planned for residential estate sized lots, sports-recreation-leisure related uses, and agricultural-related uses; and the permanent preservation of all of these lands is not proposed.

The DEIR concludes the proposed project is consistent with LAFCO's policies. However, as indicated above, it is unclear how the proposed annexation of these lands outside of the City's USA would be consistent with LAFCO Policies.

Proposed Southeast Quadrant Land Use Plan Including its Various Project Components is Inconsistent with Many of the Stated Objectives of the Project

Three of the stated objectives of the proposed project are to:

1) "Identify lands within the SEQ area viable for permanent agriculture;"

2) "Develop a program that fosters permanent agriculture within the SEQ Area and citywide through land use planning, agricultural preservation policies/programs, and agricultural mitigation."

3) "Create an open space/agricultural greenbelt along the southern edge of the City's Sphere of Influence boundary."

However, it is unclear how the proposed SEQ Land Use Plan and its various project components will be consistent with the above objectives. According to the DEIR, the proposed project will convert several hundred acres of agricultural lands to non-agricultural uses.

The Southeast Quadrant (SEQ) Area includes approximately 1,290 acres of private land, plus 48 acres of public roadways. Per the DEIR, these lands are currently developed with rural-residential and agricultural uses. The DEIR states that the SEQ contains 707 acres of Important Farmland (approx. 597 acres of Prime Farmland, 87 acres of Farmland of Statewide Importance, and 23 acres of Unique Farmland). When Farmland of Local Importance is accounted for, the SEQ contains approx. 771 acres of agricultural land per the California Department of Conservation's 2010 Important Farmlands Map.

Per the DEIR, the City is proposing to annex 759 acres of the 1,290 total acres (58.8% of the total private land area). The proposed high school site contains 38.63 acres of Important Farmland. The proposed 251-acre Sports-Recreation-Leisure Land Use Designation and Zoning District will overlap with and thus potentially convert a minimum of 120 acres of the Important Farmland to non-agricultural use. Furthermore, it is anticipated that the proposed 461-acre Open Space (Planned Development overlay) Zoning District will include a yet to be determined number of acres of sports-recreation-leisure related uses, residential estate sized lots, and agricultural-related uses. The proposed Open Space District overlaps with and thus potentially could convert hundreds of acres of Important Farmland to non-agricultural use.

Per the DEIR, the remaining agricultural land in the SEQ Area would form an "Agricultural Priority Area" that would be bordered on the north by lands in the existing city limits, on the west by lands zoned for urban development [e.g. commercially oriented uses such as gas stations, restaurants, motels/hotels, and grandstands/stadiums, and potentially two drive-thru uses (restaurants or gas stations)], and on the east by lands also zoned for urban development (e.g. residential estates, adventure sports/facilities, arts and crafts, batting cages, equestrian centers, farmers markets, and indoor/outdoor sports centers). It is unclear how the introduction of urban land uses into one of the last remaining agricultural areas in the county would help achieve the aforementioned project objectives.

Proposed Boundary Adjustments are Illogical and Render Boundaries Meaningless for Planning and Growth Management Purposes

The proposed project includes major adjustments to the City limits (i.e. annexation) urban service area, urban growth boundary, and urban limit line. However, these boundary adjustments and their relation to each other appear illogical from a planning and growth management perspective. For example, the City is proposing to annex lands while keeping these same lands outside of the City's Urban Service Area, but including most of these same lands in the City's Urban Growth Boundary and Urban Limit Line. The proposed use and configuration of boundaries renders each boundary meaningless for planning and growth management purposes.

Additionally, the DEIR identifies an "Agricultural Priority Area" that has been identified as a "priority location to preserve and encourage the long-term viability of agricultural and Open Space Lands." However, the DEIR indicates that the vast majority of the "Agricultural Priority Area" will be located within the City's proposed Urban Limit Line

which would "define the ultimate limits of City urbanization beyond the 20-year timeframe of the Urban Growth Boundary."

Project's Adverse Impacts to Agricultural Lands Cannot be Fully Mitigated and Represent a Significant and Unavoidable Impact

Per the DEIR, as part of the proposed project, the City proposes to adopt an Agricultural Preservation Program, which would apply to new development citywide that converts agricultural land to a non-agricultural use. Applicants would be required to mitigate the loss of farmland through measures that may include payment of an agricultural mitigation fee, acquisition of other agricultural land, or dedication of an agricultural conservation easement on eligible agricultural land and payment of a fee to cover ongoing management and monitoring activities. Mitigation would be required at a ratio of 1:1 (1 acre of mitigation for 1 acre of agricultural land converted to a non-agricultural use). While mitigation preserves agricultural land that may otherwise be converted to nonagricultural use in the future, it does not provide additional, new farmland to replace the original acres lost as a result of the proposed project. Therefore, impacts to agricultural resources, even with mitigation in place, would be considered significant and unavoidable and conversion of agricultural land should only be considered when there is no vacant or underutilized land left within a city or existing USA boundary to accommodate growth.

Furthermore, the DEIR notes that the proposed agricultural mitigation fee of $15,000 per an acre is not sufficient to purchase agricultural conservation easements on land surrounding the City of Morgan Hill at a 1:1 ratio. The DEIR states that the City will use additional funds to augment the mitigation fee in order to accomplish this objective. Given the lack of information provided in the DEIR concerning these additional funds and noted uncertainties on this matter, it is unclear whether 1:1 mitigation will actually occur.

Project's Potential Adverse Impacts to Williamson Act Lands Cannot be Self Mitigated and Represent a Significant and Unavoidable Impact

The DEIR indicates that the SEQ Area contains 10 properties totaling 91.65 acres that are encumbered by active Williamson Act contracts and that one of the properties is contemplated for annexation, while the other nine are not. The DEIR incorrectly states that should any of the Williamson Act contracts be required to be cancelled as a prerequisite for annexation, such a cancellation would be considered a self-mitigating aspect of the proposed project and would preclude the possibility of a conflict with a Williamson Act contract. If the proposed project could result in the early cancellation of a Williamson Act contract, this impact would be considered significant and unavoidable.

LAFCO Policies and State Law Require LAFCO to Consider Availability of Adequate Water Supply

Given the various identified deficiencies in the environmental analysis discussed here and in Attachment A, it is unclear whether the water supply assessment and water demand analysis conducted for the proposed project is adequate for LAFCO purposes. As part of LAFCO's review of any urban service area amendment or annexation request, LAFCO policies and State law require LAFCO to consider the availability of adequate water supply.

Analysis of Cumulative Effects and Growth-Inducing Impacts is Deficient

As discussed in this letter and Attachment A, analysis of impacts to agricultural resources, land use, population and housing, and greenhouse gas emissions is deficient. These deficiencies render the analysis of cumulative effects and growth-inducing impacts deficient as well.

Key Elements of the Proposed Agricultural Preservation Program Require Clarification and Outcome of Proposed Program is Uncertain

As you know, LAFCO adopted Agricultural Mitigation Policies in 2007 and these Policies encourage cities with potential LAFCO applications involving or impacting agricultural lands to adopt citywide agricultural mitigation policies and programs that are consistent with these policies. We have reviewed the City's Proposed Agricultural Preservation Program and have the following questions and comments about the program and its potential outcome:

Agricultural Priority Area

Under the proposed Program, "the Agricultural Priority Area is defined as an area within the SEQ that has been identified as a priority location to preserve and encourage the long-term viability of agricultural and Open Agricultural Lands..." The boundaries of the proposed Priority Area are illogical, and particularly when coupled with the various elements of the SEQ Land Use Plan are unlikely to fulfill the City's stated objective of preserving and encouraging long-term viability of agricultural lands.

The proposed Agricultural Priority Area is sandwiched between and surrounded on three sides by, lands proposed to be included within the city limits. The surrounding city lands are proposed to be designated for urban uses such as "Sports Recreation and Leisure" which would allow for "private commercial, retail, and /or public /quasi-public, at a scale that creates a destination area for both regional and local users..." Potential applications in the area including a private high school for 1,600 students, 40,000 square feet of sports retail, 3,000 square feet of sports themed, sit-down restaurant, outdoor sports fields, indoor facilities for indoor soccer, batting cages, volleyball courts, ropes challenge course, medical offices for minor sports related injuries, and other commercial recreation and sports fields, provide a picture of the type of development likely to occur in the area. Given the potential for direct land use

conflicts between such high intensity urban uses and agriculture, and the additional impacts of extending roads, and services through the Agricultural Priority Area to serve the new development, it is improbable that the City's efforts to prioritize agriculture in this area will be successful. The City has not provided an explanation for setting these irregular boundaries for its Agricultural Priority Area.

Furthermore, the SEQ Land Use Plan proposes that the proposed City Urban Limit Line include the vast majority of the Agricultural Priority Area. However, the "Urban Limit Line defines the ultimate limits of city urbanization beyond the 20-year timeframe of the Urban Growth Boundary." Adopting an Urban Limit Line that includes lands identified for agricultural preservation will result in increased land values in the priority area due to speculation, drive-up the cost of agricultural mitigation to a point where preservation is financially infeasible, and discourage farmers and conservation entities from making any long-term agricultural investments in the area.

Mitigation Ratio and Agricultural Preservation In-Lieu Fee

The City's proposed Agricultural Lands Preservation Program requires mitigation at a ratio of 1:1, i.e., one acre of in-perpetuity of farmland preservation for each acre of farmland conversion. The Mitigation Fee Nexus study prepared for the City indicates that the cost of acquiring a conservation easement would be approximately $47,500 per acre in the Morgan Hill area and approximately $12,750 per acre in the Gilroy area. The City's Agricultural Lands Preservation Program intends to preserve agricultural lands within Morgan Hill's sphere of influence with a focus for land preservation in the City's SEQ area. The City however, proposes to establish an Agricultural Preservation In-Lieu Fee, including the Program Surcharge Fee, in the amount of approximately $15,000 per acre which would be insufficient to cover the cost of easement acquisitions in the Morgan Hill sphere of influence or in the SEQ area. No explanation is provided for establishing a fee that does not cover the mitigation costs in the preferred / priority area.

Furthermore, the City indicates that additional funds would be needed in order to purchase conservation easements in the Priority Area. However, the City does not provide any detailed or specific information on the source of the City's funds, current amount available, any limitations of these funds, and projected availability.

Given the amount of the proposed in-lieu fee and lack of information on the availability of other funding sources, it is impossible to conclude with any certainty that the proposed program will result in conservation of agricultural lands in the Priority Area.

Agricultural Land Definition

Under the City's proposed Program, lands identified as "Grazing Land" on the 2010 map of the Farmland Mapping and Monitoring Program are not subject to the offsetting preservation/mitigation requirement. However, it is well know that many lands identified as grazing land are simply prime farmland left fallow. Given the limited amount of prime farmland left in the County, the City should not exempt "Grazing Land" from the offsetting preservation/mitigation requirement, without first confirming

that these lands are not prime farmland. If it is determined that these lands are prime farmland, then they too should be considered "Agricultural Land" and be subject to the offsetting preservation/mitigation requirement.

Open Agricultural Land Definition

Please clarify the difference between "Agricultural Land" and "Open Agricultural Land" as defined and used in the City's Agricultural Lands Preservation Program. What is the significance of open agricultural land to the Preservation Program?

Qualifying Entity Definition

Under the City's Proposed Program, the qualifying agricultural conservation entity should meet certain technical, legal, management, and strategic planning criteria and the entity's performance should be monitored over time against those criteria. However, it appears that a public agency could not be considered such an "entity" even if it meets all of the identified criteria. The specific purpose served by eliminating public agencies from being a "qualifying entity," provided that they demonstrate that they meet the remaining criteria, is unclear. In fact, there are many benefits associated with using a public agency for agricultural conservation purposes, such as greater public accountability and transparency requirements, financial stability, publicly elected Boards, and better access to certain government grants or funding. For these reasons, the City should include public agencies in its consideration of qualifying entities. The proposed program also states that the "third party Qualifying Entity will need to include individuals with direct experience and knowledge of farming activities." Please clarify the purpose of this requirement and what role the City envisions these individuals might play in the Qualifying Entity. This requirement also has the risk for increased potential for conflicts of interest, which in public agencies can be better disclosed / managed through Fair Political Practices Commission requirements.

Stay Ahead Provision

It is unclear how such a provision would be implemented and why an applicant or the City might choose this option of providing mitigation prior to converting or developing farmland. Without further details on this provision, it is impossible to provide meaningful comments on it.

Measurement of Affected Area

The City's proposed Program excludes certain portions of property that are left as "open space/ open fields that in the future could be put back to agricultural uses" when calculating the total agricultural mitigation requirement.

Such an exemption is inconsistent with the intent of LAFCO's agricultural mitigation policy. The urban service area of a city delineates land that will be annexed to the city, and provided with urban services / facilities and developed with urban uses. Based on this, it is implicit that any land proposed for inclusion in a City's USA will be converted to support urban development unless the land is protected as agricultural land in

perpetuity by a conservation easement. Therefore, it is not appropriate to exclude certain portions of property based on the assumption that they could at some point be put back into use as agricultural lands. Additionally, there is no way to guarantee / enforce that the land will remain "open space" unless the lands are preserved in-perpetuity through a conservation easement.

Conclusion

For the foregoing reasons, we urge the Morgan Hill City Council to not approve the proposed Environmental Impact Report (EIR) at this time. As noted above, LAFCO is a Responsible Agency for certain aspects of the proposed project and therefore has an independent obligation to review the EIR for legal adequacy under CEQA prior to issuing any approvals for the project (CEQA Guidelines, §15096). As detailed in this letter and Attachment A, we have identified significant deficiencies in the DEIR. Therefore, we respectfully request that the City prepare a revised environmental document that addresses the identified deficiencies and then circulate the revised document to affected agencies and the public for their review and comment, as required by CEQA.

If you have any questions regarding these comments, please contact me at (408) 299-5148. Thank you again for providing us with the opportunity to comment on this significant project.

Sincerely,

Neelima Palacherla,
Executive Officer

Attachment A: LAFCO Counsel's February 18, 2014 Letter: Comments on Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Draft Environmental Impact Report

cc: Andrew Crabtree, Director, Morgan Hill Community Development Department
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February 18, 2014

VIA E-MAIL (Rebecca.Tolentino@morganhill.ca.gov)

Ms. Rebecca Tolentino, Senior Planner
Development Services Center
17575 Peak Avenue
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RE: Comments on Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Draft Environmental Impact Report (SCH# 2010102010)

Dear Ms. Tolentino:

Best Best and Krieger LLP, as counsel for the Santa Clara County Local Agency Formation Commission ("LAFCO"), thanks the City of Morgan Hill ("City") for the opportunity to review and provide comment on the City's Draft Environmental Impact Report ("EIR") for the Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan ("Project").

According to the EIR, the Project consists of five program-level components—collectively referred to as the Southeast Quadrant ("SEQ") Project—and one project-level component—the South County Catholic High School. The five program-level components include (1) the establishment of the Agricultural Lands Preservation Program, (2) adjustments to the City limits, urban service area ("USA"), urban growth boundary ("UGB"), and urban limit line ("ULL") (collectively, "boundary adjustments"), (3) establishment of a new Sports-Recreation-leisure ("SRL") land use designation in the City's General Plan and zoning district in the City's Zoning Code, (4) General Plan amendments and Zoning Code amendments for the new SEQ area, and (5) four separate "programmatic" project applications.

Many of the flaws in the EIR's analysis are so broad—including flaws in the Project Description and the improper segmentation of the Project—as to infect nearly every aspect of the environmental review contained therein. However, although the comments contained in this letter may only scratch the surface, it is LAFCO's hope that these comments will lead the City to fully and sufficiently analyze the environmental impacts of the Project as a whole.

As the Project would require approvals from LAFCO for the boundary adjustments, LAFCO is a responsible agency for the Project under State CEQA Guidelines (Title 14 Cal. Code. Regs.) section 15096. The comments contained herein are provided pursuant to State CEQA Guidelines section 15096, subdivisions (d) and (g), on behalf of LAFCO. As required,

the following comments pertain to those Project activities which are within LAFCO's areas of expertise and which are subject to LAFCO's approval authority. (*Ibid.*)

The EIR Segments the Environmental Analysis

The analysis separately discusses the impacts from the SEQ Area and the proposed high school. This segmenting of the analysis may downplay impacts resulting from development of the Project as a whole, inclusive of the high school (i.e. it inaccurately describes total impacts in SEQ Area). A specific example of this, although it is an issue throughout the entirety of the EIR's analysis, is the analysis of impacts to police services. (EIR at 3.12-22–23.) In this analysis, the high school is stated as having a potentially significant impact, and yet the SEQ Area is stated as separately having a less than significant impact. This evidences how segmentation can incorrectly minimize impacts that would otherwise be considered potentially significant. This type of analysis violates CEQA. (State CEQA Guidelines, §§ 15378, 15003(h); *City of Santee v. County of San Diego* (1989) 214 Cal.App.3d 1438, 1450; *Tuolumne County Citizens for Resp. Growth, Inc. v. City of Sonora* (2007) 155 Cal.App.4th 1214, 1229.)

The EIR also provides that "the City has begun the process to create a new General Plan for growth through 2035. The process will involve updating the City's utility master plans and identifying infrastructure needed to serve future growth areas. The SEQ Area will be included in these studies and will contribute to the buildout of the necessary infrastructure as a condition of development and through payment of development impact fees." First, by relying on environmental analysis for the 2035 General Plan which has not yet occurred, this improperly defers environmental analysis of the infrastructure improvements for the SEQ Area and the potential development within the Area. The potential infrastructure needs for the Project must be analyzed in this EIR. Second, if the City is preparing an update to its General Plan at this time, the SEQ Area should be included in the 2035 General Plan Update. Although a Notice of Preparation for the General Plan Update has not yet been issued, the fact that the City is in the process of both amending the General Plan for this Project, and also considering other amendments to the General Plan for future planning through 2035 suggests that analysis of the necessary amendments for implementation of Projects over this 20-year horizon, including the Project here, is being improperly and unnecessarily segmented into two projects.

Analysis of Cumulative Impacts

Because the analysis of the Project is improperly segmented, thereby minimizing its environmental effects, the analysis of cumulative impacts cannot be accurate. A "Cumulative Impact" is that when, considered with other effects, compounds to have a significant effect on the environment. (See State CEQA Guidelines, § 15355.) Unless the Project's environmental impacts are accurately evaluated and disclosed, its contribution to a potentially significant cumulative effect also cannot be accurately evaluated. Thus, the EIR's analysis of cumulative impacts is flawed. Should revisions to the analysis disclose new significant individual or

cumulative impacts, recirculation of the Draft EIR would be required. (See State CEQA Guidelines, § 15088.5.)

Project Description

The Boundary Changes Are Unclear and Conflict with LAFCO Policies

The Project Description is confusing in how it discusses and delineates the various components of the proposed SEQ Area. The Project Description first states that the SEQ Area includes approximately 1,290 acres (EIR at 2-1), and yet later states that only 759 acres is proposed for annexation into the City limits (EIR at 2-41). Some of the area to be annexed is also that which is to be included in the City's UGB and ULL, but not its USA. (EIR at 2-10.) The EIR should explain the purpose of these differing boundaries. In addition to the confusion as to the boundary changes, the Project Description should also make clear how many acres would be subject to the Sports-Recreation-Leisure General Plan and Zoning amendments, the General Plan amendments and "prezoning" of land in the SEQ Area, and the manner in which these two sets of amendments are different and whether there is any overlap within the SEQ Area.

If the entirety of the area proposed for annexation is not proposed for inclusion in the expanded USA, this Project would be in conflict with LAFCO's policies for approving city limit changes that go beyond a USA. It is LAFCO's policy (Policy B.1 for Annexations or Reorganizations of Cities and Special Districts) that such proposals be approved only if the portion of the city not located within its USA is to be placed in permanent protection as open space or for other public lands. Here, the area of the City not within the USA (Chiala Development) would be residential and is intended to be served by septic systems and a private water company.

As to LAFCO Policy Annexation/Reorganization B.5 (see EIR at 3.9-30), the Chiala Planned Development would not be served by City services, and would require water from a private company and the use of septic systems. Further, the EIR states that there is "limited opportunity to extend existing storm drain facilities in the northern portion of the USA expansion." (EIR at 3.14-45.) These facts demonstrate that, contrary to the EIR's conclusions, the Project would "create or result in any areas that are difficult to serve," and therefore the consistency determination for this policy is unsupported.

The City also misinterprets LAFCO Policy 6. Under LAFCO policies, the preferred option is to discourage USA expansions that would impact agricultural lands, keeping those lands in agricultural use. Here, the EIR does not demonstrate that the annexation of these lands is necessary and has not provided the status of the City's vacant and underutilized lands inventory. Further, to the extent it is assumed the Project would preserve agricultural lands, as stated above regarding the Project Description and Agricultural Impacts, the Project appears to

propose more intense development on these lands. Therefore, the Project is inconsistent with this LAFCO policy as well.

Lastly, the EIR does not even evaluate the Project's consistency with LAFCO's Urban Service Area Policies 5 and 7, which are directly relevant to this Project. Policy 5 provides that "[w]hen a city with a substantial supply of vacant land within its Urban Service Area applies for an Urban Service Area expansion, LAFCO will require an explanation of why the expansion is necessary, why infill development is not undertaken first, and how an orderly, efficient growth pattern, consistent with LAFCO mandates, will be maintained." Nowhere in the EIR has the City explained why this Project cannot be developed on land already within the City's limits. With respect to Policy 7, and as discussed in this Letter below, contrary to the conclusions in the EIR, the nature of the Project demonstrates that it would encourage the conversion of agricultural land to non-agricultural uses resulting in an adverse impact to agricultural resources. This directly conflicts with Policy 7, a fact which the EIR ignores.

If after the City conducts additional analysis to assess the Project's compliance with these policies a new significant impact is disclosed, recirculation of the Draft EIR would be required. (See State CEQA Guidelines, § 15088.5.)

The EIR Defers Environmental Analysis By Conducting Only Programmatic Analysis of Project-Level Proposals

Next, the EIR states that it contains programmatic analysis of project-level applications. (EIR at 2-52.) State CEQA Guidelines section 15168 provides that a program EIR is appropriate where "a series of actions . . . can be characterized as one large project and are related either: (1) Geographically; (2) As logical parts in the chain of contemplated actions; (3) In connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program, or (4) As individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways."

Although the four applications are related geographically, as shown in Exhibit 2-12, and are being evaluated in connection with the General Plan amendment goals and criteria as outlined in the EIR, evaluation of several projects within a program EIR is intended to provide "an occasion for a more exhaustive consideration of effects" than would otherwise be considered in individual project-level environmental review. (State CEQA Guidelines, § 15168(b).) Here, the EIR provides that the four project applications are reviewed programmatically because "detailed land use proposals" have not yet been submitted. (See EIR at 2-52.) However, this is inconsistent with specific details actually provided in the EIR when describing these applications. For example, the "Craiker Sports Retail/Restaurant Uses" application provides that it would consist of 40,000 square feet of sports retail and a 3,000 square-foot sports-themed restaurant on four acres. As a result, the EIR defers more detailed analysis under the guise of a

program EIR despite the apparent ability to conduct a more thorough and detailed, project-level review of these applications. This is a violation of CEQA.

Likewise, the EIR discloses that the Chiala Planned Development would add up to 38 new residences on 107 acres, sports-recreation-leisure uses on 86 acres, and agricultural uses on 114 acres. (EIR at 2-55.) The EIR even discloses that the development would be served by a private water company and would use septic systems. Also, as part of the Project, the Zoning Amendments are designed to facilitate the planned development on this site. An analysis of the impacts of future actions should be undertaken when the future actions are sufficiently well-defined that it is feasible to evaluate their potential impacts. (See *Envt'l Protection Info. Ctr. v. Dept. of Forestry & Fire Prot.* (2008) 44 Cal.4th 459, 503.) The level of detail in the application demonstrates that the analysis of this development at a programmatic level is insufficient and improperly defers the analysis of the specific impacts that would result.

This is not an instance where a future development will implement the program identified in the EIR, and therefore programmatic review is appropriate; rather, here, the program (the General Plan and Zoning amendments) is designed to implement the future development. Project-level analysis of the projects described in the four applications and the Chiala Planned Development is warranted.

The Proposed Development Is Inconsistent with the Project's Objectives to Preserve Agricultural Lands

Several components of the Project are inconsistent with its stated objectives. Four of the ten objectives stated for the Project concern the preservation and/or enhancement of agricultural lands. (See EIR at 2-26–35.) Yet the Project consists of a General Plan amendment that would permit "private commercial, retail, and/or public/quasi-public, at a scale that creates a destination area for both regional and local users." (EIR at 2-45.) The SRL zone would likewise permit "gas stations, restaurants, motels/hotels, and grandstands/stadiums." (EIR at 2-46.) The four project applications are consistent with these land designations and zoning, and would develop retail, restaurants, indoor sports facilities, and other such non-agricultural uses. (See EIR 2-52, 55.) However, none of these proposed uses is consistent with the majority of the stated Project objectives as not one of them would "foster permanent agriculture" or "[s]trengthen the City's historic role as an agricultural center." Even more, the Zoning amendments are characterized in the EIR as "urban zoning designations," further undercutting the stated Project objectives. (See EIR 3.9-23.)

This inconsistency is also highlighted by the fact that the proposed "Agricultural Priority Area," as well as existing lands under Williamson Act contracts, would be inside of the proposed ULL adjustment, suggesting that urban development may occur on lands which should be set aside for conservation (or which would require cancellation of Williamson Act contracts). (See EIR at 2-41, Exh. 2-10.) Moreover, as shown in Figure 2-9 of the EIR, the proposed Agricultural

Preserve Area would be placed in the middle of planned development within the SEQ Area. This, along with the Project objectives and the inclusion of the Agricultural Preserve Area within the ULL, strongly suggests that the purpose of the Agricultural Preserve Area may be undermined by other future developments in the Area.

The Project Would Create a Conflict Between the General Plan and Zoning Code

For the Chiala Planned Development, the EIR states that this area would be zoned Open Space, with a Planned Development overlay, but would be designated as only Open Space by the General Plan. (EIR at 2-55.) Zoning ordinances must be consistent with an applicable general plan. (Gov. Code, § 65860(a).) A zoning ordinance is inconsistent with a general plan if it would authorize land uses that are incompatible with the objectives, policies, general land uses, or programs specified in the general plan. (*Ibid.*) As proposed in the EIR, the Zoning amendment for the Chiala Planned Development would be inconsistent with the General Plan designation for the site, which the EIR states will not be likewise amended. (EIR 2-55.) A zoning ordinance that is inconsistent with a general plan at the time of enactment is "void *ab initio*," meaning invalid when passed. (See *Lesher Communications, Inc. v. City of Walnut Creek* (1990) 52 Cal.3d 531, 541.) Therefore, to the extent the City asserts that the developer is expected to seek a General Plan amendment once the project proposal is finalized, this would not prevent the proposed zoning for the site from being void. This defect in the EIR's analysis is also present within the Land Use and Cumulative Effects analysis concerning Land Use impacts. (EIR at 3.9-10, 4-10.)

Agricultural Resources

Analysis of Impacts to Important Farmland Is Deficient

Although the EIR includes the LAFCO's definition of "prime agricultural land" (EIR at 3.2-3–4), it does not evaluate impacts to agricultural land in light of LAFCO's broader definition. This analysis is required for the LAFCO to review the boundary change applications, and proposed mitigation should address impacts to lands falling within the LAFCO's definition.

Also, the analysis states that a minimum of 120 acres would be converted to non-agricultural uses for the SEQ Area. However, this figure does not include the potential conversion occurring for the Chiala Development Plan (307 additional acres). For purposes of analyzing and mitigating impacts to agricultural lands, the analysis should utilize a conservative, worst-case analysis to ensure that all potential impacts stemming from development under the SEQ are encompassed within the EIR's analysis. To evaluate the boundary changes, LAFCO policies provide that impacts to agricultural land should be mitigated on a 1:1 basis. If all acres potentially converted (under the worst-case scenario) are included in the analysis, then this goal cannot be met with the remaining land available within the SEQ Area.

Moreover, in its consideration of proposals, LAFCO policies require the development of existing vacant lands within City limits prior to conversion of additional agricultural lands. Likewise, LAFCO's USA Amendment Policies require an explanation of why the inclusion of agricultural lands is necessary and how such losses will be mitigated. The EIR contains no such explanation and, as stated above, does not demonstrate how the total potential loss of agricultural land will be mitigated. These deficiencies further render the Project inconsistent with Open Space and Conservation Policy 3q of the City's General Plan, which requires development to "[s]upport policies of the [LAFCO] which would guide urban development away from those agricultural areas with the greatest potential for long-term economic viability."

The Mitigation Measures For Farmland Impacts Are Inadequate

In light of the worst-case conversion of agricultural lands to non-agricultural uses under the Project *as a whole* (465.63 acres), only 242.03 acres of important farmland would remain in the SEQ area, which includes the Agricultural Lands Preservation Program land. (See EIR at 3.2-17, 2-37 [Figure 2-9].) Therefore, unless other lands are identified within the City's sphere of influence, mitigation at a 1:1 ratio would not be possible. In such a case, the conclusion that impacts would be mitigated to less than significant is not supported. In the event additional analysis conducted to address this issue discloses a significant and unavoidable impact with respect to farmland, recirculation of the Draft EIR would be required. (See State CEQA Guidelines, § 15088.5.)

Mitigation Measures 1a and 1b provide that Project applicants will either preserve agricultural land, or pay fees. (EIR at 3.2-20.) On page 3.2-18 of the EIR, the analysis explains that, for purposes of mitigating agricultural impacts, the City may use existing "Open Space Funds." However, the EIR does not state the amount of funds that are available and so does not support the contention that impacts to agricultural lands will be mitigated to a less than significant level. Further, this same discussion provides that the Agricultural Lands Preservation Program contains "Stay Ahead" provisions, but does not explain exactly what these provisions are or how they would be implemented. It is also unclear to what extent these provisions are intended to supplement applicant-initiated mitigation; and it is unclear whether the applicants for the projects in the SEQ Area and/or the City would have sufficient funds available with which to purchase necessary mitigation lands. The uncertainty of this mitigation and the ability to mitigate lands at a 1:1 ratio renders it infeasible. (State CEQA Guidelines, § 15364.)

Agricultural Lands Preservation Program (Appendix K)

Under the proposed program, a public agency could not be a qualifying conservation entity. There are several benefits associated with using a public agency for this type of activity, such as transparency and accountability requirements, financial stability, a publicly-elected board, better access to certain government grants or funding, and other benefits. It is unclear why this option was eliminated. Also, the City has not indicated that there is an existing entity

that it believes could fulfill the role of the qualifying entity. The ability to identify a qualifying entity is further complicated by the seemingly unnecessary requirement that the entity have farmers on its governing board. While knowledge of farming is important, there are many ways that this knowledge can be addressed, including special technical committees, staff, advisors, or partnerships with farm organizations. Without more details and flexibility, the success of this aspect of the Program, and the mitigation described therein, is uncertain and infeasible. (State CEQA Guidelines, § 15364; see *Kenneth Mebane Ranches v. Superior Court* (1992) 10 Cal.App.4th 276, 291.)

Conflicts with Williamson Act Contracts Are Not Analyzed

The EIR (at 3.2-22, and also for Cumulative Effects at 4-4) provides that cancellation or protest of the ten Williamson Act contracts in the SEQ Area is "self-mitigating." This is incorrect. Where a project would require the termination of a Williamson Act contract in any way—cancellation or protest—it conflicts with an existing Williamson Act contract and, thus, a potentially significant environmental impact may result. To argue that there would be no conflict because the contract would be cancelled is circular and defeats the purpose of the threshold and the analysis required by CEQA.

The EIR is also incorrect that the only two options are cancellation or protest. In the event that neither of these occurs, the City would succeed to the rights, duties and powers of the County under the existing contract. Regardless, the conclusion that no significant impacts would occur because the contracts could be cancelled or protested is grossly insufficient. Further, public agency cancellations are discretionary agency actions that may, themselves, be subject to CEQA under Public Resources Code sections 21065 and 21080, a fact which the EIR declines to mention or analyze.

The Project May Result In the Conversion of Lands to Non-Agricultural Uses

As stated above concerning the Project Description, the proposed Agricultural Priority Area would be inside of the proposed ULL adjustment, suggesting that urban development may occur on lands which should be set aside for conservation. (See EIR at 2-41, Exh. 2-10.) Also, as shown in Figure 2-9 of the EIR, the proposed Agricultural Priority Area would be placed in the middle of planned development within the SEQ Area. The EIR (at 3.2-24) states that the inclusion of the Agricultural Priority Area would deter the conversion of lands to non-agricultural uses. However, as stated, the circumstances surrounding the Agricultural Priority Area suggest that it would not be much of a deterrent. It is also unclear how the inclusion of lands within the City limits but outside of its USA would deter development on agricultural lands.

The potential conversion of agricultural lands is also inconsistent with the findings contained in the Agricultural Lands Preservation Program, attached as Appendix K to the EIR. As stated therein, "[t]he SEQ of the City is of particular importance as the last major, contiguous area of agricultural land in the Morgan Hill SOI and due to its potential as a permanent 'greenbelt' between Morgan Hill and the neighboring rural residential development of San Martin." (App. K at 4.)

For these same reasons, the Cumulative Effects analysis, which concludes without any support that "neither the SEQ programmatic uses nor the high school would create environmental pressures to prematurely convert neighboring agricultural uses to non-agricultural uses because of the Agricultural Lands Preservation Program," is defective. (See EIR at 4-7; *Vineyard Area Citizens for Responsible Growth v. City of Rancho Cordova* (2007) 40 Cal.4th 412, 435 [conclusions reviewed for substantial evidence].)

Air Quality/Greenhouse Gas Emissions

LAFCO's policies promote the preservation of agricultural lands, encourage efficient delivery of services and also promote compact urban growth to prevent urban sprawl. Through such orderly development, LAFCO policies seek to reduce total vehicle miles traveled, among other concerns. In doing so, these policies strive to reduce greenhouse gas emissions that would result from poorly planned, sprawling development.

The conclusions regarding the significance of greenhouse gas emissions from the Project are inconsistent with the quantitative analysis conducted for the Project and contained within the EIR. Although the EIR correctly states the threshold for Greenhouse Gas emissions established under BAAQMD's CEQA Guidelines, the EIR incorrectly states the emissions per service population based on these thresholds to be 3.16. (See EIR at 3.3-65, Table 3.3-14.) However, calculations show the emissions per service population to actually equal 4.64. Under this calculation, the greenhouse gas emissions exceed the BAAQMD thresholds. Thus, this impact would be considered significant, not less than significant as stated in the EIR. (See EIR at 3.3-65.) Therefore, the correction of the error in the greenhouse gas emissions calculations would disclose a new significant impact, and the City is required to recirculate the Draft EIR. (See State CEQA Guidelines, § 15088.5.)

Land Use

The Project Is Not Consistent with the General Plan Policies and Goals

As stated above, the Project Description for the Chiala Planned Development states that this area would be zoned Open Space, with a Planned Development overlay, but would be designated as only Open Space by the General Plan. (EIR at 2-55.) Although the Land Use analysis does not acknowledge this fact (see EIR at 3.9-10), this renders the conclusion that the

Project would not result in any conflicts with the General Plan inaccurate; and for the reasons stated in the discussion of the Project Description concerns, above, due to this conflict with the General Plan designation, the Zoning amendment for this development is void.

As demonstrated with regard to the deficiencies in the Agricultural Resources analysis, the Project as a whole could convert over 400 acres of agricultural lands to non-agricultural uses and would result in the cancellation of Williamson Act contracts. In light of the uses which would be permitted under the proposed Project, the findings that the Project would be consistent with Policy 2a, Goal 5 and Policy 5b of the General Plan concerning agricultural preservation are unsupported. (See EIR at 3.9-13, 23.)

The proposed amendment to General Plan Policy 2c (see EIR at 3.9-12) suggests that the City may develop lands with urban uses that are not within its USA or UGB so long as the land is in the City's limits. As stated above, this would be inconsistent with LAFCO's policies. This would permit the City to develop lands to which is has not committed to providing services, resulting in potential health and safety concerns. It is also unclear what this measure is intended to "self-mitigate." The amendment would conflict existing policies and could result in additional impacts that are not analyzed in the EIR. The assertion that the amendment is "self-mitigating" is devoid of supporting environmental analysis.

Policy C-GD-3 (EIR at 3.9-19) provides that the USA should generally include only urban uses, and yet the City seeks to expand the USA to encompass uses which it claims will preserve agricultural uses. The fact that the City is seeking to expand the USA contradicts its assertions. And if the City is not planning to develop urban uses on the land, then it need not be included in an expanded USA. Otherwise, the Project is inconsistent with this policy.

Concerning Policy C-GD-8, the EIR claims that "[n]o other areas in the existing Morgan Hill city limits have the attributes of the SEQ area need for the proposed SRL uses." However, this is a conclusory assertion, unsupported by evidence referenced in the EIR.

In determining that the Project would be consistent with Policy SC 1.10, the EIR states that the eastern portion of the SEQ Area would be annexed, but proposed development would not be urban. (See EIR at 3.9-22.) However, the Project would prezone this area with an "urban zoning designation, including SRL, Open Space and Residential Estate (100,000)." (See EIR at 3.9-23 under "Zoning Districts.") It is therefore uncertain whether urban development is allowed or not allowed for this area. It is also unclear how the City is defining "urban development" for this Project, and as stated throughout, the analysis suggests that more intense uses may be permitted on the Project site than are analyzed and disclosed in the EIR.

Population and Housing

The population growth analysis should include a discussion of the Project's impacts as determined by the Morgan Hill Residential Development Control System and indicate whether the housing allocations have been made already. (EIR at 3.11-11.) The 38 residences of the Chiala Planned Development alone constitute approximately 15% of the annual allotment. The EIR should confirm that the Project has been accounted for in the allotment.

More importantly, the analysis also does not disclose the number of new residences expected to be generated by the Project as a whole, and thus there is no analysis of the Project's impacts with respect to ABAG's or the City's General Plan projections. The EIR provides that the Project would designate 76 acres as "Residential Estate," with only 9 acres zoned "Residential Estate." (See EIR at 4-11.) Not only does the General Plan designation anticipate that the entirety of the 76 acres will, at some point, be developed with residential uses, but this acreage is wholly separate from the Chiala Planned Development, which the Project specifically anticipates will contain 38 residences. The EIR should include analysis of impacts resulting from the maximum potential residential development under the Project in order to complete an analysis of the Project *as a whole*. (State CEQA Guidelines, § 15378(a); *Orinda Assn. v. Bd. of Supervisors* (1986) 182 Cal.App.3d 1145, 1171.) This is not speculative as the proposed General Plan designations would permit residences consisting of a specific lot size. The EIR should use this information to predict the maximum potential development, and analyze that as the Project.

These deficiencies in the EIR's analysis likewise render the Cumulative Effects analysis for Population and Housing defective because the Project is not fully analyzed and, thus, its contribution to cumulative effects cannot be accurate.

Public Services and Recreation

The Analysis of Impacts to Public Services Is Insufficient Under CEQA

County Growth and Development Policy C-GD 8(b) (see EIR at 3.12-12) provides that expansion of USA boundaries shall not be approved unless "the existing supply of land within the city's USA accommodates no more than five years of planned growth." The EIR should disclose whether the land currently within the City's USA will accommodate no more than 5 more years of planned growth. If this is not the case, then the Project is inconsistent with LAFCO and County General Plan policies.

The analysis of impacts to services assumes that impacts would be less than significant if the distance to the nearest service facility (i.e. fire station) would be less than or equal to the current distance. (EIR at 3.12-20–21.) However, service population should also be taken into account by projecting an approximate number of employees and/or residents that would be present in the SEQ Area as a result of the planned developments (4 project development

applications *and* the high school) because, even if a facility is nearby, additional uses may place a strain on existing services by increasing demand. This could result in the need for new facilities and should be analyzed in the EIR.

As provided above as an example of improper segmentation of environmental analysis, in the analysis of police services (EIR at 3.12-22–23), the high school is stated as having a potentially significant impact, and yet the SEQ Area alone is stated as having a less than significant impact. This segmentation improperly minimizes impacts that could otherwise be considered potentially significant for the Project as a whole. This type of analysis violates CEQA. (State CEQA Guidelines, §§ 15378, 15003(h); *City of Santee v. County of San Diego*, *supra*, 214 Cal.App.3d at 1450.) Further, this analysis undermines the conclusion that cumulative impacts to public services would be less than significant. (See EIR at 4-12.)

Utility Systems

Mitigation Measure US-3a is a product of the Project's defects concerning the USA, and likewise conflicts with LAFCO policies, as described above, because the Project is proposing to develop urban land uses within its City limits to which it would not provide services. Further, the Measure provides no means of determining whether retention systems unconnected to the City's drainage system are feasible and, therefore, no means of determining whether connection to City systems is necessary. And even if the Measure did contain this information, the EIR is completely lacking in analysis of impacts resulting from the construction of the retention basins for the SEQ (air quality/greenhouse gases, impacts to City systems if site-specific retention systems are infeasible).

Growth-Inducing Impacts

As stated in the EIR, growth-inducing impacts may occur where a project would remove obstacles to population growth, or lead to the construction of additional development in the same area. (See EIR at 6-2–3.) Although the EIR concludes that the Project would not induce growth, as stated above concerning the "Conversion of Lands to Non-Agricultural Uses," the nature of the Project opens the land to non-agricultural uses despite the assertions in the EIR to the contrary. In doing so, even though the extension of services as a result of the USA expansion and the land annexation is currently planned only to connect to those uses specifically identified in the EIR, the very fact that the USA would be expanded and additional land annexed into the City opens these new areas to additional development. Therefore, the EIR's conclusions that the Project would not induce significant growth are unsupported. Where additional analysis on this issue discloses a new significant impact, the City would be required to recirculate the Draft EIR pursuant to State CEQA Guidelines section 15088.5.

Alternatives

Project Objectives 4, 5, 6 and 10 actually describe components of the proposed Project. The specificity of these objectives, and their similarity to the Project as proposed, precludes effective consideration of Project alternatives. Any Project alternative that does not include all of these Project components by default fails to meet the Project's Objectives to the extent that the proposed Project would, thereby permitting the City to reject the alternative even if it would reduce the Project's significant and unavoidable impacts. As evidence of this, the only alternatives considered are the various components of the Project and the mandatory No Project alternative. In addition, the EIR discloses that the Project would result in a minimum of eight significant and unavoidable environmental impacts. Almost all of these impacts are directly related to the intensity of proposed land use and resulting noise, traffic and air quality impacts. Therefore, a "reduced scale" alternative should have been included for analysis. However, the ability to analyze alternatives which could reduce the Project's significant and unavoidable impacts is seriously constrained by the targeted Project objectives. Thus, the EIR's analysis of alternatives is deficient: it does not satisfy CEQA's information disclosure purposes, it fails to analyze a reasonable range of alternatives which could minimize Project impacts (State CEQA Guidelines, § 15126.6(a), (c)), and it ignores the California Supreme Court's directive that the alternatives and mitigation analysis be "the core of an EIR" (see *Citizens of Goleta Valley v. Bd. of Supervisors* (1990) 52 Cal.3d 553, 564).

Conclusion

For the foregoing reasons, we urge the City Council to not approve the Draft EIR at this time. As you know, LAFCO is a Responsible Agency for the Project and will require adequate CEQA documents to complete its review of the proposals. Therefore, on behalf of LAFCO, we respectfully request that the City prepare a revised Draft EIR that addresses the identified deficiencies and that the City then circulate the revised documents for review and comment, as required by CEQA.

Sincerely,

Malathy Subramanian
General Counsel for the Local Agency Formation Commission of Santa Clara County

LAFCO
Local Agency Formation Commission of Santa Clara County

June 9, 2014

VIA E-MAIL [Andrew.Crabtree@morganhill.ca.gov]

Andrew Crabtree
Community Development Director
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

RE: Comments on Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Final Environmental Impact Report

Dear Mr. Crabtree:

Thank you for providing the Local Agency Formation Commission of Santa Clara County (LAFCO) with an opportunity to review and comment on the Final Environmental Impact Report (FEIR) for the City of Morgan Hill's Agriculture Preservation Program and Southeast Quadrant Land Use Plan ("Project"). As you know, LAFCO has provided numerous comment letters to the City outlining LAFCO's concerns regarding various aspects of the Project. Most recently on February 18, 2014, LAFCO and its legal counsel submitted extensive comments to the City regarding the Project. As stated therein, the Draft EIR for the Project fails to satisfy the requirements of the California Environmental Quality Act.

As limited examples, and as detailed in these previous comment letters, the Draft EIR segments the environmental analysis; improperly defers environmental analysis by conducting programmatic review of project-level proposals; fails to sufficiently mitigate significant impacts to agricultural resources; fails to adequately analyze impacts to agricultural resources, air quality, public services and utilities, and utility systems; and also fails to analyze a reasonable range of alternatives. Furthermore, the Project is inconsistent with several LAFCO policies against which the Project will later be evaluated by LAFCO for its approvals.

Although LAFCO appreciates the City's efforts to address the comments presented in its letters, the Final EIR fails to remedy the identified deficiencies, and the responses themselves do not comport with the requirements of CEQA. When significant environmental issues are raised in comments on a Draft EIR, like those raised by LAFCO, CEQA requires that the response must be detailed and must provide a reasoned, good faith analysis. (State CEQA Guidelines, § 15088(c); see *Flanders Found. v. City of Carmel-by-the-Sea* (2012) 202 Cal.App.4th 603, 615 [Failure of a

lead agency to respond to comments raising significant environmental issues frustrates CEQA's informational purpose and may render the EIR legally inadequate].)

Rather than clarifying the issues raised by LAFCO, and others, including the County of Santa Clara, the Santa Clara County Open Space Authority and various environmental organizations, the Final EIR neglects to adequately respond to the comments, and in many cases adds to the confusion identified in the comments concerning the scope of the Project and the analysis of its environmental impacts.

For the foregoing reasons, we urge the City Council not to certify the EIR or approve the Project because to do so would violate the procedural and substantive mandates of CEQA. We once again thank the City for the opportunity to review the EIR, and LAFCO staff remains available should the City wish to discuss LAFCO's concerns.

Sincerely,

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County

Malathy Subramanian
General Counsel
LAFCO of Santa Clara County

Attachment A: LAFCO's February 18, 2014 Letter: Draft Environmental Impact Report for the Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan

Attachment B: LAFCO Counsel's February 18, 2014 Letter: Comments on Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Draft Environmental Impact Report (SCH# 2010102010)

OPEN SPACE AUTHORITY
SANTA CLARA VALLEY

LAFCO
Local Agency Formation Commission of Santa Clara County

VIA E-MAIL

November 5, 2014

Honorable Mayor Tate and City Council Members
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

RE: SOUTHEAST QUADRANT (SEQ) LAND USE PLAN AND CITYWIDE AGRICULTURAL LANDS PRESERVATION PROGRAM

Honorable Mayor Tate and City Council Members,

The purpose of this joint letter is to express our concerns and to request that the City not approve the proposed SEQ Project and the Agricultural Lands Preservation Program and not approve the Final EIR. Attachment 1 summarizes our concerns. We encourage the City to step back from its current plan to develop agricultural lands, and in partnership with the County of Santa Clara (County), LAFCO of Santa Clara County (LAFCO), and the Santa Clara County Open Space Authority (OSA) develop a SEQ proposal that better aligns with local and regional policies/goals.

Collaboration Efforts To-Date
Since July of this year, staff from the County, the OSA, and LAFCO have been meeting with City staff to develop an alternative agricultural preservation program in the SEQ. Staff explored conservation and financing strategies for a viable agricultural lands preservation program while addressing the City's growth needs in a sustainable manner in conformance with longstanding urban development policies.

Staff from the four agencies met several times over the course of the three months to discuss a range of potential strategies. In a good faith effort, the OSA arranged for a consultant to help staff prepare a Scope of Work for developing and implementing a viable plan for financing agricultural land preservation in the area. Successful models that the staff were beginning to evaluate would link economic incentives and initiatives (such as TDRs, conservation easements) with complementary growth management strategies (i.e. well-defined growth boundaries). The benefits of such approaches are accommodating growth without significantly impacting agricultural land; limiting development pressure in areas identified as important for continued agricultural production and providing reasonable certainty to landowners and developers.

Unfortunately, the work was cut short as the City indicated its intent to complete City Council action on the project by December 2014.

A More Balanced Approach to Preserving Agricultural Lands in SEQ
We urge the City Council to **not** approve the project as proposed, and to consider an alternate vision to achieve a successful outcome – significantly reducing the amount of agricultural land planned for conversion in the SEQ and delineating a meaningful and stable urban growth boundary. Such actions by the City Council would confirm the City's commitment to long-term agriculture in the SEQ and enable the Group to resume developing and implementing an effective, workable agricultural preservation program in the SEQ that includes specific programs, such as easement acquisitions and TDR programs.

Importantly, this would be more in alignment with statewide and regional goals for building sustainable communities; specifically it would prevent urban sprawl, encourage more compact urban form, and enable the city to focus its budgetary resources on existing neighborhoods. It would allow the partner agencies to jointly support the City in applying for California Strategic Growth Council planning grants and for other potential future grants for developing conservation easement projects and for critical agricultural infrastructure needs planning.

Thank you for considering our request.

Sincerely,

Sylvia Gallegos
Deputy County Executive
County of Santa Clara

Andrea Mackenzie
General Manager
Open Space Authority

Neelima Palacherla
Executive Officer
Santa Clara LAFCO

c: OSA Board Members
LAFCO Members
Mike Wasserman, Supervisor District One

Attachment 1: **Partner Agencies' Concerns with the Proposed SEQ Plan, Citywide Agricultural Lands Preservation Plan and Associated CEQA**

Attachment 1:

PARTNER AGENCIES' CONCERNS WITH THE PROPOSED SOUTHEAST QUADRANT (SEQ) PLAN, CITYWIDE AGRICULTURAL LANDS PRESERVATION PLAN AND ASSOCIATED CEQA

The following summarizes some of the key concerns identified by the County of Santa Clara, LAFCO of Santa Clara County and the Santa Clara County Open Space Authority (OSA) with regard to the City of Morgan Hill's proposed plan for the SEQ and the associated CEQA review and process. Please note that the three agencies have previously raised these and other concerns in their various separate letters to the City and in their discussion with City staff.

A. INCONSISTENCIES BETWEEN STATED GOAL OF AGRICULTURAL PRESERVATION IN SEQ AND PROPOSED ACTIONS

1. Proposed Project Involves Premature and Unnecessary Conversion of Agricultural Lands in the SEQ

Even though the City has indicated that it is their goal to have permanent agricultural preservation in the SEQ and declared the SEQ as their Agricultural Priority area, the proposed plans depict that nearly half of the prime agricultural lands in the SEQ will be converted to urban uses. Out of a total of 597 acres of prime farmland, over 251 acres of prime farmland are slated for conversion to Sports Recreational and Leisure (SRL) and public facility uses. The purpose of the conversion is to allow four separate development proposals initiated by private property owners / developers on 106 acres of prime farmland. Since these four development proposals are not contiguous and are spread out in the SEQ, the City is proposing to re-designate the intervening 192 acres of prime farmland for urban use in order to simply establish contiguity. Thus the proposed urban growth (UGB) and urban limit line (ULL) boundaries, (which are proposed to include these lands) seem driven by the desire to facilitate private applicant initiated proposals rather than by the public benefit interest of farmland preservation.

2. Annexation Not Necessary for Preservation of Agricultural Lands in the SEQ

Another problematic aspect of the SEQ proposal is that it will require eventual city annexation of unincorporated lands located outside the City's urban service area (USA). First, such an annexation would directly conflict with the joint urban development policies, LAFCO policies and County General Plan which call for urban development and services within USAs; and resource conservation and rural uses outside the USA. Importantly, in keeping with the joint urban development policies, the County has established a long standing record for maintaining rural land uses and not providing public water and sewer services in the unincorporated county whereas the City has established no such record and has provided no assurances for conserving these lands. Further, it seems to be a misunderstanding amongst some people that the area would be better protected for agriculture under City jurisdiction and that annexation of the SEQ would prevent further rural residential development in the SEQ. Given that a single family home may be constructed by right on every legal lot whether it is in the County or City provided it meets the underlying building regulations, it is unclear

how the City would have the ability to somehow prohibit the construction of single family homes on recognized legal lots.

3. Designating Unincorporated Lands "Agriculture" in City General Plan Provides No Additional Protection for Unincorporated Agricultural Lands in the SEQ

Further, the City claims that by its proposal to designate unincorporated lands as Agriculture, the City would implement its General Plan policies related to agriculture and communicate its commitment for agricultural preservation within the SEQ. It is misleading and inaccurate to assume that the City's designation offers any further protection from development for these lands, than their remaining in the County. These lands are currently designated Agriculture Medium Scale under the County General Plan. Since these lands are not proposed for annexation to the City at this time, they will continue to remain unincorporated and be subject to the County General Plan and its land use regulations. Therefore, the City's General Plan designation would not apply to these lands and it would have no direct land use jurisdiction over these unincorporated lands.

4. Proposed Funding in the City's Agricultural Lands Preservation Program Is Insufficient to Achieve 1:1 Mitigation

As a number of agencies have previously commented, the City's proposed Agricultural Land Preservation Program designates the SEQ as the Agricultural Priority area within which mitigation should occur, however, it underestimates the land/easement costs and in-lieu fees necessary to preserve land in the SEQ by using lower land values more appropriate in other parts of the County. So therefore, even though the Program calls for a 1:1 mitigation, the funding generated by the proposed mitigation fees would not be sufficient to cover the 1:1 mitigation in the SEQ. It is very unlikely that the City's program will result in any actual preservation of agriculture in the SEQ.

While the four agencies share a common goal of viable agriculture and agricultural preservation in the SEQ, the City's project and process continue to directly conflict with these goals and with existing policies.

5. Proposed Clustering Program within Unincorporated Area is Infeasible

The City has indicated its interest in continuing to work with the three agencies to establish a Transfer of Development Rights (TDR) and clustering program *in the County only* for a specific landowner (Chialas) located within the SEQ.

With regard to establishing a clustering program within the unincorporated county for existing legal lots, the agencies have had extensive discussions and have identified significant concerns with such a program; these concerns range from inconsistencies of such development with the current County General Plan to potential lack of public benefit value of developing such a program in the County and include issues such as likely conflict between urban densities and rural character of unincorporated lands, environmental and service provision concerns, and the undesirable precedent setting nature of such a proposal on other parts of the unincorporated county. An effective TDR program in balance with other preservation strategies will need to address transferring development rights to receiving sites within the City.

B. INADEQUATE ENVIRONMENTAL ANALYSIS AND SEGMENTED REVIEW / APPROVAL PROCESS UNACCEPTABLE FOR SUCH A MAJOR LAND USE DECISION

1. City's Environmental Analysis is Deficient and Does Not Meet the Intent or Requirements of CEQA

As you know, the CEQA process is designed to identify and disclose to decision makers and the public the significant impacts of a proposed project prior to its consideration and approval. LAFCO, the County of Santa Clara, and the Santa Clara County Open Space Authority have each provided previous comments to the City on the City's environmental review process and documentation. In February 2014, these agencies identified significant deficiencies in the Draft EIR, including that the project description is unclear; the Draft EIR segments the environmental analysis; improperly defers environmental analysis by conducting programmatic review of project-level proposals; fails to sufficiently mitigate significant impacts to agricultural resources, air quality, public services and utilities, and utility systems; and also fails to analyze a reasonable range of alternatives. Subsequently, the City prepared a Final EIR which attempted to address the abovementioned comments. Rather than clarifying the issues raised by LAFCO, the County of Santa Clara, the Santa Clara County Open Space Authority, and others, the City's Final EIR neglects to adequately respond to the comments, and in many cases adds to the confusion identified in the comments concerning the scope of the project and the analysis of its environmental impacts.

2. Separation of the SEQ Land Use Plan from the City's General Plan Update Process is a Violation of Rational Planning Practices and CEQA

The City is currently in the midst of conducting a comprehensive update of its General Plan, which among other things, is considering various land use alternatives, including further outward expansion of city boundaries to accommodate anticipated growth. However, the SEQ project which requires major amendment to the City's General Plan is not part of the Comprehensive General Plan update. This is contrary to City/ County General Plan policies which require that UGB be only amended in conjunction with a comprehensive General Plan review /update. It is our understanding that the City intends to complete decisions on the SEQ by December 2014 in order to establish the SEQ project as a pre-existing condition for the Comprehensive General Plan Update EIR analysis, in clear violation of sound planning principles and CEQA Guidelines.

LAFCO
Local Agency Formation Commission of Santa Clara County

VIA EMAIL

February 4, 2015

Honorable Mayor Tate and City Council Members
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

RE: SOUTHEAST QUADRANT (SEQ) LAND USE PLAN AND CITYWIDE AGRICULTURAL LANDS PRESERVATION PROGRAM

Honorable Mayor Tate and City Council Members:

Thank you for your time and further consideration of LAFCO's concerns.

I am writing to respectfully request that the City Council delay consideration of the proposed General Plan Amendments. City staff has indicated that there is further opportunity to refine the Agricultural Lands Preservation Program and the General Plan, and proposes to continue to work with LAFCO, Santa Clara County Open Space Authority (OSA) and the County of Santa Clara (County) on potential refinements. However, the proposed General Plan amendments will prematurely establish the expectation for significant agricultural lands conversion in the SEQ thus making it more difficult for the City and the partner agencies to pursue their common goal and certain strategies for permanent agricultural land preservation in the SEQ.

On November 5, 2014, the County, OSA, and LAFCO sent a joint letter to the City in which we identified significant concerns with the City's Agricultural Lands Preservation Program and the SEQ project. These issues are yet to be resolved and continue to remain a concern. We urge the City to carefully consider and address these issues before moving forward.

One of the issues we identified in the letter is the lack of sufficient funding to implement an agricultural preservation plan in the SEQ. You may be aware of the new funding opportunities that have recently become available from the Strategic Growth Council for agricultural preservation planning and agricultural conservation easements. We urge the

City to pursue a SEQ plan that better aligns with local and regional policies/ goals – a plan that the partner agencies could support and that would qualify for the new funding opportunities.

It is LAFCO's mission and mandate to preserve agricultural land. The SEQ is an important agricultural resource in the County. We would like to reiterate our interest in working with the City and partner agencies and encourage the City to allow for a constructive, meaningful and collaborative resolution of the identified issues.

We look forward to a successful collaboration with the City and partner agencies.

Thank you.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Attachment: **LAFCO Staff Report (February 4, 2015): Update on the Southeast Quadrant Project**

Cc: LAFCO Members
Sylvia Gallegos, Deputy County Executive
Andrea Mackenzie, OSA General Manager

ATTACHMENT G

LAFCO
Local Agency Formation Commission of Santa Clara County

ENVIRONMENTAL ASSESSMENT

The City of Morgan Hill is the Lead Agency under the California Environmental Quality Act (CEQA) for the proposed Morgan Hill 2015 USA Amendment (Area 1: Tennant-Murphy), which is a component of the City's Southeast Quadrant Land Use Plan. Per Resolution No. 7049, dated November 5, 2014, the City of Morgan Hill certified the Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Environmental Impact Report (SEQ EIR), making a statement of overriding considerations for the SEQ EIR; and adopting a related mitigation monitoring and reporting program.

Mitigation Measures

The City is requiring mitigation measures to reduce potential significant environmental effects to a less than significant level for aesthetics, light, and glare; agricultural resources; biological resources; cultural resources; geology, soils, and seismicity; hazards and hazardous materials; hydrology and water quality; public services and recreation; and utility systems. A Mitigation Monitoring and Reporting Program (MMRP) consistent with the SEQ EIR was approved by the City as part of the approval of the SEQ EIR. The monitoring and reporting program will ensure compliance with the mitigation measures that would mitigate or avoid significant impacts associated with the project.

Statement of Overriding Considerations

The City also determined that despite the imposition of all feasible mitigation measures and alternatives, the proposed project's air quality/greenhouse gases, noise, and transportation impacts will remain significant. The City determined that the project's benefits outweigh the project's significant, unavoidable environmental impacts and adopted a statement of overriding considerations, as required.

LAFCO's Comment Letters on the City's CEQA Documents

Prior to the City's adoption of its SEQ EIR, LAFCO submitted multiple comment letters to the City identifying significant deficiencies in the SEQ EIR and requesting that the City prepare a revised environmental document to address the identified deficiencies and then circulate the revised document to affected agencies and the public for their review and comment as required by CEQA. However, the SEQ EIR was not revised to

address the identified deficiencies. Please see **Attachment C** for further information on this issue.

Addendum to SEQ EIR for City's Purchase of Southeast Quadrant Ball Fields Property

In 2015, the City of Morgan Hill conducted an Initial Study and approved an Addendum to the Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Environmental Impact Report (SEQ EIR) for the City's proposed acquisition of an approximately 26-acre property (APNs 817-14-004, 817-14-005, and 817-14-009) located south of Tennant Avenue and immediately east of Highway 101/Madrone Channel, for the development of baseball and softball fields with supporting facilities and surface parking. The 26-acre property is located within Area 1. The City's Initial Study states that approximately 3.4 acres fronting Tennant Avenue at the north end of the 26-acre property would be conveyed back to the seller to be developed for retail and commercial uses under separate privately-initiated applications to the City, which will be subject to subsequent environmental review as appropriate. According to the City, that land (i.e. approximately 3.4 acres) would not be affected by the proposed ball fields other than the opportunity for shared use parking and ingress.

The SEQ EIR evaluated as part of a broader development plan, the use of the subject property for a combination of sports fields and commercial recreation/retail uses, but not a specific proposal. The City of Morgan Hill prepared an Addendum to the SEQ EIR in order to determine whether or not there would be any changes in environmental impacts or required mitigation measures due to the City's proposed acquisition of these lands for the specific purpose of developing baseball and softball fields, supporting facilities, and surface parking. City staff determined that the impacts associated with the proposed acquisition and anticipated project are fully covered by the SEQ EIR. Per Resolution No. 15-181, dated July 15, 2015, the City of Morgan Hill completed and considered the Addendum to the SEQ EIR, and approved the City's purchase of the Southeast Quadrant Ball Fields property.

LAFCO is a Responsible Agency under CEQA for the proposal.

LAFCO denial of the project does not require a CEQA action. Public Resources Code section 21080(b)(5) provides that when an agency disapproves a project, the project is not subject to CEQA review.

Environmental Documents (Available at these web links or at LAFCO Office)

1. SEQ EIR Statement of Overriding Considerations
2. SEQ Mitigation & Monitoring Report Program
3. SEQ Final Environmental Impact Report (EIR)
4. SEQ Draft Environmental Impact Report & Appendices
5. SEQ EIR Addendums

LAFCO
Local Agency Formation Commission of Santa Clara County

LAFCO MEETING:	**March 11, 2016**
Date of Staff Report	**February 15, 2016**
TO:	**LAFCO**
FROM:	**Neelima Palacherla, Executive Officer** **Dunia Noel, Analyst** **Emmanuel Abello, LAFCO Clerk**
SUBJECT:	**AREA 2: MONTEREY-WATSONVILLE** **MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015**

STAFF RECOMMENDED ACTION

OPTION 1: STAFF RECOMMENDATION

Project Action

Deny the USA amendment request for Area 2.

California Environmental Quality Act (CEQA) Action:

Denial of the project does not require a CEQA action.

OTHER OPTIONS FOR COMMISSION CONSIDERATION

OPTION 2:

Approve an USA amendment to include only the incorporated portions of Area 2.

OPTION 3:

Approve an USA amendment to include only Area 2B: Morgan Hill Bible Church.

OPTION 4:

Approve an USA amendment to include only Area 2A: Royal Oaks Enterprises.

OPTION 5:

Approve the USA amendment request for the entire Area 2.

CEQA Action for Options 2, 3, 4, and 5:

In order to approve the project or a portion of the project, LAFCO as a Responsible Agency under CEQA, must take the following actions regarding the Mitigated Negative Declaration for this project:

1. Find that the *Initial Study* and *Mitigated Negative Declaration* approved by the City of Morgan Hill on December 7, 2011 were completed in compliance with CEQA and are an adequate discussion of the environmental impacts of the project.
2. Find that prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as outlined in the *Initial Study* and *Mitigated Negative Declaration*.
3. Find that a mitigation monitoring program was approved by the City of Morgan Hill as Lead Agency and that the monitoring program ensures compliance with the mitigation measures identified in the *Mitigated Negative Declaration* that would mitigate or avoid significant impacts associated with the urban service area amendment, over which LAFCO has responsibility.

PROJECT DESCRIPTION

The USA amendment proposal for Area 2: Monterey-Watsonville involves the inclusion of approximately 71 acres, comprising 17 parcels located in the vicinity of Watsonville Road and Monterey Road. Seven of the seventeen parcels are already within the city limits (incorporated) but outside the USA. Expansion of an existing school and development of commercial uses is anticipated on the incorporated lands. Inclusion in the USA and annexation of the unincorporated properties to the City would allow for the potential construction of multifamily housing units and expansion of an existing church. **Attachment A** includes a map of the existing and proposed USA boundary for Area 2.

The City has stated that the goals for this USA amendment request are "to regularize the City boundaries, improve service delivery efficiencies and implement City of Morgan Hill General Plan goals."

The USA amendment application for Area 2 contains two sub areas:

Area 2A: Royal Oaks Enterprises

> This area includes two parcels (APNs 779-04-052 and 067), totaling approximately 9.5 acres. On September 23, 2014, the Morgan Hill City Planning Commission recommended approval (vote: 6-0) of the USA expansion for Area 2A and on September 2, 2015, the City Council adopted Resolution # 15-217 to seek LAFCO approval for the USA amendment.

Area 2B: Morgan Hill Bible Church

> This area includes the remaining fifteen parcels in Area 2, including the two parcels on which the Morgan Hill Bible Church is located. Seven of the fifteen parcels are located within the city limits but outside the USA. On August 11, 2015, the Morgan Hill City Planning Commission recommended approval (vote: 6-0) of the USA expansion of Area 2B and on September 2, 2015, the City Council adopted Resolution # 15-218 to seek LAFCO approval.

For ease of information and consistent with the City's review as two applications, this section discusses each area separately. Because the two areas are contiguous to one another, the entire area is analyzed as one application.

BACKGROUND

All of Area 2 (except APNs 779-04-058, 013, 012, 011), was part of another USA expansion application that the City of Morgan Hill submitted to LAFCO and which LAFCO considered at its October 2013 meeting. At that time, LAFCO approved inclusion of only four parcels located at the intersection of Monterey and Watsonville Roads; and denied the inclusion of the remaining area in order to allow it to serve as a natural buffer to limit impacts to adjacent agricultural lands and to limit growth inducing impacts on adjacent unincorporated lands.

Subsequently, the owner of APN 779-04-052 requested that LAFCO reconsider its October 2013 action to deny the inclusion of APNs 779-04-052 and 779-04-067 into Morgan Hill's USA. The CKH Act allows for an applicant to request that LAFCO reconsider its action, but the request for reconsideration must state any new or different facts that could not have been presented previously. The new information provided by the applicant in support of their request was their intent to provide agricultural mitigation for Class II soils on their property by paying-in-lieu fees to the City of Morgan Hill. LAFCO, at its December 2013 meeting, denied the applicant's request for reconsideration because the Commission found that the City and property owner were well informed about the existence of prime agricultural lands on the applicant's property and LAFCO's Agricultural Mitigation Policies and were provided more than adequate time to provide this information to LAFCO prior to the Commission's October 2013 action.

In October 2015, the City of Morgan Hill submitted a request for an USA amendment to include Area 2, that includes all of the parcels that LAFCO denied in 2013 plus four additional parcels (APNs 779-04-058, 013, 012, 011).

EXISTING AND PROPOSED LAND USES / DESIGNATIONS

AREA 2A: ROYAL OAKS ENTERPRISES

The table below summarizes the land use information for Area 2A.

AREA 2A: EXISTING AND PROPOSED LAND USE DESIGNATIONS

APN	ACRES	EXISTING LAND USE	COUNTY GENERAL PLAN	COUNTY ZONING	CITY GENERAL PLAN	CITY PRE-ZONING
779-04-052	7.38	Vacant	Agriculture Medium Scale	A-20Ac	Multi-Family Medium	Medium Density Residential (R3) Planned Development
779-04-067	2.2	Vacant	Agriculture Medium Scale	A-20Ac	Open Space	OS

Both of the parcels in Area 2A currently have a County General Plan designation of Medium Scale Agriculture.

APN 779-04-052 is currently undeveloped. The City has applied a General Plan designation of Multifamily Medium to the parcel and indicates that anticipated future development of this parcel would include a 123-unit multi-family housing project. The property is owned by Royal Oaks Enterprises Inc. (Mr. Hordness), who also owns the adjacent parcel (APN 779-04-056) at the intersection of Monterey and Watsonville Roads, the site of the mushroom processing facility that LAFCO in 2013, approved for inclusion in the City's USA.

APN 779-04-067 is owned by the Santa Clara Valley Water District (SCVWD) and is expected to be used for future flood control purposes. This parcel is included solely to establish contiguity for APN 779-04-052.

AREA 2B: MORGAN HILL BIBLE CHURCH

The table below summarizes the existing and proposed land use designations for Area 2B.

AREA 2B: EXISTING AND PROPOSED LAND USE DESIGNATIONS

APN	ACRES	EXISTING LAND USE	COUNTY GENERAL PLAN	COUNTY ZONING	CITY GENERAL PLAN	CITY PRE-ZONING
779-04-030	0.57	Single-Family Residential	In City	N/A	Non-Retail Commercial	CLR PD
779-04-005	0.37	Commercial (tool supply, bail bonds, concrete)	In City	N/A	Non-Retail Commercial	CLR PD
779-04-072	5.02	Single-Family Residential	In City	N/A	Non-Retail Commercial	CLR PD
779-04-074	6.12	undeveloped	In City	N/A	Non-Retail Commercial	CLR PD
779-04-032	0.53	Commercial (Hair Salons)	In City	N/A	Non-Retail Commercial	CLR PD
779-04-033	0.23	Single-Family Residential	In City	N/A	Non-Retail Commercial	CLR PD
779-04-073	24.59	Oakwood School	In City	N/A	Single Family Medium	R1 9,000
779-04-010	1.38	Commercial (masonry operation)	Agriculture Medium Scale	A-20Ac	Non-Retail Commercial	CLR / PD
779-04-015	0.42	Commercial (Bay Area Chrysanthemum Growers' Co-op)	Agriculture Medium Scale	A-20Ac	Non-Retail Commercial	CLR / PD
779-04-016	3.93	Morgan Hill Bible Church	Agriculture Medium Scale	A-20Ac	Public Facilities	Public Facilities
779-04-061	4.76	Morgan Hill Bible Church	Agriculture Medium Scale	A-20Ac	Public Facilities	Public Facilities
779-04-011	1	Residential	Agriculture Medium Scale	A-20Ac	Single Family Low	No prezoning
779-04-012	2.56	Residential	Agriculture Medium Scale	A-20Ac	Single Family Low	No prezoning
779-04-013	1.37	Residential	Agriculture Medium Scale	A-20Ac	Single Family Low	No prezoning
779-04-058	2.06	Residential	Agriculture Medium Scale	A-20Ac	Single Family Low	No Prezoning

APN 779-04-073 which is located within the city limits has a City General Plan designation of Single Family-Medium and is developed with the private Oakwood Country School. A 32,000 square foot expansion of the existing Oakwood School is anticipated. The remaining six incorporated properties in Area 2B along Monterey Road are developed with commercial and residential uses and designated in the City's General Plan as Non-Retail Commercial. No specific development plans are proposed for the properties. Anticipated future development of these properties would include a total of 117,000 square feet of new non-retail commercial development.

All of the unincorporated parcels in Area 2B have a County General Plan designation of Medium Scale Agriculture. The Morgan Hill Bible Church, an 11,600 square foot facility,

is located on the two parcels (APNs 779-04-016 and 061) on Monterey Road. The City has applied a Public Facilities General Plan designation for the two parcels. Upon annexation to the City and connection to the City sewer, an 8,400 square foot church expansion is anticipated.

The remaining unincorporated properties in Area 2B are developed with single family homes and commercial uses. The City has applied a General Plan designation of Non-Retail Commercial to the two properties along Monterey Road and a Single Family Low designation to the remaining properties. The City has not yet applied a pre-zoning designation for the residential properties. No information has been provided about anticipated development on these properties upon annexation into the City.

Upon LAFCO approval of the USA expansion and City annexation of the parcels, the City General Plan and zoning designations would become effective for the properties.

SURROUNDING LAND USES

Area 2 is surrounded by incorporated and unincorporated lands with existing agricultural, residential and commercial land uses. The properties to the north of Area 2 across from Monterey Road include agricultural lands and a mobile home community. Single family residential neighborhoods located within the City are to the west of Area 2 across from Watsonville Road. Agricultural lands are located east of the area. A mix of rural residential and agricultural lands are located south of the area.

ENVIRONMENTAL ASSESSMENT

Initial Study, Mitigated Negative Declaration, and Addendum

The City of Morgan Hill is the Lead Agency under the California Environmental Quality Act (CEQA) for the proposed Morgan Hill Urban Service Area Amendment (Area 2: Monterey-Watsonville). Per City Resolution No. 6502, the City approved a Mitigated Negative Declaration (MND) for the proposal on December 7, 2011.

The City is requiring mitigation measures to reduce potential significant environmental effects to a less than significant level for biological resources, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, noise, and utilities and service systems. A Mitigation Monitoring and Reporting Program (MMRP) consistent with the Mitigated Negative Declaration was approved by the City as part of the approval of the Mitigated Negative Declaration. The monitoring and reporting program will ensure compliance with the mitigation measures that would mitigate or avoid significant impacts associated with the project.

On September 2, 2015, the City Council adopted Resolution No. 15-218 modifying the proposal to include four (4) additional parcels (APNs: 779-04-011, -012, -013, and -058) within the proposed urban service area expansion. The four parcels are currently developed with residential uses and are located adjacent to parcels included in the original proposal. The City of Morgan Hill prepared an Addendum to the MND in order

to determine whether or not there would be any changes in environmental impacts or required mitigation measures due to the proposed addition of the four parcels. City staff determined that the impacts associated with the addition of the four parcels are fully covered by the MND and MMRP which were approved by the City of Morgan Hill on December 7, 2011. See **Attachment B** for environmental documents.

LAFCO is a Responsible Agency under CEQA for the proposal.

LAFCO denial of the project does not require a CEQA action. Public Resources Code section 21080(b)(5) provides that when an agency disapproves a project, the project is not subject to CEQA review.

ANALYSIS OF CONSISTENCY WITH LAFCO POLICIES

LAFCO policies and state law identify several factors for the Commission to consider when reviewing a proposal. The following is an analysis of the most relevant factors for this USA amendment proposal.

CONSISTENCY WITH CITY GENERAL PLAN POLICIES

Urban Growth Boundary

The proposal area is within the City of Morgan Hill's Urban Growth Boundary which was adopted by the City in 1996.

City's Desirable Infill Policy

Morgan Hill Municipal Code Section 18.78.070 (A) prohibits the City from applying to LAFCO for USA expansions until the amount of undeveloped, residentially developable land within the existing USA is insufficient to accommodate five years' worth of residential growth beyond that required to accommodate the number of development allotments available in the next competition. The City's Code Section 18.78.070(B) provides exceptions from the above requirement for accommodating development that qualifies as "desirable infill". "Desirable infill" is defined as a tract of land not exceeding twenty acres and abutted on at least two sides by the city or abutted on one side by the city and having two other sides within a quarter-mile of a city boundary, as determined by a perpendicular line drawn from the side of the parcel to the city boundary, and whose inclusion into the urban service area would not unduly burden city services and would beneficially affect the general welfare of the citizens of the city.

The City Council Policy CP 94-02 establishes criteria by which proposals are evaluated to determine if they meet the City's "desirable infill" standard. The policy requires a proposal to meet three criteria to qualify as "desirable infill" in order to be added to the USA. The proposal must 1) meet certain physical / locational criteria such as not exceeding 20 acres, being contiguous to the current USA etc.; 2) satisfy the service criteria and receive a passing score under the City's Residential Development Control System which evaluates whether a necessary facility is currently in place and is of adequate capacity or could be reasonably improved; and 3) provide a benefit to the

general welfare of the City's residents by allowing for needed infrastructure or public facilities on the land.

The City Council Resolution #15-217 seeking LAFCO approval of the USA amendment finds that Area 2A meets the physical, city service criteria of the Desirable Infill Policy and will result in a benefit to the community with the property owner's commitment to provide one-half street (55 feet wide) improvements along the property frontage on Watsonville Road.

The City Council Resolution #15-218 seeking LAFCO approval of the USA amendment find that Area 2B meets the criteria for the Desirable Infill Policy and would be a benefit to the community as it would result in a more orderly and logical boundary.

LAFCO does not consider these criteria in evaluating an USA application. Hence LAFCO staff has not analyzed these issues in detail although some general concerns are noted regarding the acreage of Area 2B being greater than 20 acres and regarding the lack of a specific community benefit generated by including Area 2B within the City's USA.

CONSISTENCY WITH COUNTY POLICIES

The proposal area is inconsistent with County General Plan Policy C-GD 3, which states that urban service areas should include only those areas suitable for urban development by being: reasonably serviceable with public services, relatively free from risks associated with natural hazards, that do not create substantial adverse environmental impacts, and that are not likely to create severe off-site impacts on the surrounding areas or to any natural resource. Please see sections discussing the issues regarding proposed development' location in a 100-year flood plain, impacts to surrounding agricultural lands and potential growth inducing impacts.

The proposal is also only partially consistent with County General Plan Policy C-GD 8. Although the area is contiguous to the existing urbanized area, and the City is able to provide public services and facilities within 5 years without lessening existing levels of service, it is inconsistent with the policy because the City has more than a 5 year supply of vacant residential land within its USA. Please see detailed discussion below.

AVAILABILITY OF VACANT LAND WITHIN EXISTING BOUNDARIES

State law and LAFCO policies encourage the development of vacant lands within existing boundaries of a city before any proposal is approved which would allow for or lead to development of open space or agricultural lands located outside the city boundaries – in order to prevent sprawl / inefficient growth patterns and unnecessary impacts to agricultural or open space lands.

As seen in **Appendix X**, the City has a 24 year supply of vacant land designated for residential purposes (799 acres), within its city limits. Based on the City's estimate that only some of those lands are available for development for various reasons as indicated in **Appendix X**, the City has between an 8 to 12 year supply of vacant residential land within its existing boundaries.

USAs designate those lands needed by a city to accommodate 5 years of growth. State law and LAFCO policies encourage the use of vacant lands within existing boundaries before adding more lands in order to prevent inefficient growth patterns and service responsibilities and unnecessary impacts to agricultural and open space lands. When a city with a substantial supply of vacant land within its current boundary wants to include more lands, LAFCO policies require the City to explain why expansion is necessary, why infill development is not undertaken first and how efficient growth patterns will be maintained.

The City indicates that the inclusion of Area 2A within its USA and its future annexation and development meets the City's Desirable Infill criteria and will facilitate improvement of Watsonville Road. The City indicates that the conversion of agricultural lands on the property would be fully mitigated at a ratio of 1:1 through the City's Agricultural Lands Preservation Ordinance.

The City also indicates that much of Area 2B is already developed with urban uses and that the public interest would be served and the community would benefit by allowing the Morgan Hill Bible Church which provides various community services, to eliminate its leachfield and connect to the City sewer. The city indicates that the inclusion of the already incorporated area would regularize the City's boundaries and the inclusion of the properties between the Bible Church and the incorporated area would eliminate the creation of a peninsula.

LOGICAL, ORDERLY AND EFFICIENT BOUNDARIES

The current and proposed boundaries in the USA amendment area are not logical, orderly or efficient.

Seven of the parcels proposed for inclusion in the City's USA are currently within the City limits. The City has stated that adding these lands to the City's USA would represent orderly boundaries and minimize confusion over jurisdictional lines. These incorporated lands currently receive City services and it is not necessary to add them to the USA in order to change the status of services provided, or to allow development on these incorporated properties. The City has full jurisdiction over these lands. As seen in maps of Area 2, there are other incorporated lands across Monterey Road that are not located in the City's USA. Extending the City's rationale for logical boundaries, if these lands were also proposed for inclusion in the City's USA, the City's USA would surround unincorporated agricultural lands located south/west of Monterey Road that are currently outside the City limits and USA.

The SCVWD parcel (APN 779-04-067) and the unincorporated residential properties between the Bible Church and the incorporated areas are proposed for inclusion simply to establish contiguity and make the boundaries appear logical. It appears that the SCVWD parcel provides a natural buffer between the anticipated development on the incorporated lands and the unincorporated agricultural lands to their west.

GROWTH INDUCING IMPACTS

Inclusion of Area 2 in the City's USA and its future development /expansion of uses would put development pressures on adjacent unincorporated lands that are designated for agricultural or rural residential uses currently under the County's General Plan. Extension of services such as sewer and water lines or other infrastructure improvements could generate incremental urbanization of the surrounding unincorporated lands.

Conversion of/Impacts to Prime Agricultural Lands

The unincorporated portion of Area 2 has a County General Plan designation of Agriculture Medium Scale and is surrounded by agricultural /rural lands. **Attachment A** includes a map showing the existing agricultural activities and Williamson Act lands in the vicinity of Area 2.

As seen in the table below and the soils map (see **Attachment A**), the currently undeveloped parcel (APN 779-04-052), located in Area 2A consists of lands that contain Class II soils and lands that qualify for rating 80 through 100 on the Storie Index rating. Therefore the land is considered prime agricultural land as per the definition in the Cortese Knox Hertzberg Act; the proposed USA expansion to include Area 2 would result in conversion of 7.4 acres of prime agricultural lands to non-agricultural uses.

AREA 2: Prime Agricultural Lands

Soil Designations	Acres (approx.)	Land Capability Classification, if irrigated	California Revised Storie Index
PpA - Pleasanton gravelly loam, 0 to 2% slopes	4.2	II	Grade 1-100 – 80
SdA –San Ysidro loam, 0 to 2% slopes	3.2	III	Grade 1-100 - 80
Total Acres	7.4		

Source: Soil Survey of Eastern Santa Clara County, California, United States Department of Agriculture Soil Conservation Service (September 1974); Web Soil Survey, USDA NRCS (accessed September 2014)

Further, the proposed development (new multi-family housing and expanded religious facility) on the unincorporated properties in Area 2, would likely create additional or new conflicts at the urban /ag edge thus adversely impacting agricultural lands in the vicinity.

LAFCO has adopted Agricultural Mitigation Policies which recommend provision of mitigation when a proposal involves conversion of prime agricultural lands and/or impacts agricultural lands. LAFCO's policies recommend that a Plan for Agricultural Mitigation consistent with LAFCO's policies should be submitted at the time a proposal that converts agricultural lands is filed with LAFCO.

Instead, the City's application includes two documents, (1.) Agricultural Lands Preservation Program and (2.) Agricultural Lands Mitigation Ordinance, which is substantially similar to the first document. LAFCO staff has raised several concerns and questions about the effectiveness of the City's mitigation policy and its consistency with LAFCO policies. Staff has communicated these concerns to the City on several previous occasions. Please see **Appendix Y** for a summary discussion of the issues.

On January 14, 2016, the property owner of (APN 779-04-052), Mr. Hordness, submitted a draft agreement for providing agricultural mitigation (see **Attachment C**). Staff reviewed the draft agreement and found that the agreement did not contain specifics of the mitigation to be provided, as recommended by LAFCO policies. Based on the draft agreement, it is not possible for staff to determine whether effective mitigation will be provided upon conversion of the property to non-agricultural uses. Staff met with the property owner on January 21, 2016 and encouraged him to work with the City to develop a more detailed mitigation plan for his property; no further information has been provided by the applicant to date.

INFORMATION / COMMENTS FROM LANDOWNERS /RESIDENTS

Meetings with the Morgan Hill Bible Church Representatives

On October 22, 2015 and again on January 8, 2016, LAFCO staff met with the representatives of the Morgan Hill Bible Church who presented information on the history of the church, the services it provides to the community, its reasons for seeking annexation to the city and its interest in expanding its facilities to better serve its congregation. They discussed potential boundary change options that would be favorable to the Church; explained that the proposal does not convert agricultural lands or present service delivery issues. **Attachment D** includes the letter from a representative of the Morgan Hill Bible Church.

Petition and letters from property owners

LAFCO staff has received several telephone calls, comment letters and petitions from property owners within and directly adjacent to Area 2 stating that they are opposed to the proposed USA amendment. They raised concerns about the impact of the proposed boundary change; and the anticipated expansion of the Morgan Hill Bible Church/construction of a cell tower on its property; and the proposed multi-family housing would have on those living and working in the surrounding unincorporated rural residential and agricultural area. They question the need for development so far from the city center and are concerned about the uncertainty of future plans for their unincorporated properties. **Attachment E** includes the letters received.

ABILITY OF CITY TO PROVIDE URBAN SERVICES

Fire Protection Services

The City of Morgan Hill contracts with the California Department of Forestry and Fire Protection (Cal Fire) for fire protection services. Cal Fire currently serves the

incorporated parcels in the proposed USA amendment area and would serve the remaining properties upon annexation to the City. The City has indicated that no new facilities or personnel would be needed to provide service to these areas and that it does not anticipate that services to the proposed development would significantly reduce the current level of fire protection service within the City.

Police Services

The City of Morgan Hill Police Department would provide service to the properties upon annexation. The City does not anticipate the need for additional personnel or new facilities to service the new areas.

Sanitary Sewer Service

There are existing 24-inch and 30-inch sanitary sewer lines in Monterey Road and a 10-inch sanitary sewer line in Watsonville Road adjacent to the USA amendment area. The City has not indicated the need for any significant new infrastructure in order to serve the area upon annexation to the City. The wastewater from the City of Morgan Hill flows into a wastewater treatment facility located in the City of Gilroy, operated by the South County Regional Wastewater Authority under a Joint Powers Agreement between the Cities of Morgan Hill and Gilroy. The City has indicated that the existing facility has the capacity to serve the proposed increase in service population as a result of the USA amendment and annexation.

Water Service

There are existing 10-inch water mains in Monterey Road and Watsonville Road adjacent to the proposed USA amendment area. The City-operated water main in Monterey Road terminates approximately 350 feet west of the eastern boundary of the Morgan Hill Bible Church site. The City currently serves the incorporated parcels in the USA amendment area and will serve the new areas upon annexation. The City has indicated that it has adequate water supply to serve increased demand as a result of the proposed development, upon annexation of the area to the City.

Storm Drain

The majority of the proposed USA amendment area (APNs 779-04-001, 056, 003, 004, 005, 030, 072, 074, 032, 033, 010, 015 and portions of 073, 016 and 061) is located within the 100-year flood zone as identified by the Federal Emergency Management Agency's Flood Insurance Rate Maps. Currently there are no City storm drainage pipelines or inlet structures within the proposed USA amendment area. Stormwater flows are conveyed in the open West Little Llagas channel, culverts under Watsonville Road and Monterey Road, and in a local drainage ditch adjacent to Watsonville Road. It is expected that future development on the currently undeveloped properties would significantly increase stormwater runoff. The City states that the Upper Llagas Creek Flood Protection Project is planned for the area and would adequately handle the 100-year flood flows. While the Flood Protection Project is currently in the design stage, the timing for its

implementation is unknown and the federal funding to complete it is uncertain. In the absence of federal funds, local funding will be needed. The City indicates that if the Flood Protection Project is not completed prior to the proposed development, the development will be responsible to address the issue.

Schools

The Morgan Hill Unified School District (MHUSD) would serve the proposed USA amendment area. The City has indicated that new multifamily housing development typically generates 0.47 public school students per housing unit, which translates to approximately 58 students attributable to the 123 multifamily units that are proposed for the USA amendment area. According to the MHUSD Facilities Director, the District's existing facilities are adequate to accommodate the new students that the proposed development is projected to generate, due in part to recent decreases in District enrollment that created surplus capacity.

ANNEXATION OF UNINCORPORATED ISLANDS

LAFCO's policies require cities to annex unincorporated islands prior to requesting USA expansions. The City of Morgan Hill has two remaining islands, Holiday Lake Estates, and a second island on the south side of Llagas Road, west of Llagas Court in the northwest part of the City. The City in its letter dated October 25, 2012, indicates that it does not have any current plans to annex Holiday Lake Estates as the residents are unwilling to pay for an assessment district for necessary sewer line infrastructure. The island receives water service from Morgan Hill but properties in the area rely on aging septic systems and do not have access to sewer service. The City is unable to annex the Llagas Road island because portions of properties are located outside the USA.

FISCAL IMPACT TO THE CITY OF MORGAN HILL AND AFFECTED AGENCIES

The City of Morgan Hill prepared a Fiscal Impact Analysis which concluded that the proposed project would generate a small fiscal surplus of approximately $8,000 in the base year associated with reallocation of property tax from the South Santa Clara County Fire Protection District to the City. New development associated with the proposed project would result in in an annual fiscal deficit by Year 5 of approximately -$138,500 which would decrease to approximately -$122,600 by Year 10.

For the County of Santa Clara, the analyses indicates that the proposed project would generate zero fiscal impact in the base year, with the annual fiscal deficit increasing to approximately $21,000 in Year 5 and approximately $25,000 in Year 10.

The MHUSD is a revenue limit district where state funding covers the gap between local property taxes and the state-mandated per-student minimum. The funding provided by the state will adjust for any changes in the difference between property tax revenues and the minimum amount of funding per student and new development in the area is not expected to impact the MHUSD with respect to ongoing operating or instructional costs.

STAFF RECOMMENDED ACTION

OPTION 1: STAFF RECOMMENDATION

Project Action

Deny the USA amendment request for Area 2.

Reasons for Staff Recommendation

The City is seeking inclusion of Area 2 into its USA in order to (1.) allow for new residential development and potential new commercial development; (2.) allow for an existing church to connect to City sewer and expand its facilities; and (3.) regularize its boundaries by aligning its city limits and its USA.

The City has enough residentially designated vacant land within its existing boundaries to accommodate its residential growth needs for the next 8 to 24 years. The proposed USA expansion would result in unnecessary conversion of prime agricultural lands and would create further land use conflicts with surrounding agricultural lands and encourage development of additional lands.

Although the owner of APN 779-04-052 has submitted a draft agricultural mitigation agreement to provide 1:1 mitigation for conversion of agricultural lands on his property, the mitigation agreement lacks the specifics outlined in LAFCO's Agricultural Mitigation Policies. Additionally, as described in the staff report, the City's agricultural preservation program has significant deficiencies.

Keeping the incorporated lands outside the City's USA would not affect the City's ability to serve or develop these lands; however, addition of the incorporated properties to the City's USA, as requested by the City, would make additional unincorporated lands contiguous to the City's USA, also putting unnecessary growth pressures on rural unincorporated lands. Similarly, including the Morgan Hill Bible Church properties, would in turn make other unincorporated lands contiguous to the City's boundaries, encouraging further growth on those parcels.

There are only two properties: APN 779-04-052 and the Bible Church properties that are directly requesting this expansion for the purpose of allowing development or obtaining city services. Seven of the parcels are incorporated and do not require inclusion in USA to obtain city services. A few of the unincorporated property owners in Area 2 have submitted petitions and comment letters in opposition to this proposal. The rest of the parcels have no utility for this USA other than to enable contiguity for the church and APN 779-04-052.

Given the large inventory of vacant land within the City's boundary, the proposed expansion of the City's USA boundary parcel by parcel simply because it qualifies as "desirable infill" is unnecessary particularly since the expansion will adversely impact existing agricultural lands and induce growth in the unincorporated rural area. Absent

(1.) a plan and a demonstrated effort from the City to encourage better utilization of its vacant lands citywide to accommodate its growth within its existing urban footprint, reduce greenhouse gas emissions and prevent the conversion of surrounding agricultural lands; and (2.) a long term plan for the future orderly growth of this area combined with a plan for addressing potential urban /rural land use conflicts in the interim, the proposed USA amendment is premature. Staff recommends denial of the USA expansion request for Area 2.

CEQA Action:

Denial of the project does not require a CEQA action.

OTHER OPTIONS FOR COMMISSION CONSIDERATION

OPTION 2:

Approve an USA amendment to include only the incorporated portions of Area 2.

Reason for Not Recommending this Option

These properties are already located within the Morgan Hill city limits but outside its USA and are already receiving or are eligible to receive city services. Although the City seeks the inclusion of these parcels only to regularize its boundaries, inclusion of these parcels within the City's USA would make adjacent unincorporated parcels contiguous to the City's USA and eligible for seeking inclusion into the USA, thus leading to leap frog development and increased potential for urban /rural land use conflicts in the area. Further, if the City's goal was to simply regularize its boundaries and remove incongruities between its city limits and USA, it should be noted that similar incongruities exist on the other side of Monterey Road. Absent a comprehensive plan from the City for the larger area, and a plan for addressing potential urban/rural land use conflicts in the interim, it is premature to include these lands in the City's USA.

OPTION 3:

Approve an USA amendment to include only Area 2B: Morgan Hill Bible Church.

Reason for Not Recommending this Option

Area 2B includes incorporated lands, the unincorporated properties developed with the Morgan Hill Bible Church and other unincorporated properties sandwiched between the Church parcels and the incorporated lands. The Church would like to connect to city sewer and expand its facilities in order to better serve its congregation. While the unincorporated lands within Area 2B are not prime agricultural lands and the City sewer lines are available along Monterey Road, Area 2B is located in an area where rural and agricultural uses are in existence. Inclusion of the Church properties in the USA would make additional unincorporated lands contiguous to the City's USA and expansion of the Church facilities would potentially increase urban /rural landuse conflicts for adjacent / surrounding lands and likely put undue development pressures on those lands.

Several owners of the unincorporated rural residential properties within Area 2B, are opposed to the inclusion of their area within the City's USA, citing added intrusion to the quiet rural setting and potential for increased urban/rural conflicts. Furthermore, owners of unincorporated properties located adjacent to Area 2B have also raised concerns that the proposed USA amendment will result in more urban /rural land use conflicts and note that the City's future plans for the unincorporated area are unknown and uncertain.

Absent a comprehensive plan from the City for the larger area, and a plan for addressing potential urban/rural land use conflicts in the interim, it is premature to include Area 2B in the City's USA.

OPTION 4:

Approve an USA amendment to include only Area 2A: Royal Oaks Enterprises.

Reason for <u>Not</u> Recommending this Option

Area 2A includes a SCVWD parcel and an undeveloped parcel (APN 779-04-052) which is composed entirely of prime agricultural land. While the parcel is located in an unincorporated rural / agricultural area, it is across the street from a city residential subdivision. Multifamily housing is anticipated to be developed on the property upon annexation to the City. The property owner has committed to improving Watsonville Road. The City has 8 to 24 years of vacant residential land within its city limits and the City's request to add more lands for residential development, particularly when it involves conversion of agricultural lands, is unnecessary and premature.

The property owner has submitted a draft agricultural mitigation agreement to provide 1:1 mitigation for conversion of agricultural lands on his property. However, the mitigation agreement lacks the specifics outlined in LAFCO's Agricultural Mitigation Policies. Additionally LAFCO has raised serious concerns questioning the effectiveness of the City's agricultural preservation program.

Absent a comprehensive plan from the City for the larger area, a demonstrated need for proposed development, a plan for addressing potential urban/rural conflicts in the interim, and an effective plan for agricultural preservation, it is premature to include Area A2 in the City's USA.

OPTION 5:

Approve the USA amendment request for the entire Area 2.

Reason for <u>Not</u> Recommending this Option

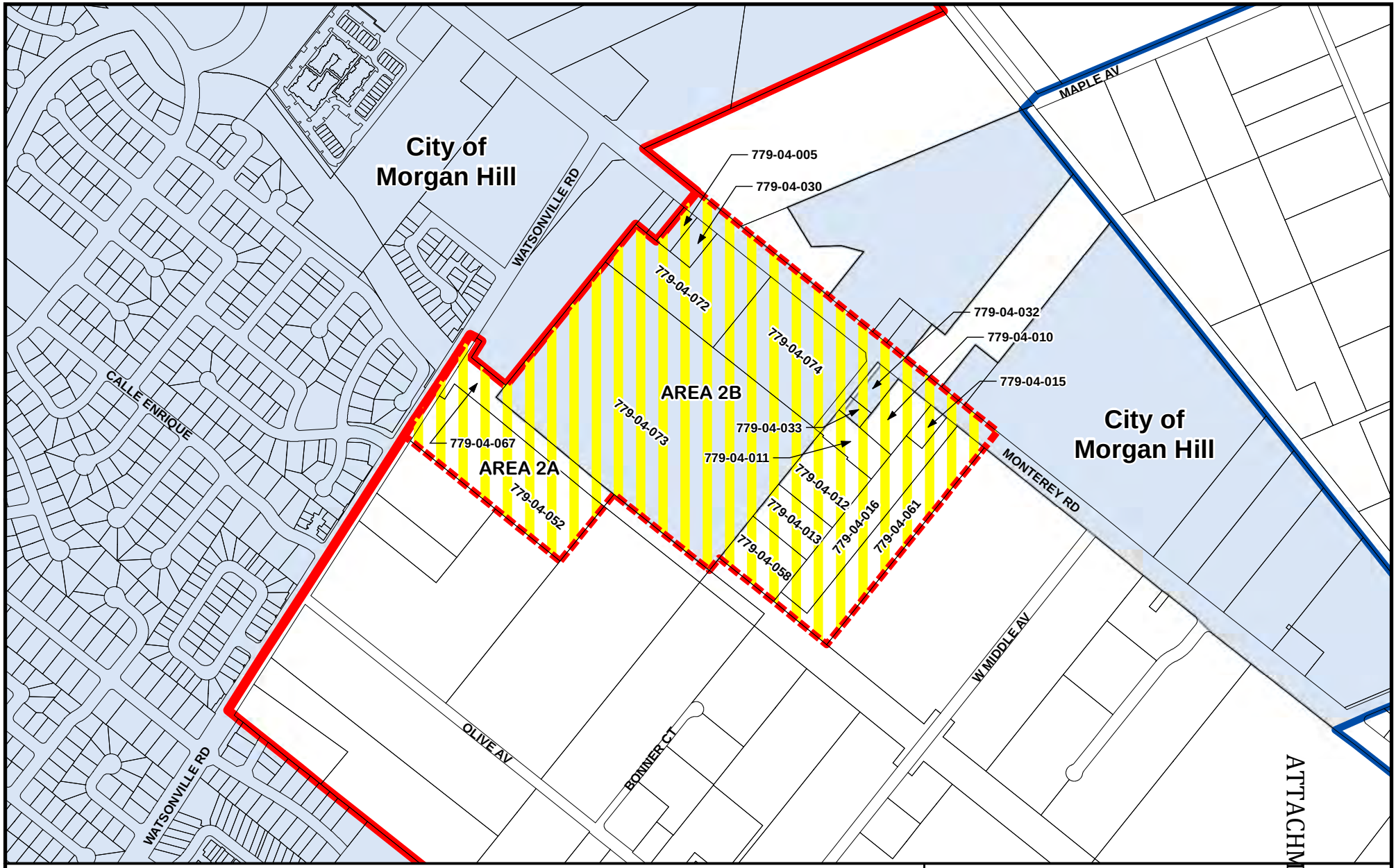
Area 2 includes some incorporated lands receiving city services, unincorporated rural residential development, vacant agricultural lands, and lands already developed with uses that are more of an urban nature. Due to the irregular nature of the City's boundaries, Area 2 is somewhat surrounded by the Morgan Hill city limits resulting in mixed jurisdictions and mixture of rural and urban type land uses.

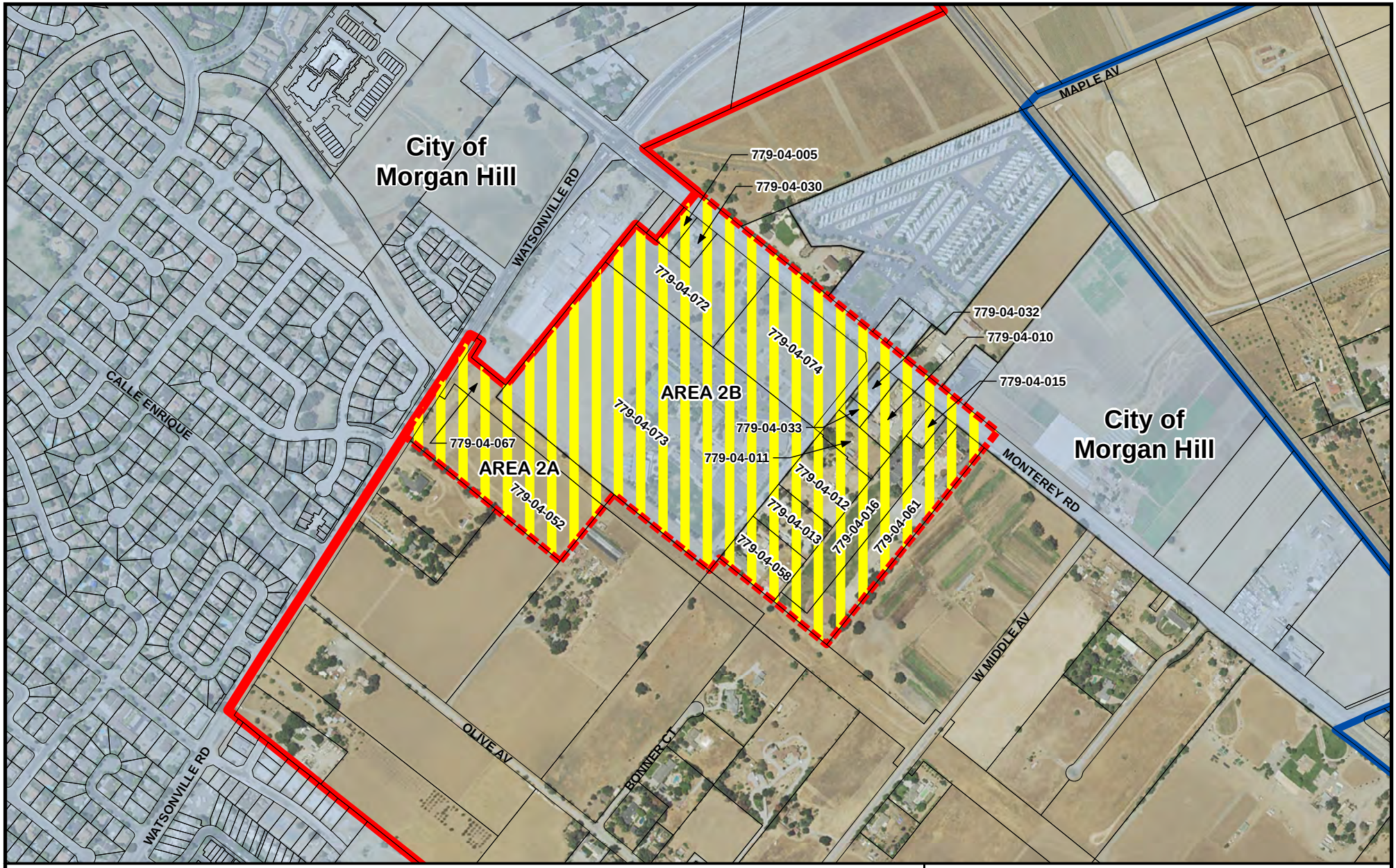
Even though Area 2 is relatively smaller in size than Area 1, Area 2 is one of many such areas around the City where irregular boundaries exist, and where there is uncertainty regarding the City's future plans for the area. While including Area 2 within the City's USA may partially address some issues, it extends these issues to additional unincorporated rural/agricultural lands located in the area and serves to further confuse the intent.

Absent a comprehensive plan from the City for the larger area, a demonstrated need for expansion of the boundaries to accommodate the proposed development, a plan for addressing potential urban/rural conflicts in the interim, and an effective program/plan for agricultural preservation, it is premature to include Area 2 in the City's USA.

ATTACHMENTS

Attachment A:	Maps related to the Proposed USA Amendment for Area 2
Attachment B:	City Environmental Documents for Monterey-South of Watsonville Road
Attachment C:	Draft Agricultural Mitigation Agreement submitted by Mr. Hordness
Attachment D:	Comment Letter from Morgan Hill Bible Church Representative
Attachment E:	Petition /Comment Letters from Property Owners


City of Morgan Hill
WATSONVILLE RD
MAPLE AV
779-04-005
779-04-030
779-04-072
779-04-074
779-04-032
779-04-010
779-04-015
AREA 2B
779-04-073
779-04-033
779-04-011
779-04-067
AREA 2A
779-04-052
779-04-012
779-04-013
779-04-016
779-04-061
779-04-058
City of Morgan Hill
MONTEREY RD
CALLE ENRIQUE
W MIDDLE AV
OLIVE AV
BONNER CT
WATSONVILLE RD
ATTACHMENT A
AREA 2: Monterey - Watsonville
71.1 Acres ±
Morgan Hill Urban Service Area Amendment 2015
0 150 300 450 600
Feet
Prepared by the Office of the County Surveyor
LEGEND:
Existing Urban Service Area (USA)
Proposed USA Expansion
Morgan Hill Sphere of Influence
City of Morgan Hill



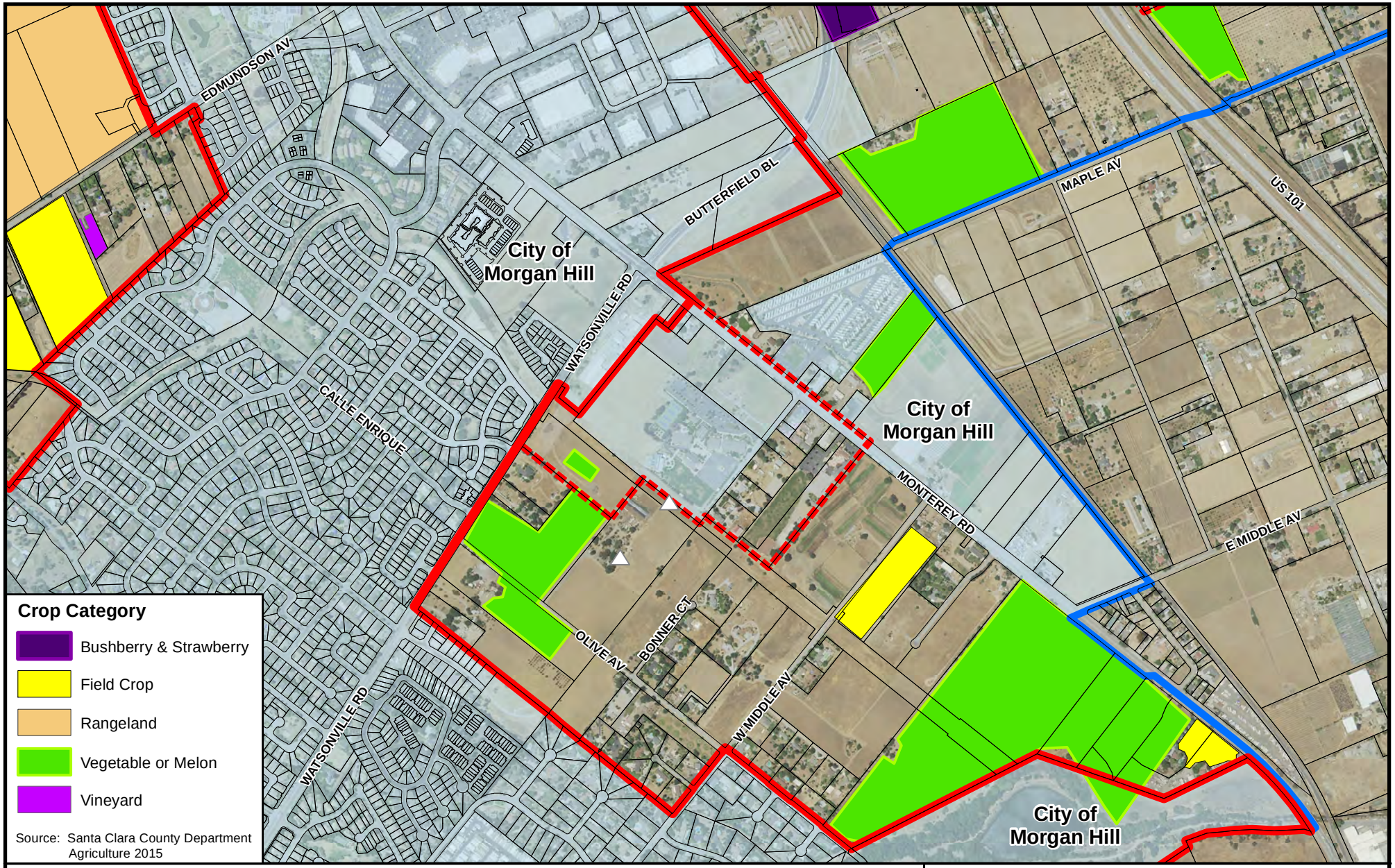
AREA 2: Monterey - Watsonville
71.1 Acres ±

Morgan Hill Urban Service Area Amendment 2015

0 150 300 450 600
Feet

Prepared by the Office of the County Surveyor

LEGEND:
- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill



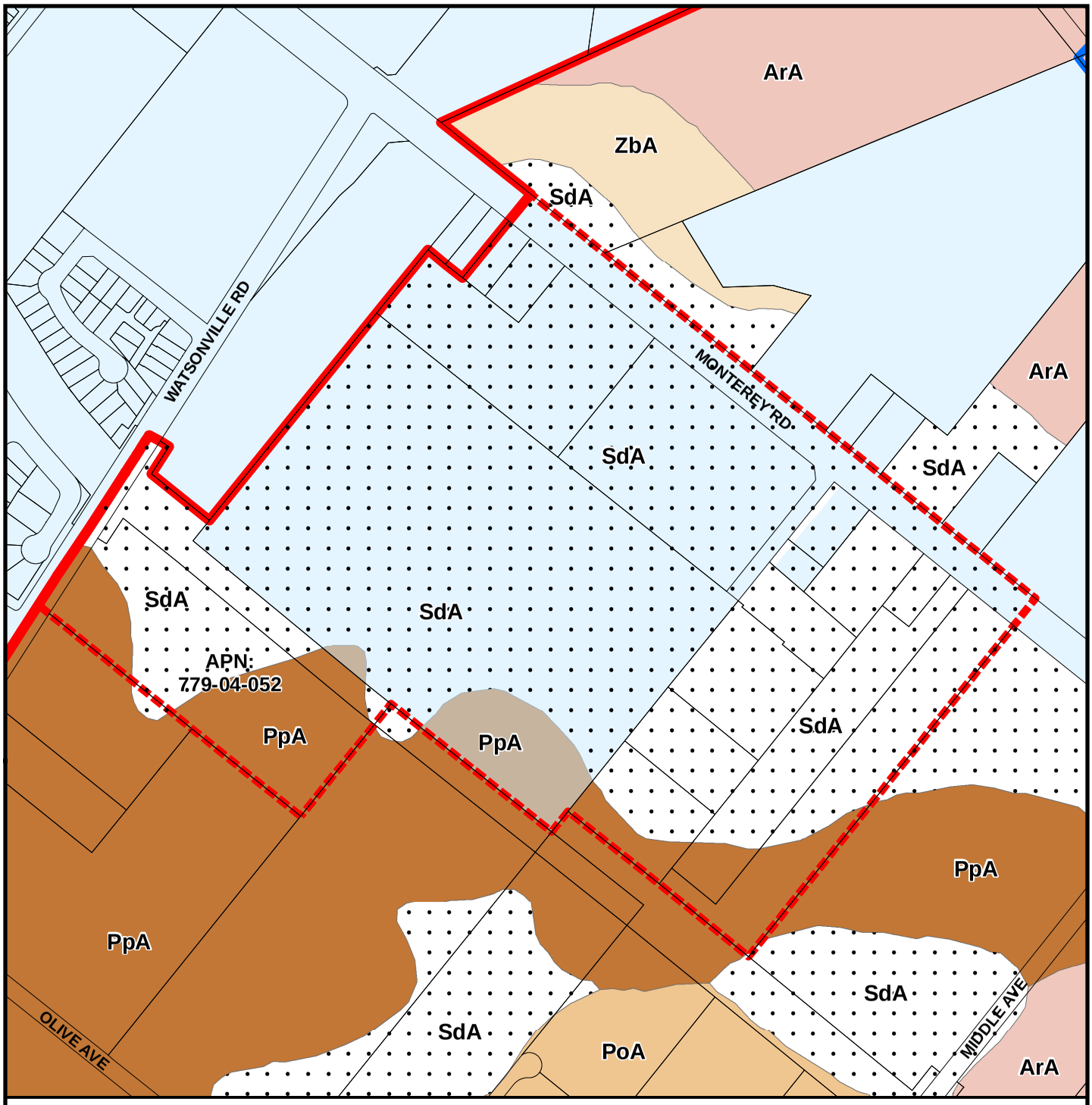
AREA 2: Agricultural Activities

Prepared by the Office of the County Surveyor

0 0.1 0.2 0.3 0.4
Miles

N

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill
- Williamson Act Parcel



Soils:

- ArA Arbuckle Gravelly Loam, 0 to 2% Slopes, MLRA 14
- PoA Pleasanton Loam, 0 to 2% Slopes
- PpA Pleasanton Gravelly Loam, 0 to 2% Slopes
- SdA San Ysidro Loam, 0 to 2% Slopes, MLRA 14
- ZbA Zamora Clay Loam, 0 to 2% Slopes

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill

0 100 200 300 400
Feet

AREA 2: Soils Map

AREA 2: PRIME AGRICULTURAL LANDS

Soil Designations	Acres (approx.)	Land Capability Classification, if irrigated	California Revised Storie Index
PpA - Pleasanton gravelly loam, 0 to 2% slopes	4.2	II	Grade 1- 100 – 80
SdA –San Ysidro loam, 0 to 2% percent slopes	3.2	III	Grade 1- 100 - 80
Total Acres	7.4		

Source: Soil Survey of Eastern Santa Clara County, California, United States Department of Agriculture Soil Conservation Service (September 1974); Web Soil Survey, USDA NRCS (accessed September 2014)

Attachment B

Available from this web link or at LAFCO Office:

City Environmental Documents for
Area 2: Monterey-South of Watsonville Road

ATTACHMENT C

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

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

No fee for recording pursuant to Government Code Section 27383

ABOVE AREA FOR RECORDER'S USE

AGRICULTURAL MITIGATION AGREEMENT AND DECLARATION OF COVENANTS

(Royal Oaks Parcel)

This Agricultural Mitigation Agreement and Declaration of Covenants ("Agreement") is made and entered into as of this 13 day of January, 2016, by and between the City of Morgan Hill, a municipal corporation ("City") and Royal Oaks Enterprises, Inc., a California corporation, P.O. Box 447, Morgan Hill, CA 95038 ("Owner").

RECITALS

WHEREAS, Owner is the owner of real property having agricultural value in an unincorporated part of County of Santa Clara, California, commonly known as APN 779-04-052, and more particularly described on Exhibit "A" attached hereto [attach Parcel legal description] (the "Parcel");

WHEREAS, application has been made to the Santa Clara County Local Agency Formation Commission ("LAFCO") to annex the Parcel into the City of Morgan Hill;

WHEREAS, the annexation of the Parcel is conditioned, in part, upon Owner's agreement to adhere to the City's current Agricultural Lands Mitigation Ordinance, a copy of which is attached hereto as Exhibit "B" (the "Ordinance") in order to mitigate the impact of the loss of the agricultural value of the Parcel;

WHEREAS, compliance with the Ordinance will mitigate the agricultural impacts that may occur due to the annexation of the Parcel and its subsequent development. In order to ensure that agricultural mitigation for the annexation and subsequent development of the Parcel occurs, the City and the Owner desire to enter into this Agreement; and

WHEREAS, the effectiveness of this Agreement is contingent upon approval of the application to annex the Parcel into the City of Morgan Hill by LAFCO.

NOW THEREFORE, in consideration of the recitals, hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Owner hereby agree as follows.

ARTICLE 1
DEFINITIONS

Section 1.01 When used in this Agreement, the following terms have the respective meanings assigned to them in this Article 1.

(a) "Agreement" means this Agricultural Mitigation Agreement and Declaration of Restrictive Covenants.

(b) "Owner" means Royal Oaks Enterprises, Inc., a California corporation and its successors and assigns to the Parcel.

(c) "City" means the City of Morgan Hill.

(d) "Parcel" means the real property described in Exhibit "A", attached hereto and incorporated herein.

(e) "Term" means the duration of this Agreement, which commences on the date of LAFCO's approval of the annexation of the Parcel into the City of Morgan Hill and continues until the City determines that the requirements of the Agreement and Ordinance have been satisfied by the recording of the Agricultural Conservation Easement.

(f) "Agricultural Conservation Easement" shall have the meaning set forth in the Ordinance.

ARTICLE 2
COVENANTS

Section 2.01 Owner agrees to abide by the Ordinance in effect as of the date of this Agreement.

Section 2.02 The Parties agree that the farmlands on the Parcel will no longer be available for agriculture use after the Parcel has been annexed and physical alteration of the Parcel for development purposes pursuant to subsequent City approvals occurs. The Owner agrees to mitigate such farmland loss at a 1:1 ratio, with either (a) an Agricultural Conservation Easement(s) on real property elsewhere within Santa Clara County or, (b) the payment of an In-lieu fee to the City pursuant to the Ordinance. In the event that Owner pays an In-lieu fee, the City will take on the responsibility for acquiring and recording the Agricultural Conservation Easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity. In either event, the Agricultural Conservation Easement must be recorded prior to the City's issuance of the first of a Grading Permit or a Building Permit for development of the Parcel. In the event that the Owner pays an In-lieu fee, the City or the Qualifying Entity, as the case may be, will make a reasonable, good faith effort to acquire and record the Agricultural Conservation Easement in a reasonable timeframe. In the event that Owner records the

Agricultural Conservation Easement, Owner agrees to submit the Agricultural Conservation Easement document to the City for its approval prior to recording such Easement.

Section 2.03 The Agricultural Conservation Easement(s) document shall include the street address, if any, the APN, and the legal description of the property(s) subject to the Easements(s). Upon the recording of said Easement by either Owner or the City, pursuant to the Ordinance, Owner will have fully satisfied the requirements of the Ordinance, and shall have no further obligations pursuant to this Agreement. At such time, the parties shall cooperate in the recording of a document terminating the Agreement so that it no longer burdens title to the Parcel.

ARTICLE 3
MISCELLANEOUS

Section 3.01 Term.

The provisions of this Agreement apply to the Parcel for the entire Term. This Agreement binds any successor, heir or assign of the Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the City.

Section 3.02 Covenants to Run With the Land.

The City and the Owner hereby declare their express intent that the covenants set forth in this Agreement run with the land, and bind all successors in title to the Parcel until the City determines that Owner has satisfied the requirements of the Agreement and Ordinance.

Section 3.03 Enforcement.

If the Owner fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the City has notified the Owner in writing of the default or, if the default is not capable of being cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, the City shall have the right to enforce this Agreement by any remedy provided by law or equity, including, but not limited to, termination of the Agreement.

Section 3.04 Attorneys' Fees and Costs.

In any action brought to enforce this Agreement, the prevailing Party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 3.05 Recording and Filing.

The City and the Owner shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Santa Clara.

Section 3.06 Governing Law.

California law governs this Agreement.

Section 3.07 Waiver of Requirements.

The City may waive any of the requirements of this Agreement only in writing, but no waiver by the City of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 3.08 Amendments.

The Parties may amend this Agreement only by a written instrument executed by both Parties hereto or their successors in title, and duly recorded in the Official Records of the County of Santa Clara.

Section 3.09 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States mail, postage prepaid, addressed to the appropriate party as follows:

Owner: Royal Oaks Enterprises, Inc.
Attention: Don Hordness
P.O. Box 447
Morgan Hill, CA 95038

City: City of Morgan Hill
c/o Agency Secretary
17575 Peak Avenue
Morgan Hill, CA 95037

A Party may change its address by giving written notice to the other Party given in the same manner as provided above.

Section 3.10 Severability.

If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

Intentionally Left Blank

Section 3.11 Authorized Signers.

Each signer below represents and warrants that he or she is an authorized signer on behalf the Party for which he or she signs.

IN WITNESS WHEREOF, the City and the Owner have executed this Agreement all on the date first written above.

CITY:

CITY OF MORGAN HILL

By: _____
City Manager

Date: _____, 2016

OWNER:

Royal Oaks Enterprises, Inc.,
a California corporation

By: _____
Don Hordness, President

Date: Jan 13, 2016

ATTEST:

_____

ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that

State of California
County of Santa Clara)

On Jan 13, 2016 before me, Joseph B. Avila notary Public
(insert name and title of the officer)

personally appeared Don W. Hordvik
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/she/~~they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JOSEPH B. AVILA
NOTARY PUBLIC - CALIFORNIA
COMMISSION # 1997719
SANTA CLARA COUNTY
My Comm. Exp. December 8, 2016

Signature Joseph B. Avila (Seal)

For recorder's use

EXHIBIT "A"

EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to is situated in the State of California, County of Santa Clara, in the unincorporated area, and is described as follows:

A PORTION OF LOTS 27, 28, AND 29 "MAP OF THE LAS LLAGAS SUBDIVISION IN RANCHO SAN FRANSICSO DE LAS LLAGAS", recorded in Book "N" of Maps, page 12, Santa Clara County Records, described as follows:

BEGINNING at a nail in the center line of Watsonville Road, distant thereon North 32°35' East 847.66 feet from an iron pipe at the intersection of said center line with the center line of Olive Avenue; thence South 51°40' East 953.92 feet to an iron pipe in the Northwesterly line of that certain parcel of land described in the Deed to Joseph Penelle, et ux, recorded in Book 5149 of Official Records, page 458, thence along last mentioned line North 38°20' East 417.11 feet to an iron pipe in the Northeasterly line of Lot 27; thence along the Northeasterly line of Lots 27, 28, and 29 North 51° 40' West 995.92 feet to an iron pipe in the center line of Watsonville Road; thence along said center line of Watsonville Road South 32°35' West 419.22 feet to the POINT OF BEGINNING.

Excepting therefrom:

Being a portion of the lands described in the deed recorded in Book 7340 of Official Records at page 426, in the office of the Recorder, County of Santa Clara, State of California, to wit:

BEGINNING at the most Northerly corner of said lands as described in said deed, said point also being in the centerline of Watsonville Road (60 feet wide); thence along the Northeasterly line of said lands, S 51°40'00" E 995.82 feet to the Southeasterly line of said lands, as described in said deed; thence along said Southeasterly line, S 38°20'00" W 75.00 feet; thence leaving said line N 51°40'00" W 928.06 feet; thence S 32°35'00" W 86.98 feet; thence N 57°25'00" W 60.00 feet to the aforesaid centerline of Watsonville Road; thence along said centerline, N 32°35'00" E 168.40 feet to the POINT OF BEGINNING.

779-04-052

EXHIBIT "B"

18.08.070 Agricultural Mitigation Ordinance
The ordinance codified in this Chapter shall be known and may be cited as the "Agricultural Lands Preservation Program" of the City of Morgan Hill.

18.85.020 Purpose
The City of Morgan Hill has determined that small-scale agriculture is viable in the Morgan Hill Sphere of Influence (SOI) if land use tools are used effectively to protect an adequate agricultural land use supply. Establishing land use policies and an implementation program to preserve agricultural lands will help to preserve open space, provide access to locally grown foods, promote sustainable food production, contribute to a unique cultural environment within Morgan Hill, and address regional land use planning policy objectives. For Morgan Hill, an effective agricultural preservation program will need to focus upon the use of agricultural land use easements supported by agricultural preservation land use policies.
The Morgan Hill Agricultural Lands Preservation Program is intended to promote continued and viable agricultural activities in and around Morgan Hill through a comprehensive set of land use policies and implementation activities that together accomplish the following:
1. Preserve open space agricultural lands and agricultural activity within the Morgan Hill Sphere of Influence.
2. Promote the viability of small-scale agriculture through the preservation of agricultural land and the implementation of supporting General Plan policies.
3. Identify the combination of tools, techniques, mechanisms, and funding sources that form the best agricultural/open space land preservation program for the City of Morgan Hill.
4. Establish CEQA mitigation procedures to mitigate the loss of agricultural lands.
5. Focus land preservation in the City's Southeast Quadrant

18.85.030 Definitions
The following terms when used in this chapter shall have the following respective meanings:

A. Agricultural Land
For "Agricultural Land" that requires off-setting preservation/mitigation under this Agricultural Lands Preservation Program, Agricultural Land is defined as land that is depicted on the 2010 map of the Farmland Mapping and Monitoring Program (FMMP) of the California Department of Conservation as Prime Farmland, Farmland of Statewide Importance, Unique Farmland, and Farmland of Local Importance and that was not subsequently developed for non-Agricultural Use prior to August 1, 2014 or subsequently developed per the provisions of this Ordinance. Lands identified as Grazing Land are not subject to the offsetting preservation/mitigation requirements set forth in this Policy.

B. Agricultural Conservation Easement
An Agricultural Conservation Easement is a specific type of easement whose purpose is to enable the encumbered property to remain in productive Agricultural Use by preventing any use or activity that would diminish or impair the agriculturally productive capacity. Therefore, the terms of an agricultural- conservation easement restrict the use of the encumbered property to agriculture, while prohibiting development, subdivision, and commercial use of the property other than as agriculture. Agricultural conservation easements are perpetual, running with the land so that their terms are binding on all future fee-title owners of the property.

C. Agricultural Mitigation Land
Agricultural Land (as defined above) that is encumbered by an Agricultural Conservation Easement or other farmland conservation mechanism acceptable to the City. If the Agricultural Land is also being used to meet Open Agricultural Land preservation goals, the easement or other mechanism must ensure that at least 90% of any property being used as Agricultural Mitigation Land remain as open space free of structures or other impervious surfaces so that it retains its value as Agricultural Land under the FMMP criteria. Uses allowed on Agricultural Mitigation Land shall be consistent with the Agricultural Use described below and pertaining land use regulations, and as further defined in the applicable Agricultural Conservation Easement or other farmland conservation mechanism.

D. Agricultural Priority Area
The Agricultural Priority Area is an area within the SEQ that has been identified within the Agricultural Lands Preservation Program as a priority location to preserve and encourage the long-term viability of agriculture and Open Agricultural Lands, recognizing both the vital contributions agriculture makes to the economy and quality of life within the county and the community preference for maintenance of open space areas. By designating this area, the Program identifies those lands within the Morgan Hill SOI most suitable for agricultural production and related uses. Designating the Agricultural Priority Area provides stability for ongoing agricultural operations and supports new uses necessary to support a viable local agriculture industry. The Agricultural Priority Area is also intended to retain in open space uses any lands that are not being actively farmed until agricultural activities resume on those lands.

E. Agricultural Use
Agricultural Use is defined as the use of the land for agricultural purposes, including crops, or crop trees, including floriculture, horticulture, viticulture, crops grown within greenhouses or other buildings, vineyards, crop harvesting, raising of animals (including apiaries, aviaries, dairying, pasturage, and fish farms), and grazing, and including necessary accessory uses for packing, processing, treating or storing of produce, and consistent with the governing jurisdiction's pertaining land use regulations. Qualifying Agricultural Use activities may include:
1. Agricultural Processing: Processing facilities for the handling, processing, packing, packaging, storing and shipping of agricultural commodities grown primarily in Santa Clara County. Does not include processing of meat, poultry, or animal products (butcheries), nor timber or wood processing. Does not include routine harvesting and handling activities incidental to agriculture.
2. Agriculturally Related Entertainment & Commercial Uses: Visitor-oriented services, sales and attractions with an agricultural theme that are conducted in conjunction with on-site Agricultural Uses. Such uses include but are not limited to food and retail sales, tasting rooms, reception facilities, outdoor entertainment areas.
3. Agricultural Research: Establishments for experimental greenhouse and field growing of agricultural commodities, landscaping and seeds, including experimental use of herbicides, pesticides and other agricultural practices. Agricultural research excludes experiments involving livestock and other animals.
4. Dairy: Establishments where cows or goats are maintained for the production of milk or other dairy products for commercial distribution or sale.
5. Feed Lot: Establishments primarily engaged in the fattening of livestock in a confined area.
6. Field Research: Research activities, field studies and educational activities (e.g., student field research) that are dependent on a natural, open setting. Examples include biological, geological or atmospheric studies.

7. Mushroom Farm: Establishments primarily used for the cultivation and subsequent distribution and sale of mushrooms.
8. Nursery: an area where agricultural products are grown for transplanting, for use of stock for building and grafting, or for sale on the premises. Nurseries may include sale and cultivation of ornamental trees, shrubs, and plants, and incidental sale or rental of garden and landscape materials and equipment.
9. Poultry and Egg Farms: Establishments where fowl are raised or kept in confined areas or facilities for the purpose of commercial distribution or sale of birds or eggs.
10. Wildlife Refuge: undeveloped land kept as natural habitat for the purpose of supporting a species or multiple species of wildlife.
11. Wineries: Facilities for the production of wine from fruit or fruit juices through fermentation that are subject to Type 02 licenses by the California Department of Alcoholic Beverage Control. Wineries shall be entitled to all uses and activities provided under the Type 02 license. Wineries may also include related storage, blending and bottling activities, as well as administrative offices, marketing, tours, public tasting, wholesale and retail sales of wine, and ancillary distilling of wine to produce brandy or similar distilled spirits. Wineries may include outdoor areas for picnics, gatherings and other activities incidental to wine-tasting. Incidental sale of marketing products and accessories related to the winery's brand identity, wine drinking, food paring, local agriculture and local history is also permitted.
12. Ancillary Uses: Uses conducted subordinate to the primary Agricultural Use being conducted upon a property and which do not occupy in total more than 10% of the property, including:
a) Direct sales of locally produced agricultural products.
b) One dwelling of persons regularly employed on the premises for farming or domestic duties;
c) Ancillary private garages and other structures for parking and storage of equipment, private stables, and other accessory buildings;
d) Quarters, accommodations or areas for transient labor, such as labor cabins or camps.

F. Agricultural Preservation In-lieu Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency solely for the purpose of acquiring Agricultural Conservation Easements. The Program provides for an in-lieu fee in order to allow the utilization of funding from multiple sources and to maximize the City's ability to preserve open space Agricultural Lands within the Agricultural Priority Area.

G. Agricultural Lands Preservation Program Surcharge Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency for the purpose of administering the Agricultural Lands Preservation Program and/or to cover ongoing management and monitoring of the easements. The Surcharge fee is either incorporated into the overall In-lieu Fee for projects that make use of this option, or charged directly to projects which independently establish an Agricultural Conservation Easement.

H. Open Agricultural Land
Open Agricultural Land is defined as Agricultural Land that is at least 90% free of buildings, structures or other impervious surface and therefore available for planting of outdoor crops, grazing, or other Agricultural Use. The City may make use of open space funding sources to acquire

Agricultural Conservation Easements where that Easement specifies that the encumbered property be maintained as Open Agricultural Land.

18.85.040 Applicability
The provisions of this chapter shall apply to all new development/activities under the jurisdiction of the City of Morgan Hill, including both private development and public development projects that directly result in the conversion of Agricultural Land (as defined above) will be required to mitigate loss of Agricultural Land per the provisions of this Policy. This includes projects within the existing City boundaries as well as projects that propose annexation into Morgan Hill. Projects which have received discretionary land use approval prior to the adoption August 1, 2014, including completion of the CEQA process, are not subject to this Policy unless specifically required as mitigation or a condition of project approval.

18.85.050 Mitigation Ratio
A minimum of one (1) acre of Agricultural Land (1:1 mitigation ratio) shall be preserved for each acre of Agricultural Land changed to a non-agricultural use. The required acreage of area to be protected through an Agricultural Conservation Easement or agricultural preservation in-lieu fee will depend on the measurement of affected area as defined below.

18.85.060 "Stay Ahead" Provision
Conservation easements will be established at least at a 1:1 mitigation ratio in advance of the development of Agricultural Lands. Development occurs with either the issuance of Grading Permit or Building Permits that would result in the loss of Agricultural Land. To meet this provision the City may utilize existing open space funding to establish Agricultural Conservation Easements, or individual projects may establish such easements in advance of development activity.

18.85.070 Measurement of Affected Area
Areas subject to agricultural mitigation requirements will be the developed footprint for properties with a General Plan land use designation of Open Space, Public Facilities, or Sports Recreation/Leisure. Areas proposed to be so reserved shall have an aggregated area of at least 10 acres in size to qualify for exclusion from the developed footprint calculation. For the remaining land use designations of residential, commercial, and industrial, the entire site will be used for calculating the required mitigation. Disturbed footprint will include irrigated fields for proposed sports fields or facilities.

18.85.080 Mitigation Mechanism
Conversion of Agricultural Land will require off-setting acquisition and/or dedication of Agricultural Conservation Easements over approved Agricultural Mitigation Land, or payment to the City of the Agricultural Preservation In-lieu Fee, to support agricultural preservation. In addition to land acquisition/dedication, or payment of the Agricultural Preservation In-lieu Fee, in either case developers are also required to pay an Agricultural Lands Preservation Program Surcharge Fee (on a per acre basis) to cover administrative costs and ongoing management and monitoring of the easements.

18.85.090 Eligible Mitigation Lands
In order to meet the goals of this Ordinance, lands proposed to be used as agricultural mitigation shall conform to the above definitions for Agricultural Mitigation Land and/or Open Agricultural Land and shall meet the following criteria:

a) Agricultural conservation easements resulting from this program shall be acquired from willing sellers only; eminent domain will not be used to acquire lands for conservation;

b) The property is of adequate size, configuration and location to be viable for continued Agricultural Use;

c) The land shall have access to an adequate water supply to maintain the purposes of the easement, i.e., to irrigate farmland if the converted farmland is irrigated or capable of irrigation. The water supply shall be sufficient to support ongoing Agricultural Uses, and the water rights on the Agricultural Mitigation Land shall be protected in the Agricultural Conservation Easement;
d) Other considerations for appropriate conserved Agricultural Lands include: soil type, parcel size, existing irrigation supplies, strong agricultural production history, proximity to agricultural infrastructure, proximity to the first point of processing, uses on surrounding lands, and proximity to urban areas now and into the foreseeable future;

e) The mitigation land shall be located within Santa Clara County; and

f) The mitigation land may not overlap with land being acquired as habitat mitigation by the Santa Clara Valley Habitat Agency.

18.85.100 Ineligible Mitigation Lands
A property is ineligible to serve as agricultural mitigation if any of the circumstances below apply:
a) The property is currently encumbered by a conservation, flood, or other type of easement or deed restriction that legally or practicably prevents converting the property to a nonagricultural use; or
b) The property is currently under public ownership and will remain so in the future, except to the extent it is included within a mitigation bank that may subsequently be established by the City or other public agency; or
c) The property is subject to conditions that practicably prevent utilizing the property for a viable Agricultural Use.

18.85.110 Agricultural Priority Area
Dedications inside the Morgan Hill Sphere of Influence (SOI) will be strongly encouraged within the Southeast Quadrant (SEQ) as the first priority. The City has identified an Agricultural Priority Area within the SEQ as the City's first priority for conservation. The City's secondary priority is the preservation of other rural County Agricultural Lands within the Morgan Hill SOI. Dedications outside the SOI are less desirable and must be inside Santa Clara County as described under 'Eligible Mitigation Lands' above. The Agricultural Priority Area encompasses approximately 650 acres of land.

18.85.120 Responsibility for Easement Acquisition
a) In cases where the mitigation fee is paid, the City of Morgan Hill will either take on responsibility for acquiring the easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity.
b) Developments requiring less than 10 acres of agricultural mitigation are required to pay the Agricultural Preservation In-lieu Fee on a per acre basis except that acquisition of Agricultural Conservation Easements of less than 10 acres may be allowed when located immediately adjacent to an existing Agricultural Conservation Easement area that when combined, exceeds 10 acres in size.

c) Developers may independently establish an Agricultural Conservation Easement on Eligible Mitigation Lands within the County. In such cases, the developer will be required to pay all acquisition costs, the costs of establishing the easement, and the Agricultural Lands Preservation Program Surcharge Fee.

18.85.130 Management and Monitoring Fee
The developer shall pay a one-time per acre fee (Agricultural Lands Preservation Program Surcharge Fee) to cover the average cost administration of the program.

18.85.140 Implementing Entity
The City will hold the easements and collect management and monitoring fees until an alternative implementing entity (Qualifying Entity), such as a nonprofit conservation organization or agricultural consultant, has been identified.

18.85.150 Mitigation Timing and Implementation
Agricultural mitigation will be required prior to the acceptance of a final parcel or subdivision map or prior to issuance of a building permit or grading permit that results in physical development involving the conversion of Agricultural Lands, whichever occurs first.

18.85.160 Planned Developments / Development Agreements
Developers may provide agricultural mitigation through a planned development project that consolidates existing development rights onto a portion of the property so that the remaining undeveloped portion is then reserved for agricultural use. Such an approach may be used within the SEQ or within other areas of the City's SOI in which Agricultural Lands are present. Such a project must be governed by a development agreement. This method of mitigation will only be considered if it results in an equal or greater agricultural benefit as would have resulted from the mitigation measures described above. Factors that may be considered include, but are not limited to: (1) the number, size, and location of permissible clustered home sites; (2) the amount of land dedicated for agricultural conservation; (3) the location of agricultural land in relation to the Agricultural Priority Area and contiguity with existing and already conserved agricultural land; and (4) commitments to actively farm agricultural land within the development agreement area. The developer will be required to enter into a development agreement with the City specifying the terms of the agreement and the extraordinary benefits accruing to the City

18.85.170 Funding for Easements
Given the City's policy objective of agricultural land preservation within the Morgan Hill Sphere of Influence and within the Southeast Quadrant in particular, it is anticipated that the City will need to use multiple funding sources to support the acquisition of easements within the desired area. In addition to use of money obtain through grants and other contributions, the City will use open space funds collected through administration of its Residential Development Control System (RDCS) to supplement the acquisition of conservation easements.

18.85.180 Clustering of Development
The City may work with land owners or developers through the land use entitlement process to preserve agricultural lands by allowing a clustering of existing development rights onto a portion of a site so that a large portion of the site may be preserved for agricultural use. The City should allow such alternate methods of agricultural mitigation through Planned Development Zoning and/or a Development Agreement so that it will result in equal or greater agricultural benefit than would result from standard mitigation requirements. At a minimum, mitigation shall still be required at a ratio of

1:1, but may allow flexibility with respect to timing and location. Also, an Agricultural Conservation Easement shall be recorded over the Agricultural Mitigation Lands subject to the Planned Development Zoning and/or Development Agreement.

ATTACHMENT D

Palacherla, Neelima

From: David Whitaker <dave@mhbible.org>
Sent: Friday, October 23, 2015 9:20 AM
To: Palacherla, Neelima; Noel, Dunia
Subject: Thank You!

Hi Neelima and Dunia,

I want to thank you both for meeting with us yesterday concerning our application for annexation into Morgan Hill. I so appreciated your listening to our story and appreciated getting perspective from you on your concerns. That was very helpful. I know that you have many different groups, pressures and agendas that you are dealing with as you are seeking to have a balanced land-use plan for the county. I also realize that we are a very small piece to the overall concerns and properties that you are dealing with, which says a lot that you would take the time to meet with us.

We believe that our annexation is not a change of use for our property on which we've served for the last 23 years, nor for that matter, the at least 30 years before that when it was the Silver Saddle Saloon. Annexation will allow us to have our safety issues addressed: connection to sewer, so that we no longer have to deal with septic in a flood plane; better police and fire, ability to have water for building sprinklers, etc…all difficult without being connected up to city services.

We also believe that our annexation will not exert pressure on surrounding properties that continue to be used for agriculture, because they continue to be farmed and our property use is not changing the use it's had for over 50 years…it would simply allow us to be able to hook up to city services.

It was also your concern that the Morgan Hill Planning Commission turned us down last time because of the way the City Council was handling the general plan. We believe that the city is addressing those issues that you and the Planning Commission had, reflected in the vote of the Planning Commission recommending to the City Council that our property be included in the annexation request.

Given the safety issues of police, fire and sewer; the fact that this does not change the use of this property (so does not exert pressure to develop on adjoining properties); the overwhelming approval of the Morgan Hill Planning Commission that this fits the general plan; and the unanimous vote a second time by the City Council, we believe it would be in keeping with your principles to allow our property to be annexed into the city. This would allow us to continue to serve the south valley in Morgan Hill, San Martin and Gilroy…communities that this church touches in many different ways.

Again, thank you for taking the time to meet with us and thank you for the time you've taken to read this. If we can provide any more information that would be helpful to your report, please do not hesitate to contact us!

Sincerely

Dave

Dr. David Whitaker, *Lead Pastor*
Morgan Hill Bible Church | 15055 Monterey Street
408.778.5083 ext. 227 | dave@mhbible.org

SAN JOSE
THE LETITIA BUILDING
70 S FIRST STREET
SAN JOSE CA 95113-2406
T 408.286.9800
F 408.998.4790

PALO ALTO
200 PAGE MILL ROAD
SUITE 200
PALO ALTO CA 94306-2062
T 650.804.7600
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ATTACHMENT E

MAILING ADDRESS
PO BOX 1469
SAN JOSE CA 95109-1469
hopkinscarley.com

HOPKINS & CARLEY
A LAW CORPORATION

January 22, 2016

CHUCK REED
chuckreed@hopkinscarley.com
408-299-1409
Fax 408-998-4790

Santa Clara County Planning Department
70 West Hedding Street, 7th Floor
San Jose, CA 95110

LAFCO
70 West Hedding Street, 8th Floor
San Jose, CA 95110

City of Morgan Hill Planning Division
17575 Peak Avenue
Morgan Hill CA 95037

Re: Santa Clara County File: 9769 – 15P-14A-15EA
LAFCO File: Morgan Hill USA 15-01
Morgan Hill File: 15-636
Morgan Hill Bible Church Telecommunications Facility
15055 and 15085 Monterey Road, Morgan Hill

This firm represents Dann Enbom, who resides at 14390 Bonner Court, Morgan Hill. Mr. Enbom's residence is immediately to the southwest of the proposed facility.

On behalf of Mr. Enbom, we object to the use of the Negative Declaration for environmental clearance as specified in your Notice of Intent to Adopt a Negative Declaration; we object to the granting of Use Permit and Architectural and Site Approval; and we object to the annexation of the property by Morgan Hill with the proposed Wireless Telecommunications Facility.

Our objections are based on the following reasons:

The Initial Study for the environmental clearance is flawed because it fails to seriously consider or accurately describe the neighboring residential and school uses and the impacts on them from the project.

The Initial Study erroneously concludes, without analysis of the impact on nearby residences and school, that the project would have no impact or no significant impact on Aesthetics.

The Initial Study Environmental Checklist Discussion of Impacts erroneously states that "As viewed from the surrounding flat area, the tower would not be visually prominent . . ." In fact, the opposite the true. It will be obvious and quite large when viewed from the nearby residences.

The Discussion of Impacts erroneously states that " the tower would not substantially degrade the existing visual character of the site and / or the surrounding areas." In fact, the opposite the true. The tower as proposed will substantially degrade the existing visual character and quality of the surrounding residences and the school.

The height, design and location of the tower fail to comply with the Santa Clara County Wireless Telecommunications Facilities Design Guidelines.

Mr. Enbom's property has a residence that is less than 300 feet from the proposed tower. There are six other residences and a school within 1000 feet from the tower. These facts are ignored by the Initial Study.

The proposed tower is to be located in the worst possible location on the property relative to the closest residences.

As proposed, the 75 feet height is far higher than the oak tree, which is less than 50 feet tall, and the oak tree does not screen the tower from the nearby residences and school.

The tower could be relocated on the property, reduced in size and redesigned to blend in with the 50 ft. oak tree so that it is at least partially screened from the nearby residences and school. Failure to do so is in direct conflict with Design Guidelines Review Criteria #1, which calls for a proposed tower that "minimizes visual impact to the extent possible through design, screening and siting."

As proposed, from the nearby residences and the school, the tower will look like the bad example in Design Guideline Facility Scenario A because the 75 ft. eucalyptus-tree-style tower "bears no relationship to the size, shape and character of the surrounding physical elements."

The proposed tower does not meet the development standards of the City of Morgan Hill zoning ordinance. 75 feet is too tall and it is too close to the property line. See Memorandum to Santa Clara County Planning Office from Steve Maxey, City of Morgan Hill Planning Division, March 17, 2015.

The Initial Study fails to consider the potential cumulative impacts of co-location of additional facilities on this site. The 75 feet size invites other operators, and federal law (Section 6409 of the Middle Class Tax Relief Act of 2013) could require additional height and width to accommodate co-locations. (See the Memo from Steve Maxey)

For all these reasons and the comments made by members of the public, the project cannot be allowed to proceed under a Negative Declaration, architectural and site approval should be denied, and the annexation should be denied.

Yours very truly,

HOPKINS & CARLEY
A Law Corporation

Chuck Reed

Chuck Reed

CRR/tsa

Reference: Morgan Hill 2015
USA Application

LOCAL AGENCY FORMATION COMMISSION
70 West Hedding Street, East Wing
San Jose, Ca. 95110

Honorable Commissioners:

Verizon Wireless, NSA Wireless and Morgan Hill Bible Church are seeking U.S.A. status for the church's property @ 15055 & 15085 Monterey Road to allow for the construction of a telecommunication facility including a **SEVENTY-FIVE** foot tall cell tower and attendant roads, fences and machines.

We, the close neighbors to this proposed facility, strongly object to the U.S.A. status because it would:

1. Add to urban sprawl creating an urban service area further from the city center.
2. Add an intrusion to a quiet, rural setting. Many of us live on multiple acre home sites and have animals. There is a 20 acre organic farm immediately south of the proposed addition—telecommunication facility.
3. Damage our property values by adding a 75 foot tall industrial structure and facilities looming over us.
4. Create a potential health hazard by having cell radiation beaming down on us constantly.

This U.S.A. application has previously been denied and we respectfully request that you deny it again.

This letter was prepared and circulated by Rod L. Braughton, 15155 Monterey Road, (John Wilson Way).

Rod L. Braughton

Rod L. Braughton

cc. County of Santa Clara Planning Office
City of Morgan Hill
County of Santa Clara Board of Supervisors

NEIGHBOR	ADDRESS
Joan Prather	15155-E Monterey Rd. M.H.
Sharon Lee Holloway	15155-D monterey Rd. M.H.
Aaron Carpenter	15155-D monterey RD M.H.
[illegible]	15155F MONTEREY RD M.H.
Jeff Sasser	15155C MONTERY Rd
[illegible]	15155 D Monterey Rd
	15155B monterey Rd
[illegible]	15145 Monterey Rd.
	15185 S. Monterey Rd
Cristal Valdivia	15185 S. Monterey Rd
	15185 S Monterey Rd
Trello A.	15185 S Monterey Road.
Christian Valdevinia	15185 S. Monterey Road.
Rubie Valdivia	15185 S. Monterey Rd
Deyara Ramirez	15155 Monterey Rd # F
Rod L. Braughton	15155 F Monterey Rd

NOTICE OF DEVELOP[ENT PROPOSAL

This notice is being sent to notify you that the County Planning Office has received a development application as shown below. When this project is scheduled for a Public Hearing a subsequent notice of Public Hearing will be sent.

Project: Morgan Hill Bible Church Telecommunication Facility

Property Location: 15055 & 15085 Monterey Road; Morgan Hill, CA

Owner / Applicant: Morgan Hill Bible Church / Verizon Wireless / NSA Wireless

File # 9769- 15P - 15A

Project Description

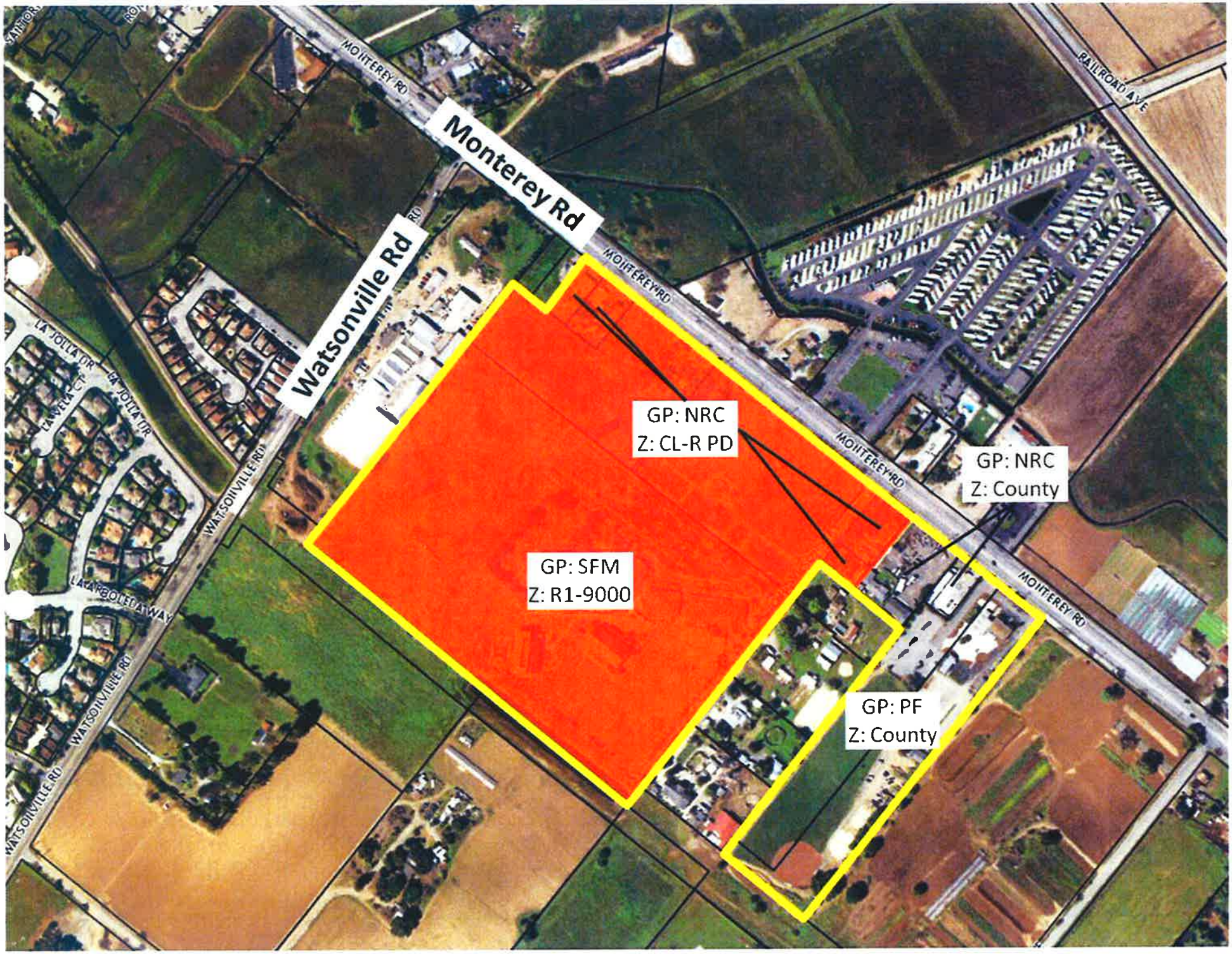
A Wireless Telecommunication Facility consisting of a 75-foot tall tower disguised as a Eucalyptus tree. The facility will include 9 panel antennas, 12 remote radio units, 2 GPS antennas, 4 raycaps, 6 equipment cabinets and a 30kW diesel generator all located within a fence-enclosed leasehold area.

If you have questions about this proposal, please contact

Project Planner: Carl Hilbrants (408) 299-5781, carl.hilbrants@pln.sccgov.org

For more information, visit our website at www.sccplanning.org.

LOCATION MAP:



County of Santa Clara

Department of Planning & Development
County Planning Office
County Government Center, East Wing, 7th Floor
70 West Hedding Street
San Jose, California 95110
(408) 299-5770 FAX (408) 288-9198

Notice of Intent to Adopt a Negative Declaration

Per the California Environmental Quality Act (CEQA), this notice has been prepared to inform you that the following project will not have a significant effect on the environment.

File Number	APN(s)	Date
9769-15P-14A-15EA	779-04-016, 061	1/5/16
Project Type	**Project Land Use**	
Use Permit with Architecture and Site Approval	Commercial/Infrastructure	
Owner	**Applicant**	
Morgan Hill Bible Church	NSA Wireless c/o Pamela Nobel	

Project Location

The subject property is a rural zoned, unincorporated, 8.7 acre parcel located at 15055 and 15085 Monterey Road, approximately 0.5 miles south of Watsonville Road, south of the City of Morgan Hill.

Project Description

This application is for a Use Permit and Architecture and Site Approval to establish a new 75-foot tall telecommunications tower at 15055 & 15085 Monterey Road (See Figure 1—location map). The tower would be disguised as a eucalyptus tree to help to minimize visual impacts to neighbors and passers-by. The tower will be located within the area to be leased by the property owner (leasehold area). Utilities and cabling between the leasehold area and the street would be entirely below grade. Grading of 108 cubic yards of cut and 108 cubic yards of fill would be necessary for the driveway and utility access as well as to establish the equipment shelter and tower areas. The tower and associated equipment would be accessed by a new driveway from Monterey Road. Project construction would not involve removal of any trees. The proposed telecommunications tower will include the following components:

1) Nine (9) panel antennas centered at the 69-foot level
2) Twelve (12) Remote Radio Units centered at the 69-foot level
3) Two (2) ground-based GPS antennas
4) Ancillary ground-based equipment located behind an 8-foot tall chain-link fence-enclosed 1,050 square foot leasehold area
5) 144 square foot equipment roof cover
6) Faux tree foliage to disguise the pole as a eucalyptus tree
7) 1,560 gallon water tank for the required landscape mitigation irrigation
8) 30Kw / 132-gallon standby diesel generator
9) Landscape screening

Purpose of Notice

The purpose of this notice is to inform you that the County Planning Staff has recommended that a Negative Declaration be approved for this project. **County of Santa Clara Planning Staff 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.**

Approval of this proposed Negative Declaration for the proposed project is tentatively scheduled before the Santa Clara County Architecture and Site Approval Committee on July 2, 2015 in the County Government Center. It should be noted that the 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 Review Period:	Begins: January 5, 2016	Ends: January 26, 2016

Public Comments regarding the correctness, completeness, or adequacy of this Negative Declaration are invited and must be received on or before the end of the review period listed above. Such comments should be based on specific environmental concerns. Written comments should be addressed to **Carl Hilbrants Planner III: County of Santa Clara Planning Office, County Government Center, 70 West Hedding Street, San Jose, CA 95110: Tel: (408) 299-5781.** A file containing additional information on this project may be reviewed at the Planning Office under the file number appearing at the top of this form.

The Negative Declaration and Initial Study may be viewed at the following locations:

1. Santa Clara County Planning Office, 70 West Hedding Street, East Wing, 7th Floor, San Jose, CA 95110
2. Morgan Hill Library, 660 West Main Avenue, Morgan Hill, CA 95037
3. Gilroy Library, 350 West 6th Street, Gilroy, CA 95020

Other Agencies sent a copy of this document

Basis for Negative Declaration Recommendation

County of Santa Clara Planning Staff 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.

Prepared by:
Carl Hilbrants, Planner III

Signature — Date: 1/5/16

Approved by:
David Rader, Planner III

David M. Rader
Signature — Date: 1/5/16

NOTICE OF DEVELOPMENT PROPOSAL

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If you have questions about this proposal, please contact

Project Planner: Carl Hilbrants (408) 299-5781, carl.hilbrants@pln.sccgov.org

For more information, visit our website at www.sccplanning.org.

File #:	15-636 Version: 1	Name:	
Type:	Staff Report	Status:	Other Business
File created:	9/29/2015	In control:	City Council
On agenda:	10/7/2015	Final action:	
Title:	CITY COUNCIL INPUT REGARDING PROPOSED CELLULAR ANTENNA INSTALLATION AT MORGAN HILL BIBLE CHURCH		
Attachments:	1. USA-15-01 September 2, 2015 City Council Report, 2. Proposed 75 Foot Monopole, 3. Proposed 50 foot Monopole		

CITY COUNCIL STAFF REPORT
MEETING DATE: October 7, 2015

PREPARED BY: Andrew Crabtree, Director/Community Development Department

APPROVED BY: City Manager

Title
CITY COUNCIL INPUT REGARDING PROPOSED CELLULAR ANTENNA INSTALLATION AT MORGAN HILL BIBLE CHURCH
END

RECOMMENDATION(S)
RECOMMENDATION
Provide input regarding design options for a proposed cellular antenna installation at the Morgan Hill Bible Church.

BODY
COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities
Enhancing public safety
Protecting the environment

2015 Focus Areas
Community Engagement Effectiveness

REPORT NARRATIVE:
At the September 2, 2015 City Council meeting the City Council considered and forwarded to LAFCO (the Local Area Formation Commission) a proposed Urban Service Area (USA) expansion request initiated by City staff for properties located along the western side of Monterey Road, south of Watsonville Road (Application File # USA-15-01). The proposed USA expansion area includes the Morgan Hill Bible Church property. Unrelated to the City proposed USA expansion, Morgan Hill Bible Church is in the process of seeking land use permits through the County for the installation of a cellular antenna on the Church property. The antenna would be operated by Verizon under a lease agreement with the Church. In order to meet Verizon antenna coverage goals while locating the antenna at the southwest corner of the Church property, the proposed antenna would be 75 feet in height. To conform with County requirements, the antenna would be designed to resemble a tree which would blend in with adjacent trees. The height of the antenna structure is taller than the antenna installation in order to simulate a tree shape. The County also recommended a 75 foot structure in order to facilitate potential future co-location for multiple wireless carriers.

An owner of a property adjacent to the Morgan Hill Bible Church spoke at the September 2 hearing, expressing concern regarding a proposed cellular antenna installation on the church property. The City Council also received correspondence in the form of two petitions circulated by the same neighbor with a combined total of fourteen signatures in opposition either to the antenna installation or the annexation. While the City Council voted to move forward with the USA expansion process by submitting an application to LAFCO, the Council indicated should LAFCO approve the USA expansion, the City would consider the subsequent potential annexation of the Church property more favorably if the antenna installation conformed to the City's regulations for such antennas, which include a height limitation of 50 feet.

In subsequent conversations, representatives of the Morgan Hill Bible Church have explained that if the antenna height is reduced to 50 feet, in order to meet Verizon's coverage objectives, the antenna would need to be placed at a location on the Church property closer to Monterey Road and the adjacent residential uses to the north. Relocation of the antenna in this manner would potentially increase its visibility and bring it closer to the residents who have most strongly expressed concern with the proximity of the antenna. In order to maintain a simulated tree design, the actual antenna would need to be located no higher than 46 feet on the structure.

This item has been placed on the City Council meeting agenda at the request of Morgan Hill Bible Church so that the City Council may provide input to the Church regarding the possible design and placement of the antenna on the Church property.

COMMUNITY ENGAGEMENT: **Inform**
Representatives of the church have provided information to the adjacent property owners including notice of the hearing time and a photosimulation of the proposed antenna installation.

ALTERNATIVE ACTIONS:
N/A

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council voted to forward a Urban Service Area expansion request (USA-15-01) to LAFCO for the subject property and other adjacent properties at its September 2, 2015 meeting.

FISCAL AND RESOURCE IMPACT:

N/A

CEQA (California Environmental Quality Act):

Not a Project

Council is not taking any action that could result in a potential impact to the environment as regulated by CEQA.

LINKS/ATTACHMENTS:

1) September 2, 2015 Staff Report for USA-15-01
2) Proposed Antenna Photo Simulation - 75 Feet
3) Proposed Antenna Photo Simulation - 50 Feet

LAFCO — 10/14/15

10/12/2015

To: Steve Tate
Re: Cell Tower 15055 Monterey Road
From: see signatures below

Per the attached letter dated October 8, 2005, Councilman Larry Car stated that the City of Morgan Hill has measures in place that would prevent cell towers from being placed in areas objectionable to residents. The City of Morgan Hill knows at least 74 percent are opposed to any cell tower being placed on The Churches property at 15055 Monterey Road. The City Council has only allowed the residence to choose between a 75' or 50' cell tower. The neighbors voted for the 50' tower and the council approved the 75' tower due to erroneous statements from the church representative. A resident was for a 50' tower and he said they where for the 75' tower. The owners of the properties all have aesthetic and visual issues with both cell tower proposals and have requested that the annexation process stop. Morgan Hill City Council needs to tell the Church that due to the cell tower being opposed by the neighbors the Church should not continue with their application through The County of Santa Clara regarding the cell tower if they plan on being annexed into the City of Morgan Hill. Below are the signatures of the property owners who oppose the cell tower for the above reason.
Please see the attached map showing property location.These properties are the closest and by far the most affected properties in regards to the cell towers appearance.

7/8 OPPOSED

Dawn Erbom 14930 Bonner Ct 10/10/2015

Arelia Valdivia 15185 S Monterey Rd 10/10/15

Lisette Wilson 15147 Monterey Rd. 10/10/15

Laura Zee 14840 OLIVE AVE
Rod Brighton 15155 F Monterey
} These 2 property owners have appeared infront of City council and agree with the above

cc Morgan Hill Times
cc Neighbors

OCT 8th 2015
+ OCT 9th 2015
OCT 12th

← Monterey Rd →

THEY PREFERED THE LOOK OF THE 50' TOWER

COMMERCIAL AREA

COMMER.

15147 MONTEREY

LORETTA WILSON
OPPOSES ALL CELL TOWERS
IN FAVOR OF 50' TOWER

NO ON 75' TOWER

50'

CHUCK / Frank
UNDECIDED / undecided

ROD BRAUGHTON
OPPOSES ALL CELL TOWERS
15155 P MONTEREY

ARCELIA Valdivia
OPPOSES ALL CELL TOWERS
IN FAVOR OF 50' TOWER
OPPOSSES 75' TOWER

John Wilson

5 LOTS

BIBLE CHURCH

OPEN FIELD

50-YES

75-NO

WD
SEMENT

SANTA CLARA WATER DISTRICT

FIELD

DANN ENBOM
OPPOSES ALL
CELL TOWERS

IN FAVOR OF 50' TOWER

OPPOSES 75' TOWER

14930 BONNER CRT

LAURA ZEE
OPPOSES ALL
CELL TOWERS
IN FAVOR OF 50' TOWER
OPPOSSES 75' TOWER

14840
OLIVE AVE

FIELD

BONNER CRT

Mr Tate

10/2/15

Here is a copy of Loretta Wilsons story. She came to Morgan Hill a long time ago. Her father was Mayor of San Jose and he was a councilman. We understand that if you choose to eliminate the cell tower per a majority of the neighbors request, Mark Roesler will likely follow your recommendations.

a few neighbors may move due to this decision. Please side with the people over the money

Our cell phones are working fine

LAFCO 10/14/15

Re: Urban Service Area, USA-15-01 8/28/2015 To: Morgan Hill Planning Commission
Re: Parcell # 779-04-016 and 779-04-061
15055 Monterey

The majority of property owners bordering and directly behind the property at 15055 Monterey request that the City of Morgan Hill remove this property from the agenda. This meeting is on september 2, 2015. This property is in the process of obtaining a permit to install a 75 cell tower. Morgan Hill needs to vote on cell towers near Schools and homes prior to allowing this property into the Morgan Hill Urban Service area. Please see the attached 2 petitions. Please pospone 15055 Monterey from entering into the Urban Service Area until the community has a chance to respond.

Their are a lot of concerned Morgan Hill residences that need more time to look into this very controversial cell tower subject.
Slipping the cell tower into the Morgan Hill Urban District as an existing condition is wrong.
The County of Santa Clara is approving a cell tower that Morgan Hill has to live with.
MORGAN HILL ALLOWS A MAXIMUM HEIGHT OF 50 feet and the property at 15055 has no intention of following Morgan Hills ordinances. A 75 foot tall Major Commercial Cell Tower near homes and Schools is wrong. There is so much open space to put this cell tower.

FROM: All the people on the 2 attached petition. Please note that 2 people signed both petitions.

Please see update petition. The major concern is the cell tower. 5 of the 8 property owners are against the cell tower and per Morgan Hill ordenance or meeting dated Oct 8 2005 This states that cell towers will not be placed in areas objectionable to residence. Mr Tate knows that the area is opposed to cell towers yet on Oct 7th he approved the 75' tower any way? What is going on?

8/21/15

Petition Re: Cell Tower at 15055 Monterey - Morgan Hill Bible Church

50' Max Height per Morgan Hill

Please sign below if you are against the installation of the 75'± Cell Tower at 15055 Monterey: Morgan Hill Bible Church. Located at the back of the property on the south corner. This is on the church property

Signature	address	Date
Juan Zee	14840 Olive Ave.	8/21/15
Dawn Gibson	14930 Bonner Ct	8/21/15
Karen Clampett	15155 Monterey Rd F	8/21/15
Joe Wilson	15145-A Monterey Rd	8-21-15
Loretta Nelson	15147 Monterey Rd.	8-21-15
Ruth B. Hy	7906 Westwood Dr G-206	8-21-15
Robert E.	17411 HOLIDAY DR	8-21-15
[illegible]	10195 Drysher Ave	8-21-15
Cecilia Valdivia	15185 S. Monterey Rd	10-8-15

MORGAN HILL IS GETTING ANOTHER CELL TOWER NEXT TO HOMES AND A SCHOOL 8/26/2015

PETITION PETITION PETITION This is a PETITION.

The City of Morgan Hill and The County of Santa Clara have been working together to get the Morgan Hill Bible Church into The Morgan Hill Urban Service Area."USA"

The Bible Church, at 15055 Monterey, is currently applying for a permit to install a 75 foot tall cell tower on its property with the County. The property has been rezoned to Public facility which takes a lot of communication

between the City of Morgan Hill and The County of Santa Clara. You would think that the owner of the Bible Church would tell Mayor Steve Tate about the cell tower and give the residence of Morgan Hill

a chance to respond before they grant them into the Morgan Hill urban service area. Please postpone the Morgan Hill Bible church at 15055 Monterey from being part of USA until Morgan Hill residence can voice their opinion

on the cell tower. Please sign below if you are against having the Bible Church in The urban service area.

Please tell Mr. Tate how you feel September 2, 2015 at 7:00 pm Council Chambers at 17555 Peak ave. and please sign this Petition.

Signature	Address	Date
Jane Stubaus	17530 Holiday Dr.	8-26-2015
Colleen Fidler	P.O. Box 1956 Los Gatos	8-26-2015
Dawn Olsen	14930 Bonner Ct	8/28/15
Loretta Wilson	15147 Monterey Rd. M.H.	8/28/15
Rod L. Braughton	15155 F Monterey Rd. MH	8-28-15
Joan Prather	15155 E Monterey Rd MH	8-28-15
Arcelia Valdivia	15185 S Monterey Rd	8/28/15

"Jills to 75" must be 35 doesn't Fit!!

City Says No to Cell Tower Moratorium

Posted: Saturday, October 8, 2005 12:00 am

Morgan Hill City councilmen decided against banning cell phone towers in Morgan Hill while staff creates a policy on the often controversial towers this week.

The decision removes a potential roadblock for three cell tower plans currently seeking city approval.

Councilmen began to contemplate banning cell towers last month while drafting a new policy after some local residents protested an application to build a tower near Jackson Park. The residents had read in the Morgan Hill Times that Sprint PCS sought approval to construct the tower. After residents protested in September, the Utilities and Environment subcommittee suggested the city enact a moratorium while staff crafted a permanent policy.

The council denied the move 4-0 Wednesday night.

Councilman Greg Sellers said the city already has a number of rules governing cell towers and an approval process that allows public input before any towers are built. He said he didn't believe the issue was grave enough to warrant a moratorium.

"I think we've got these applications that have already been submitted with the assumptions that the rules are already in place," Sellers said. "I think we ought to let them go through the process at that point ... in the interest of fairness and equity."

Some of the residents who opposed the Sprint PCS tower said they worried the towers could affect the health of people who lived near the proposed site and children who played in the park. Scott Dunham, development manager for T-Mobile's South Bay Area, told the council the Federal Communications Commission has ruled health concerns cannot be a major reason for cities to deny cell towers. Cell phone towers have not been connected to health problems.

Dunham said T-Mobile has plans to build one tower and modify two others to improve roaming capabilities lost when AT&T merged with Cingular recently. He said by imposing a moratorium now, the city was giving the company's competitors an unfair advantage.

Acting city attorney Dan Siegel cautioned council members about considering a moratorium. He noted, a moratorium needed to be very specific, and required a 4/5 vote of the council; not a simple majority vote. He suggested that the council examine the Conditional Use Permit (CUP) process.

"The council has to decide whether there is a problem that merits the moratorium. ... Is the CUP process working? If not, stop it," advised Siegel.

Councilman Steve Tate said he felt the subcommittee needed to be more specific regarding the objective of the moratorium, while Councilman Larry Carr believed the city has measures already in place, such as public hearings, that would prevent cell towers from being placed in areas objectionable to residents.

Currently, a proposal to place a cell tower on public land requires a cell phone provider to enter a lease agreement with the city and city council approval. A proposal to place a cell phone tower on private land, however, would only need a conditional use permit and approval by

Mr Tate + Council '15-636 OCT 7th meeting 10/8/15

I didnt get the final Renderings of the 50' + 75' towers until the day before the meeting. I brought with me a written note from 50% of the neighbors stating they prefer the 50' tower. We all had health convers and visually speaking, we choose the looks of the 50' tower over the 75' tower.

Mark Rauser spoke and had no signitures in favor of the 75' tower. He stated that the property at 15185 S. Monterey Rd was the biggest opponent of the 50' tower.

This verbal by Mr Rauser was wrong. Please see attached letter from that person. The neighborhood isnt split on this decision as Mr Tate says.

The verbal info that Mr Rauser was wrong. Please approve the majority voted 50' tower.

Mr Brayton is away and didnt get a chance to vote yet a majority vote has been quickly established.

Please see attached petition and map to show you how the neighbors feel

Dawn Ehler

Council approved 75' tower!

Why!

cc Morgan Hill Times
cc Steve Tate
cc neighbors

October 8th, 2015

Dear Steve Tate:

I was recently approached by Mark from Bible Church to inform me they a Cell Phone Tower from Verizon was in the works of being installed on the baseball field adjacent to my property.

I was presented the plans for installation along with pictures of a fake 75 feet tall tree of what this tower will look like. I must say that looking at the hideous picture saddened me because I feel it is an insult to nature.

Rather than showing me a plan of new live tree plantation coming up which would enhance my community and provide a clean breath of fresh air, I have to look at something completely fake disguising a cell phone tower!!! This proposal should come along with a promise and commitment to plant real trees along all the surrounding neighbors' property line to compensate us with a better view and really enhance our community's atmosphere.

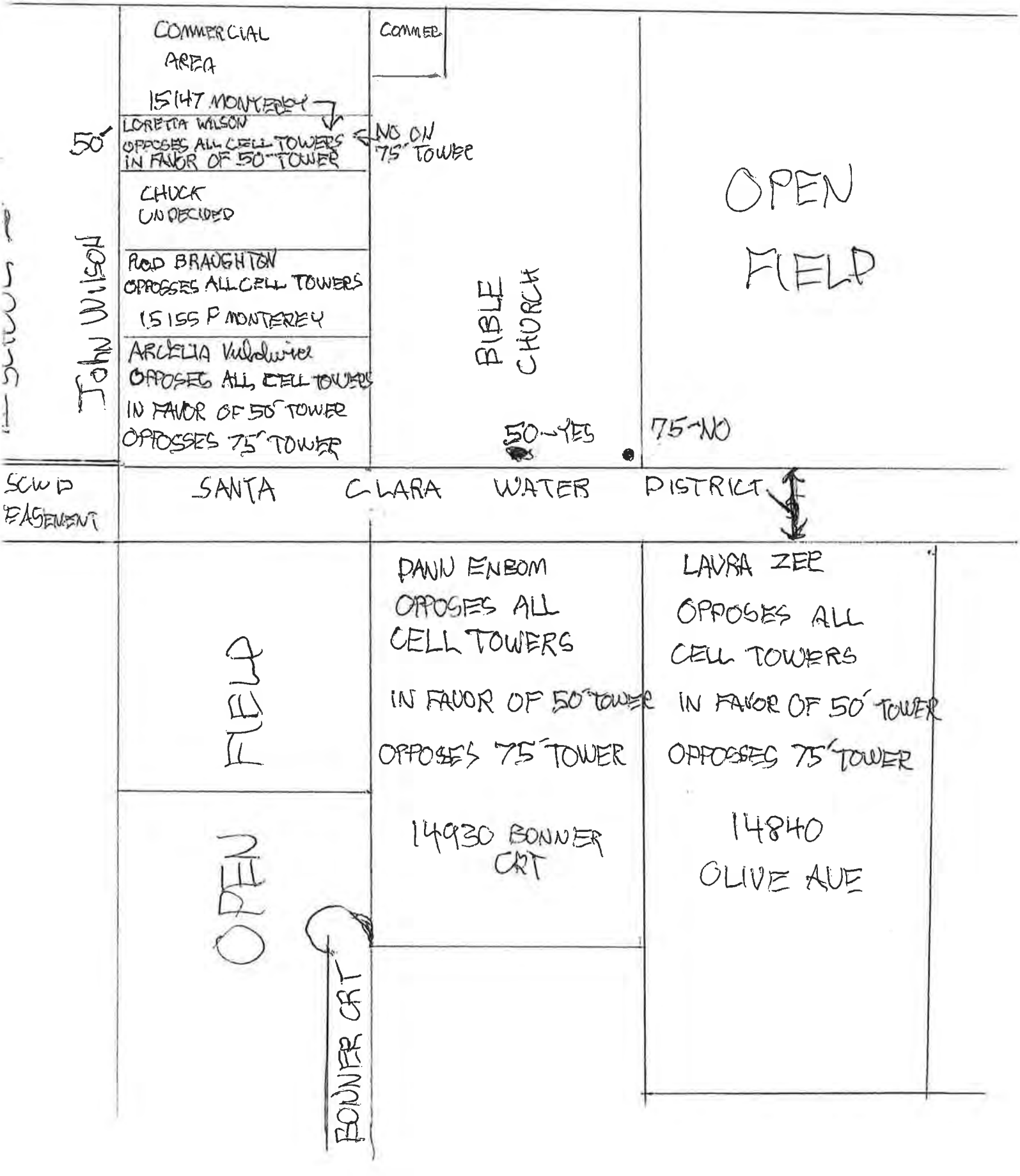
I have no problems with my phone reception, never had it; I told Mark. I am very against having such installation take place. I enjoy leaving life as natural as possible, I do not have a microwave in my kitchen, as a matter of fact, therefore I oppose to such tower coming up. If I'd have to choose from a 75' tower or a 50' tower, even though I am completely against it coming, I would vote on the 50' tower.

Sincerely,

Luz Arcelia Valdivia
15185 S. Monterey Road
Morgan Hill, Ca 95037

Oct 8th 2015
& Oct 9th 2015

THEY PREFERED THE LOOK OF THE 50' TOWER



~~Steve Tate~~ ~~Dann~~ CC [LAFCO] 10/14/15

To: Steve Tate and council members 10/09/2015
Re: Annexing a conforming property

In a prior Council meeting regarding The Bible Church at 15055 Monterey, it was discussed that the Church should comply with Morgan Hills ordinances in regards to a cell tower. The council wanted the cell tower to be a maximum of 50 feet. The application for the cell tower is with the County of Santa Clara. The Church is in the process of entering the Morgan Hill urban service area.

On October 7 item 15-636 the Church proposed a 75' tree and a 50' tree to be allowed when they are annexed into Morgan Hill.

Laretta Wilson state that the 50 tower would have less of a visual impact. and preferred the 50 foot tower.

Laura Zee had health issues about both but when it came down to a visual impact on their property she was in favor of the 50 foot cell tower over the 75' cell tower.

Dann Enbom also preferred the 50' cell tower over the massive 75, cell tower.

A letter was given to council at the meeting expressing that the above neighbors vote.

Mark Rauser then came up to speak and his main concern was the home at 15185 Monterey Rd. He stated that they where in favor of the 75' cell tower. They where in favor of the 50 foot cell tower and that is when council said the neighbors are split. I brought in a letter from mrs Valdinia telling Mr Tate that they too were in favor of the 50 foot cell tower. Prior to the meeting Mark Rauser told me he did not care what tower was approved. We had a win win settlement and the council voted for the 75' tower.

We ask to be put back on the agenda to straighten out this issue.

please see attached map regarding neighbors votes and location.

Dann Enbom and neighbors. 408-401-2274

cc Steve Tate ✓
Dann Enbom ✓
Laura Zee ✓
Laretta Wilson ✓
Arcilia V. ✓
Morgan Hill Times ✓

LAFCO 10/14/15

No Recommended Mitigation Measures

Due to their mounting locations, the Verizon antennas would not be accessible to the general public, and so no mitigation measures are necessary to comply with the FCC public exposure guidelines. It is presumed that Verizon will, as an FCC licensee, take adequate steps to ensure that its employees or contractors receive appropriate training and comply with FCC occupational exposure guidelines whenever work is required near the antennas themselves.

Conclusion

Based on the information and analysis above, it is the undersigned's professional opinion that operation of the base station proposed by Verizon Wireless at 15055 Monterey Street in Morgan Hill, California, will comply with the prevailing standards for limiting public exposure to radio frequency energy and, therefore, will not for this reason cause a significant impact on the environment. The highest calculated level in publicly accessible areas is much less than the prevailing standards allow for exposures of unlimited duration. This finding is consistent with measurements of actual exposure conditions taken at other operating base stations.

Authorship

The undersigned author of this statement is a qualified Professional Engineer, holding California Registration Nos. E-13026 and M-20676, which expire on June 30, 2015. This work has been carried out under his direction, and all statements are true and correct of his own knowledge except, where noted, when data has been supplied by others, which data he believes to be correct.

William F. Hammett, P.E.
707/996-5200

November 3, 2014

LAFCO 10/14/15

MORGAN HILL
THE TIMES

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...G EDGE
...) students start
...with new
...books A...

BBQ KINGS
Live Oak alumni take top prize in northern CA competition A6

ACTIVE LIVING
See inside this week's edition for our '55+' special section INSIDE

UNLEASHED
Bulldogs get first taste of football in scrimmage A9

WHO ARE YOU?
Amateur genealogists enjoy regional research resources B1

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Peak Ave. Friday 4 PM. to 10 PM, Saturday Noon to 10 PM., Sunday 11 AM to 5PM. For complete information and special discount ticket opportunities visit stca.org or call (408) 779-3959.

Creek Cleanup
Join city staff and volunteers 9 a.m. to noon Sept. 19 to help beautify Morgan Hill. This is an opportunity for individuals, families and groups to enhance the health of West Little Llagas Creek and its wildlife. Cleanup will concentrate on picking up litter; gloves, bags and litter grabbers will be provided. Meet at the Corporation Yard, 100 Edes Court at 9 a.m. Participants under 18 will need to bring a volunteer waiver signed by their parents with them the morning of the event. Call (408) 776-7333 for more info, a waiver form or to pre-register.

BBQ for wildlife
The Wildlife Education and Rehabilitation Center will hold its 20th annual Wildlife Fest from 12 to 3 p.m. Oct. 17 at the Morgan Hill Buddhist Community Center, 16450 Murphy Ave. The fundraiser will feature a barbecue lunch, silent and live auctions, raffle and door prizes. WERC's education animals will be present at the event. Tickets can be purchased at werc-ca.org.

6 58015 02004 1

Pantry's "Fit For Fall" clothing giveaway Aug. 22.

About 50 volunteers helped organizers and "shoppers" pick out and try on their selected garments from a cluster of tables and tents set up outside the nonprofit facility's Peebles Avenue site. Families referred to Cecelia's Closet were for everyday clothing and back to school clothing," said Cecelia Ponzini, co-founder of the Edward "Boss" Prado Foundation which oversees Cecelia's Closet and Food Pantry. "We had a lot of support from the community. We've been very fortunate."

Ponzini founded the generosity and empathy for his fellow classmates and peers who were less fortunate than he was.

Programs under the Prado Foundation include Cecelia's Closet, which collects donated clothing and food to provide for lower-income residents, as well as No Child Goes Unfed and Share the Runway,

HOW TO HELP

The Edward "Boss" Prado Foundation accepts donations of food, clothing or money. Donations go toward helping local, less fortunate families and children acquire resources they need to succeed in their professional and academic lives. For more information or to make a donation, visit edwardbossprado.org, call Cecelia Ponzini at (408) 670-0266 or stop by Cecelia's Closet and Food Pantry, 35 Peebles Ave.

Residents rise up against projects

OAK MEADOW, SOUTH MH PROPOSALS GENERATE PROTEST

MICHAEL MOORE
Editor

MORGAN HILL—Two long simmering proposals to extend city boundaries, both of which have generated increasing opposition from their surrounding neighbors, will reach the Morgan Hill City Council Sept. 2.

The Oak Meadow project on West Edmundson Avenue, in the works since 2006, would add up to 48 homes in a hillside area in southwest Morgan Hill that is currently in unincorporated Santa Clara County jurisdiction. Developer Bethany Liou is asking the council to annex about 50 acres of the site, and extend the Urban Service Area boundary for another 20.

The unrelated "Monterey-City of Morgan Hill" request is asking the city to extend the USA line for 11 parcels totaling about 48 acres on Monterey Road south of Watsonville Road. These properties include a portion of the Royal Oaks mushroom farm and the Morgan Hill Bible Church.

Requesting an inclusion in the USA is a potential precursor to an annexation request.

If the council approves these requests at the Sept. 2 meeting, which will include public hearings on both proposals, they will require further approval from the county's Local Agency Formation Commission.

Cell tower and boundary extension on tap?

At the same time the city is processing the USA request for the sites south of Watsonville Road, the county planning office is reviewing a request by the MH Bible Church, 15055 Monterey Road, to install a 75-foot cell tower toward the western side of the property.

"As a church, we want to help the community. Cell service in this area is on the weaker side, and we wanted to make sure that, aesthetically, it would fit in," Pastor David Whitaker said. He displayed photo simulations

→Development, A8

Michael Moore

CELL SPECS *A notice outside the Morgan Hill Bible Church describes a cell tower proposal at the site.*

6:30 p.m. Suggested donation is $15 Library, 660 W. Main Ave. and Sept. 15

→ *From page A1*

that depict the tower, disguised as a tree, sticking up above a giant oak tree toward the back of the property.

The church was approached about six months ago by Verizon which identified the site as "one of the prime spots for a cell tower," Whitaker said.

Then about three weeks ago, the church was informed that the city wanted to resubmit their USA extension request after a similar effort was rejected by LAFCO in 2013, Whitaker explained. The cell tower site sits on property that would be included in the city's USA if the council gives its approval, but Whitaker said the timing of the two proposals is coincidental.

Nearby resident Dan Enbom noted that the county and city have different cell tower policies. The county allows telecommunications towers up to 75 feet, while the city—which does not have a cell tower ordinance—limits the height of cell towers to 50 feet through land use and zoning policies.

Enbom added that some of his neighbors have many questions about the cell tower near their property, related to the impact on scenery and potentially harmful radio waves attracted to the facility.

"We don't want this church annexing or even going into the USA because they are not even listening to the neighbors," Enbom said.

County Planner Carl Hilbrandts' office is currently conducting an environmental review of the cell tower application. All cell tower proposals taller than 55 feet are subject to a public hearing before the county planning commission. Hilbrandts doesn't expect that to occur before November.

The city currently has no say in the cell tower matter, but City Hall has long wanted to annex the church and adjacent properties into the city limits. Doing so would tighten up city boundaries and make future growth more orderly, city staff said.

In 2013, LAFCO approved the annexation of only a portion of the city's full 67-acre request of properties south of Watsonville Road, namely about nine acres where Royal Oaks mushroom farm is located.

Royal Oaks owner Don Hordness has indicated he wants to move his agricultural operation elsewhere, and develop a senior assisted living project at the site south of Watsonville Road.

Other properties in the upcoming USA request before the council Sept. 2 include the Oakwood School and a commercial strip mall.

Oak Meadow

Neighbors of the Oak Meadow annexation proposal recently told city planning commissioners that city staff and other officials have repeatedly ignored the voice of the taxpayers and bent over backward for the developer since the residential project was proposed nearly nine years ago.

About 10 neighbors of the 80-acre property, which is currently agricultural and contains steep hillsides, voiced their opposition to the annexation request at the July 14 planning commission meeting. They expressed frustration with the continually changing specifications of the project, and one speaker called the staff recommendation to approve the annexation "unethical."

The property is located just west of the Community Park and the Sunset Avenue and Olympic Drive neighborhoods.

The commission tabled that decision until the July 28 meeting, when they ultimately voted 3-3 on the annexation request and MOU, forwarding no recommendation to the elected council.

Commissioner Susan Koepp-Baker's seat remains unoccupied since she retired earlier this year.

The non-binding MOU states the developer will agree to limit the number of residential detached homes to a maximum of 48; will not build on hillsides steeper than a 10 percent grade; will cluster homes; will not allow private gateways on existing roads; and provide easements for public trails and open space, among other provisions.

In recent weeks, residents—led by Kevin Pfeil—have organized a petition to convince the council to reject the annexation request. More than 980 people had signed the petition on change.org as of Aug. 26.

The petition claims the proposed residential project violates the city's General Plan, which in 2010 noted the city already has a more than 30-year supply of vacant residential land. Numerous public agencies and environmental groups have opposed the annexation, according to the petition website.

The project opponents also started a website, savemorganhill.org, offering information about pending land use changes in Morgan Hill and a link to the petition.

"In 2004, Morgan Hill residents passed Measure C, limiting the city's ability to extend into county land to preserve our viewshed and agricultural resources," reads a message on the website's home page. "Since then, the city council has rewritten the law specifically to allow the annexation of the Oak Meadows Plaza project and is now planning to move forward, despite overwhelming opposition from the community."

The project has been to the planning commission at least five times since 2006, with the developer and city continually negotiating on changes and public benefit additions in an effort to bring the proposal in line with the city's General Plan.

The Sept. 2 City Council meeting will take place 7 p.m. at Cit Hall council chambers, 17555 Peak Ave.

OBITUARIES

TONY MARFIA

October 20, 1921 - August 19, 2015

Visitation was held Tuesday, August 25, 2015, from 6:00 to 8:00 P.M., at Habing Family Funeral Home. Funeral Mass was held Wednesday, August 26, 2015, at 10:00 A.M., at St. Mary Parish followed by burial at St. Mary's Catholic Cemetery. Donations to your favorite charity would be preferred. Condolences at HabingFamilyFuneralHome.com.

BARBARA JEAN GAMMA RODRIGUEZ

January 24, 1943- August 21, 2015

Viewing services and a celebration of her life will be on Friday, August 28, 2015, from 3:00 P.M. until 8:00 P.M., at Black Cooper Sander Funeral Home, 363 7th St. Hollister, CA 95023. Condolences: www.blackcoopersander.com.

CHERYL JO MYERS

July 1945 - August 2015

Memorial gifts may be made to the Valle del Sur Art Guild for the C.J. Myers Memorial Scholarship Fund, 12275 Center Avenue, San Martin, CA 95046 or on-line at www.valledelsur.org. There will be a Celebration [illegible]

APPENDIX X

LAFCO
Local Agency Formation Commission of Santa Clara County

VACANT LANDS INVENTORY BASED ON CITY'S DATA

The City of Morgan Hill submitted information on the City's vacant lands as part of its USA amendment application material. The maps and vacant lands data / reports submitted by the City are included in Appendix Z. Using the City's information, LAFCO staff has prepared a vacant lands inventory that describes the current supply of vacant land within the City's existing boundaries.

LAFCO considers lands vacant when they are undeveloped and/or underutilized and for which no active building permits have been issued.

The City has identified such lands, however, the City has indicated that not all such vacant land is available for development because of one of the following reasons (1.) property owners have filed for and not yet received entitlements; (2.) lands are constrained by natural features or the landowner is unwilling to sell / develop the land; and (3.) property owners have completed one or more planning processes but not begun construction.

RESIDENTIAL VACANT LAND INVENTORY

As seen in Table 1, 799 acres of land designated for residential development within the city limits, remains vacant. However only approximately 31% of the vacant residential land (i.e., 250 acres) is considered by the City to be available for development.

Table 1: City of Morgan Hill Residential Vacant Lands Inventory 2015

LAND USE	2015 VACANT ACREAGE (ACRES)			ALLOWED DENSITY (UNITS /ACRE)	MAX. POTENTIAL UNITS BASED ON (A)	MAX. # UNITS BASED ON (C)	AVG. # UNITS BASED ON (C)
	LAFCO DEFINITION (A)	UNAVAILABLE SITES (B)	CITY DEFINITION (A – B = C)				
RESIDENTIAL							
Single-Family Low	115	94	21	1-3	345	63	42
Single-Family Medium	203	178	25	3-6	1,218	150	113
Single-Family High	0	0	0	5-10	0	0	0
Residential Estate	243	149	94	0-1	243	94	47
Multi-Family Low	107	66	41	5-14	1,498	574	390
Multi-Family Medium	40	12	28	14-21	840	588	490
Multi-Family High	0	0	0	21-40	0	0	0
*Mixed Use	23	6	17	8-20	230	340	119
*Non-Retail Commercial	28	4	23	8-18	252	414	299
Open Space	40	40	0	--	--	--	4
Total	799	549	250		4,626	2,223	1,500

* For the purposes of the mixed-use districts (Mixed Use and Non-Retail Commercial) it is assumed that 50% of the acreage would be developed with residential uses).

Based on the lands' existing residential zoning designations, up to 4,626 units could be constructed on the 799 acres of vacant land; up to 2,223 units could be constructed on the 250 acres of vacant land considered by the City to be available for development. The City states that most residential projects build between the low-end to middle of the allowed density range. Using the middle of the various density ranges, approximately 1,500 units would be built on 250 acres of vacant land available for development.

Table 2: Ten–Year New Residential Building Activity in Morgan Hill

YEAR	NEW RESIDENTIAL BUILDING PERMITS ISSUED
2005	250
2006	230
2007	170
2008	155
2009	75
2010	75
2011	143
2012	205
2013	330
2014	268
10-YEAR AVERAGE	**190**

City's 10-year average number of building permits per year for new housing units = 190

Maximum number of housing units on 799 acres of vacant residential designated land within city limits = 4,626 units

Number of years of vacant residential land supply within city limits = 4,626/190

= 24 years*

Number of housing units on City's estimate that only 250 acres (or only 31% of 799 acres) of the total vacant residential designated land is available for development

= 1,500 units (avg.) to 2,223 units (max.)

Number of years of residential land supply, based on the City's estimate that only 31% of the residential vacant land is available for development

= 1,500/190 to 2,223 /190

= 8 to 12 years*

COMMERCIAL VACANT LAND INVENTORY

The City has indicated that it has 164 acres (7,143,840 square feet) of vacant land designated for commercial uses within the city limits. The City has also indicated that while the absorption rate of commercial land has varied over the years, the absorption rate for 2014 (most recent year with complete data) was 47,506 square feet. The City has also indicated that commercial development tends to be one-story high with the total ground floor area covering no more than 30 percent of the available land area.

Vacant commercial land within city limits = 7,143,840 square feet

Assuming only 30% land coverage ratio = 2,143,152 square feet

Assuming annual absorption of commercial space = 47,506 square feet

Number of years of commercial land supply = 2,143,152 / 47,506

= 45 years*

* This estimated vacant lands supply does not include any land proposed for inclusion in the City's current USA amendment applications and does not include any additional lands contemplated for USA inclusion through the City's General Plan 2035 update process that is currently in progress.

INDUSTRIAL VACANT LAND INVENTORY

The City submitted an Industrial Land Absorption Study prepared by the City's consultant in May 2015, as part of its USA application packet and then provided updated Supplemental Information in December 2015, to reflect more recent General Plan amendments approved by the City Council.

According to the City, there exist 230 acres (10,018,800 square feet) of vacant land designated for industrial uses within the city limits. The City assumes that industrial development tends to be one-story high with the total ground floor area covering no more than 30 percent of the available land area. The City has also indicated that the annual absorption rate of industrial land varies between 44,700 to 111,400 square feet.

Vacant industrial land within city limits = 10,018,800 square feet

Assuming only 30% land coverage ratio = 3,005,640 square feet

Estimated annual absorption of industrial square footage = 44,700 (low); 111,400 (high)

Number of years of industrial land supply (low absorption rate) = 3,005,640 / 44,700
= 67 years*

Number of years of industrial land supply (high absorption rate) = 3,005,640/ 111,400
= 27 years*

* This estimated vacant lands supply does not include any land proposed for inclusion in the City's current USA amendment applications and does not include any additional lands contemplated for USA inclusion through the City's General Plan 2035 update process that is currently in progress.

LAFCO
Local Agency Formation Commission of Santa Clara County

APPENDIX Y

REVIEW OF THE CITY OF MORGAN HILL'S AGRICULTURAL MITIGATION PROGRAM

In November 2014, the City of Morgan Hill adopted the City's Agricultural Lands Preservation Program and in July 2015, the City adopted an Agricultural Mitigation Ordinance in order to implement the Program – the majority of the Ordinance is a restatement of the Program without further specifics. The City states that the City's Program is "consistent with LAFCO's Agricultural Mitigation Policies, and would produce the desired outcome of mitigation at a ratio of 1:1 through the establishment of permanent preservation easement." However, LAFCO staff has reviewed the City's program and Ordinance and determined that the Program differs from LAFCO's Agricultural Mitigation Policies in significant ways, and that certain aspects of the Program are vague or lack sufficient clarity to such a degree that the likely effectiveness of the City's Program is questionable.

LAFCO staff has raised these and other concerns about the City's Mitigation Policies since 2010. Similar concerns were also raised by various public agencies and other entities including the Santa Clara Valley Open Space Authority, County of Santa Clara and American Farmland Trust.

Agricultural Priority Area Boundaries are Illogical

Under the City's Agricultural Lands Preservation Program, the 650 acre Agricultural Priority Area within the Southeast Quadrant (SEQ), is the City's first priority geographic area for conservation. Figure 1 depicts the boundaries of City's Agricultural Priority Area.

The boundaries of the proposed Agricultural Priority Area are illogical (some of the lands are located in the City's UGB, which indicates lands delineated for urban growth), and particularly when coupled with the various elements of the SEQ Land Use Plan are unlikely to fulfill the City's stated objective of preserving and encouraging long-term viability of agricultural lands.

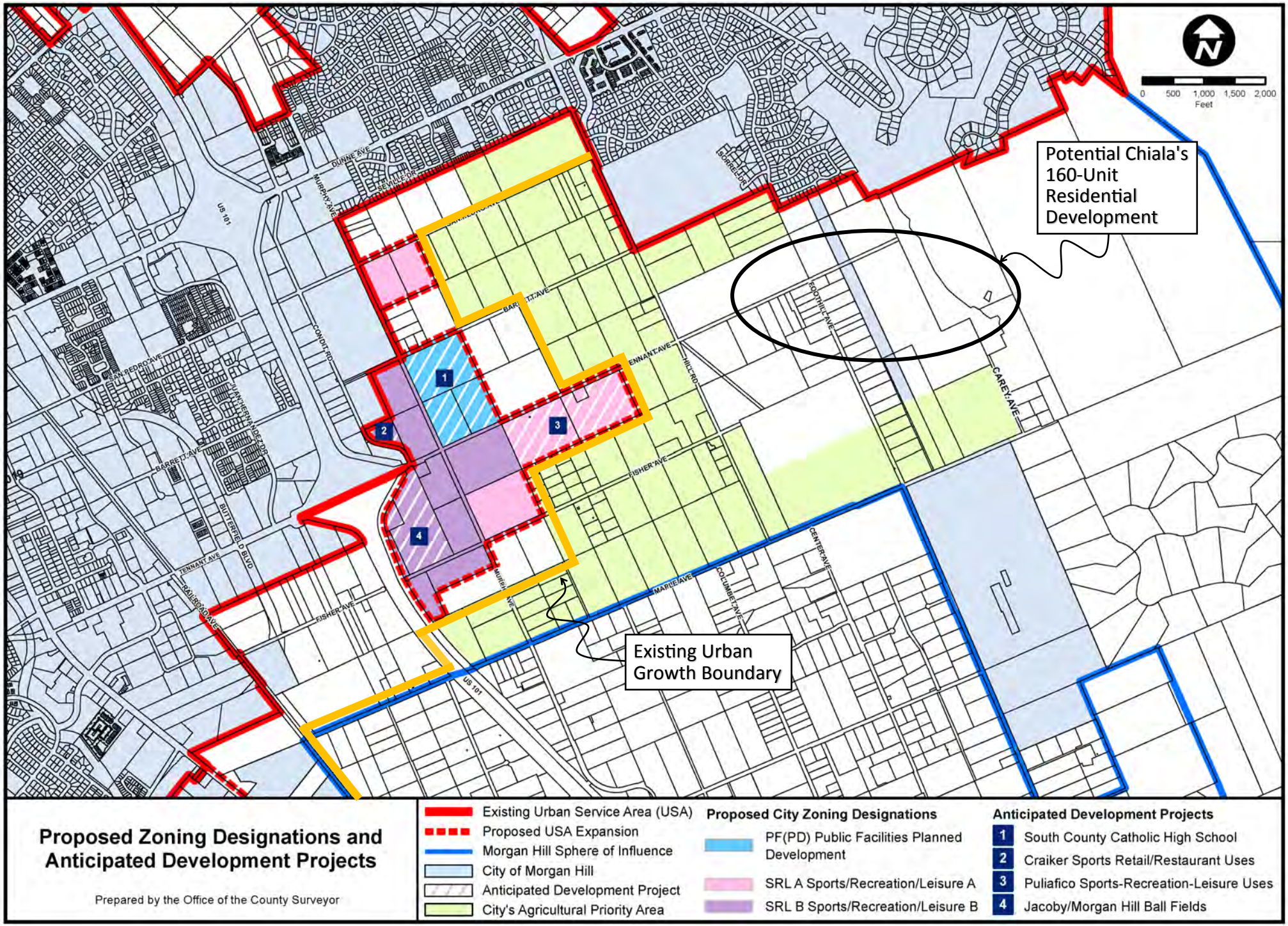
The proposed Agricultural Priority Area includes lands sandwiched between and potentially surrounded on three sides by, lands proposed to be included within the city

limits. The surrounding city lands are proposed to be designated for urban uses such as "Sports Recreation and Leisure" which would allow for "private commercial, retail, and /or public /quasi-public, at a scale that creates a destination area for both regional and local users..." Potential development in the area may include a private 65,105 square feet private high school for 1,600 students, 6 outdoor softball/baseball fields complex, nearly 200,000 square feet of retail, including restaurants, offices, gas stations, hotels, indoor sports, , indoor sports facilities for indoor soccer, batting cages, volleyball courts, ropes challenge course, medical offices for minor sports related injuries, and other commercial recreation and sports fields - provide a picture of the type of development likely to occur in the area. Given the potential for direct land use conflicts between such high intensity, regional serving urban uses and agriculture, and the additional impacts of extending roads, and services around the Agricultural Priority Area to serve the new development, it is improbable that the City's efforts to prioritize agriculture in this area will be successful.

Furthermore, it is our understanding that through its current General Plan Update, the City is considering a potential proposal/plan for lands within the greater SEQ – the Chiala's proposal would allow for the construction of 160 new single-family residences immediately to the east of the agricultural preservation area through a potential transfer of development rights program. If implemented, such a development would also create land use conflicts with surrounding agricultural lands and encourage development of additional lands.

The City has not provided an explanation for setting these irregular boundaries for its Agricultural Priority Area. Further, such irregular boundaries will result in increased land values in the priority area due to speculation, drive-up the cost of agricultural mitigation to a point where preservation is financially infeasible, and discourage farmers and conservation entities from making any long-term agricultural investments in the area.

The City indicates that its second priority is the preservation of rural agricultural lands within the sphere of influence of Morgan Hill. However, it is our understanding that the City General Plan 2035 is considering land use alternatives that likely include urbanization of additional lands in the City's sphere of influence, thus further limiting their availability for agricultural purposes.



Proposed Zoning Designations and Anticipated Development Projects

Prepared by the Office of the County Surveyor

- Existing Urban Service Area (USA)
- Proposed USA Expansion
- Morgan Hill Sphere of Influence
- City of Morgan Hill
- Anticipated Development Project
- City's Agricultural Priority Area

Proposed City Zoning Designations

- PF(PD) Public Facilities Planned Development
- SRL A Sports/Recreation/Leisure A
- SRL B Sports/Recreation/Leisure B

Anticipated Development Projects

1. South County Catholic High School
2. Craiker Sports Retail/Restaurant Uses
3. Puliafico Sports-Recreation-Leisure Uses
4. Jacoby/Morgan Hill Ball Fields

Proposed Funding in the City's Program is Insufficient to Achieve 1:1 Mitigation in its Agricultural Priority Area

The City's Agricultural Lands Preservation Program intends to preserve agricultural lands within Morgan Hill's sphere of influence with a focus for land preservation in the SEQ area. The City's Agricultural Lands Preservation Program requires mitigation at a ratio of 1:1, i.e., one acre of in-perpetuity of farmland preservation for each acre of farmland conversion. The City anticipates that agricultural preservation in-lieu fee, including the program surcharge fee, would be approximately $15,000 per acre, which the City indicates is based on the 2013 Mitigation Fee Nexus Study. The Mitigation Fee Nexus Study, prepared for the City indicates that the cost of acquiring a conservation easement would be approximately $47,500 per acre in the Morgan Hill area and approximately $12,750 per acre in the Gilroy area. Therefore, anticipated fees alone will be insufficient to achieve the desired 1:1 mitigation in the Morgan Hill area. No explanation is provided for establishing a fee that does not cover the mitigation costs in the preferred/priority area.

Given the amount of the proposed in-lieu fee and lack of information on the availability of other funding sources, it is impossible to conclude with any certainty that the proposed program will result in conservation of agricultural lands in the priority area or if the program will be sustained or effective over the long term.

City's Definition of "Agricultural Land" Could Result in Some Prime Farmland being exempted from Mitigation Requirements

Under the City's Ordinance and Program, lands identified as "Grazing Land" on the 2010 map of the Farmland Mapping and Monitoring Program are not subject to the offsetting preservation/mitigation requirement. However, it is well know that many lands identified as grazing land on the Important Farmlands Map, are simply prime farmland left fallow. Given the limited amount of prime farmland left in the County, "Grazing Land" should not be exempted from the mitigation requirement without first confirming that these lands are not prime farmland. If it is determined that these lands are prime farmland, then they too should be subject to the offsetting preservation / mitigation requirement. Further, the City's definition of agricultural land differs from the definition included in LAFCO policy and state law which LAFCO is required to use.

According to the Cities Service Review adopted by LAFCO in December 2015, a countywide analysis of changes in the amount of "Important Farmland" (farmland that is Prime, Unique and of Local Importance) in Santa Clara County found that the amount of designated land shrank 36.6 percent from 42,173 to 26,748 acres between 2002 and 2012. However, while there was a 15,424 acre reduction in the amount of Important Farmland, the amount of land in urban use increased by only 4,155 acres. During that same time period, there were virtually no expansions of city urban service areas. So the active conversion of land to urban use or the anticipation of urban use (resulting from USA expansion) is clearly not the main cause of Important Farmland loss. In fact, the

farmland may not be "lost." Because the definition of important farmland is land that is irrigated and being actively farmed, the "loss of farmland" may only be related to the discontinuation of active farming.

Ordinance Allows for the Exclusion of Certain Portions of a Property when Calculating the Total Agricultural Mitigation Acreage Requirement

The City's Ordinance and Program allows for the exclusion of certain portions of property when calculating the total agricultural mitigation requirement for properties with a General Plan land use designation of Open Space, Public Facilities, or Sports - Recreation-Leisure. Portions of a property that are considered part of the developed footprint will be subject to mitigation. Portions of property located outside of the developed footprint that are, at least 10 acres in size when aggregated, qualify for exclusion from the developed footprint calculation and thus the agricultural mitigation requirement. It appears that the rationale for excluding certain portion of property from a mitigation requirement is that these lands could be used for agriculture in the future.

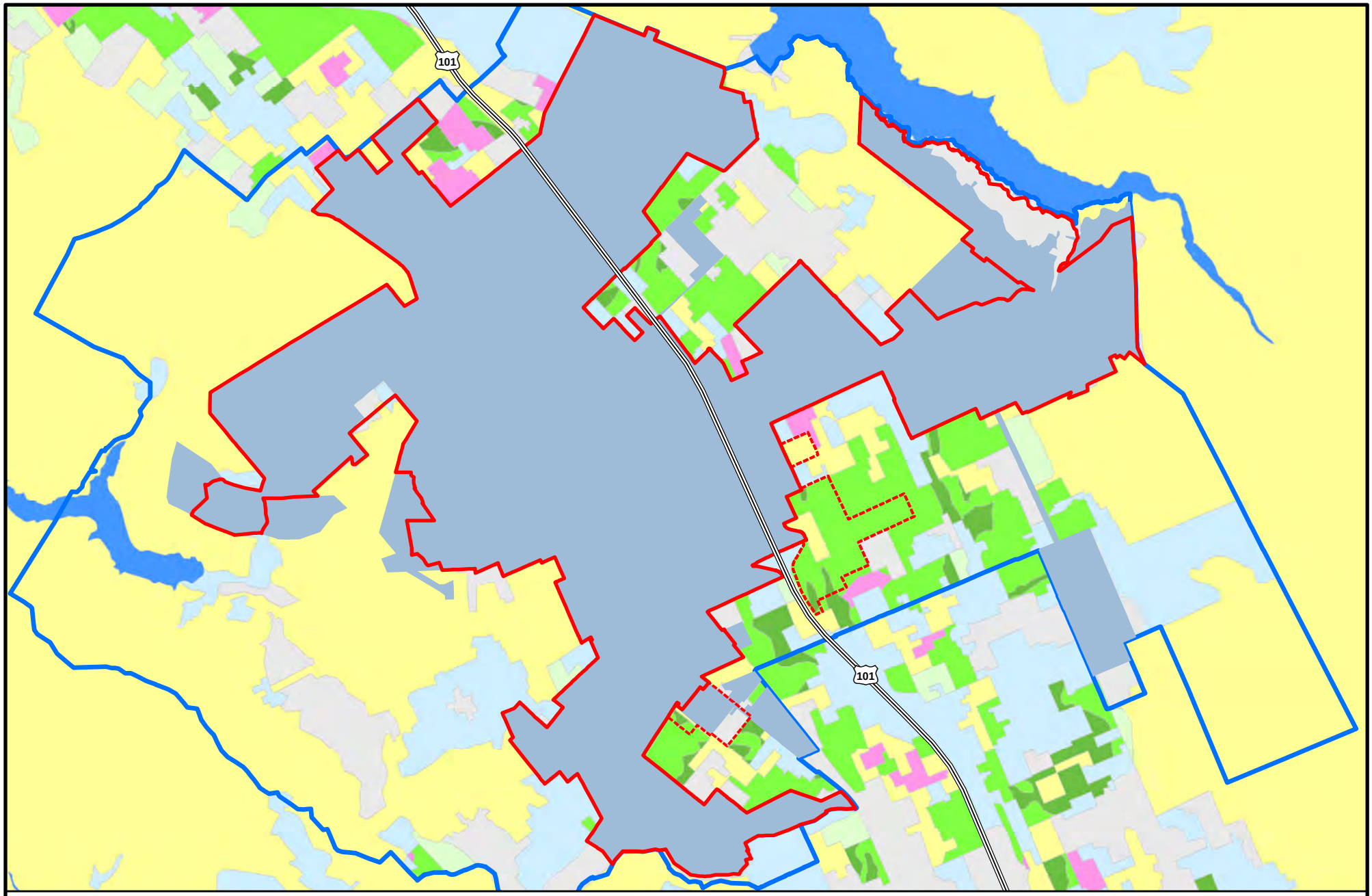
This exemption is inconsistent with the intent of LAFCO's Agricultural Mitigation Policy. The USA of a city delineates land that will be annexed to the city, and provided with urban services/facilities and developed with urban uses. Based on this, it is implicit that any land proposed for inclusion in a City's USA will be converted to support urban development unless the land is protected as agricultural land in perpetuity by a conservation easement. Therefore, it is not appropriate to exclude certain portions of property unless the lands are preserved in-perpetuity through a conservation easement.

City's Ordinance and Program Strongly Lean towards Selecting a Non-Profit Conservation Organization as the Implementing Entity (Qualifying Entity)

The City is in the process of determining what organization or agency will be the Implementing Entity (Qualifying Entity) that will hold the agricultural conservation easements or open agricultural land conservation easements, receive in-lieu fees, and collect management and monitoring fees. Although government agencies are not excluded from being an Implementing Entity, the City's Ordinance and Program express a strong preference for the Entity to be a non-profit conservation organization. It remains unclear why non-profit status is emphasized and whether public agencies that meet the remaining criteria but are not non-profits would be eligible to be an Implementing Entity. There are many benefits associated with using a public agency for agricultural preservation purposes, such as greater public accountability and transparency requirements, financial stability, publicly elected Boards, and better access to certain government grants and funds.

The City of Morgan Hill has yet to identify an agricultural conservation identity

Based on this review, staff believes that key elements of the City's agricultural mitigation ordinance and agricultural preservation program/policy are problematic and the program will be ineffective in preserving agricultural lands.


101
101
Important Farmlands
Morgan Hill City Limits
Existing Urban Service Area (USA)
Morgan Hill Sphere of Influence
Urban and Built-Up Land
Grazing Lands
Farmland of Local Importance
Prime Farmland
Farmland of Statewide Importance
Unique Farmland
Water
Other Land
Proposed USA Expansion
N

APPENDIX Z

- City's Application Material (October 2015)
- Supplemental Information (December 2015)
- City's Responses to Requests for Further Information
- Additional Information (February 11, 2016)

CITY OF MORGAN HILL

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APPENDIX Z

October 2, 2015

Neelima Palacherla, Executive Officer
LAFCO OF SANTA CLARA COUNTY
70 West Hedding Street
11th Floor, East Wing
San Jose, CA 95110

SUBJECT: **LETTER OF REQUEST FOR MORGAN HILL URBAN SERVICE AREA AMENDMENT, 2015 LAFCO APPLICATION – Sports - Recreation - Leisure District and Monterey-South-Hordness/City of Morgan Hill Urban Service Area Amendment**

Dear Ms. Palacherla:

The City of Morgan Hill respectfully requests the Local Agency Formation Commission (LAFCO) consideration of the expansion of the Morgan Hill Urban Service Area (USA) boundary to include areas referred to as the Sports - Recreation - Leisure District USA Amendment Area and Monterey-South-Hordness - City of Morgan Hill USA Amendment Area. These two USA boundary adjustments would directly advance several City objectives, notably:

1. Implementation of the City's Agricultural Lands Preservation Program by funding the acquisition of agricultural land conservation easements;
2. Establishment of a Sports - Recreation - Leisure District, a key component of the City's economic development strategy, by allowing for the development of community and regional serving facilities;
3. Provision of educational and cultural facilities for Morgan Hill residents by allowing the construction of a new private high school and recreational facilities;
4. Efficient use of existing City infrastructure to serve existing urban uses as well as to serve new development envisioned within the City's General Plan;
5. Funding of improvements to existing infrastructure through new development consistent with the City's Desirable Infill policies;
6. Regularization of City boundaries by aligning USA and City boundaries.

The Sports - Recreation - Leisure District USA Amendment Area (SRL District) is located along the east side of Highway 101 at the intersection of Highway 101 and Tennant Avenue. The area is generally to the south of San Pedro Avenue and within an area known as the South East Quadrant.

The site is outside the current Urban Service Area but within the City's planning Sphere of Influence, Urban Growth Boundary (UGB) and Urban Limit Line (ULL). The SRL District project encompasses 21 parcels totaling approximately 215 acres or 17% of the approximately 1,290 acres within the Southeast Quadrant (Figure 1).

The Monterey-South-Hordness / City of Morgan Hill project covers a geographically contiguous area located on Monterey Road, south of Watsonville Road. This area encompasses 17 parcels totaling approximately 65 acres. All of these parcels are located outside of the City's Urban Service Area but seven of them are located within the City boundaries. All of the parcels are located within the City's Urban Growth Boundary (UGB) and Urban Limit Line (ULL). Thirteen of the parcels, shaded grey on the 'Project Parcels Data Table', were part of a previous application for Urban Service Area Amendment filed in October 2012. This application requested the Local Agency Formation Commission (LAFCO) consideration of the expansion of the Morgan Hill Urban Service Area (USA) boundary to include a project area referred to as 'Monterey-South of Watsonville' which included the said 13 parcels and 4 additional parcels at the intersection of Monterey Road and Watsonville Road. In October 2013 LAFCO approved inclusion of the smaller area encompassing these four parcels (APNs 779-040-056, 001, 003 and 004) within the City's USA. The Monterey-South-Hordness / City of Morgan Hill Urban Service Area Amendment request encompasses the 13 parcels that were not included in the Urban Service Area expansion in 2013 and four additional parcels (APNs 779-04-011, 012, 013, 058).This area is shown in Figure 2.

I hope you find this submittal includes all the information you need to process the Morgan Hill Urban Service Area Amendment, 2015, LAFCO application. If you have any questions or require additional information, please do not hesitate to contact me via phone or email at 408-310-4657 or Andrew.Crabtree@morganhill.ca.gov. Included below is the reasoning for the requested amendment. The application packet contains the items listed in LAFCOs filing requirements for Urban Service Area amendments. I sincerely appreciate your assistance throughout this process.

Best Regards,

Andrew Crabtree
Community Development Director
City of Morgan Hill

City Rationale for this USA Expansion Request

The City of Morgan Hill has a well established commitment to land use planning best practices, including the City's rigorous use of a growth management system (known as the Residential Development Control System or RDCS) to maintain a steady growth rate, discourage irregular growth patterns and insure that the City is able to provide affordable housing, open space preservation, infrastructure and community amenities as the community grows. The RDCS was developed and adopted through a citizen initiative process in the 1970s to temper the rapid and largely unplanned growth of the previous decade, which had an effect that can still be seen in the City's development pattern. The City has continued to refine its growth management and land use planning policies to support a beneficial amount of growth consistent with community values.

Morgan Hill is proud of its small town character, strong sense of community and proximity to open space and seeks to promote these desirable qualities through thoughtful land use planning. The City Council and community take pride in being regional leaders in providing affordable housing, preserving open space and hillsides, water conservation, and for recently adopting a forward thinking Agricultural Lands Preservation Program.

Moving forward, the City seeks to build upon its previous success by maintaining a steady, well-defined, and responsible rate of growth, providing housing to support the region, while also maintaining the City's jobs / housing balance. City policies support the ongoing revitalization and intensification of the City's Downtown, including new higher density housing, commercial and mixed-use projects currently under construction or in the entitlement process. Through the City's comprehensive General Plan update process, scheduled for completion in 2016, the City has identified additional sites to support multi-family housing closer in to the City's core areas. The City also highly values the preservation of viable agricultural lands within the City's Sphere of Influence and the prevention of needless sprawl, consistent with LAFCO objectives.

It is the City's sincere intent to advance responsible land use development through the expansion of its Urban Service Area to include the two districts addressed within this application. Each property included within the application has been carefully considered by the City's Planning Commission and City Council, staff, land use, economic, and agricultural preservation experts, and community stakeholders through extensive planning processes. In the case of the proposed Sports - Recreation - Leisure (SRL) District, the City's planning processes include more than 10 years of public hearings and community engagement efforts.

More recently, Morgan Hill made a significant revision to its envisioned application when a significant area (approximately 454 acres) of the eastern portion of the SEQ was removed from proposed annexation and now will remain in the County. This change was made after learning of specific concerns from LAFCO staff, County Planning staff, Open Space Authority staff, and other stakeholders related to the City's intentions for this area. As a result, the City believes that the proposal before LAFCO reflects its genuine commitment to preserve viable agriculture while advancing its economic and community development goals.

It is thus with well thought-out consideration and a commitment to careful stewardship of the City's land resources that the City is submitting the subject USA Expansion request. The following discussion provides further detail as to how this request will help to fulfill the City's objectives of preserving agricultural lands, promoting economic development, utilizing existing infrastructure and enabling the more efficient delivery of urban services.

Sports - Recreation - Leisure District USA Amendment Area (SRL District)

The proposed SRL District expansion would allow the development of sports and recreational uses and a private high school on lands along the eastern edge of Highway 101, just south of the City's existing City limits, and adjacent to the City's existing Outdoor Sports Complex and Aquatics Center. In addition to the proposed development of a private Catholic high school, which would provide a faith-based educational opportunity not currently available within the South County, current planned development includes a City-owned baseball/softball complex, various indoor and outdoor recreational facilities, and supporting commercial uses. The boundaries of the SRL District application are a subset of the SRL lands identified within the City's General Plan and were determined to be consistent with the desire of respective property owners to be incorporated into Morgan Hill.

Prior to the current Urban Service Area Amendment request, the Morgan Hill City Council adopted General Plan Land Use Designation changes and prezonings for the parcels included in the amendment area as specified in the Table entitled 'Sports-Recreation-Leisure District Parcels' included with this application. Per the recently adopted General Plan and Zoning, the parcels included in this amendment request are intended to support the development of Sports/Recreation/Leisure (SRL) uses on approximately 177 acres and development of a private high school on approximately 38 acres, consistent with the SRL and Public Facility land use designations respectively applied to those properties. The City adopted a Planned Development (PD) prezoning for the school site consistent with the specific development proposed for that property. The SRL and PF (PD) pre-zoning are consistent with the said General Plan designations.

The SRL zoning district consists of two sub districts, SRL-A, and SRL-B, which are distinguished by the allowed intensity of development. The SRL - A sub district supports lower intensity recreational uses, including adventure sports/facilities, batting cages, equestrian centers, and indoor/outdoor sports centers. The SRL – B sub district supports low and medium intensity recreational and associated commercial uses, including conditionally uses such as service stations, restaurants, hotels, and stadiums. The SRL – B sub district pre-zoning is applied generally to properties close to Highway 101, while the less intense SRL-A sub district is applied to properties intended to serve as a buffer between the SRL B sub district and adjacent agricultural uses with the goal of enabling the long-term preservation of those agricultural lands.

In the near-term, in addition to the proposed private high school which will ultimately be a 210,441 square foot indoor facility, sufficient to accommodate 1,600 students and 125 staff, the City is actively working toward the development of a baseball/softball sports field complex that would be located within the SRL district. Other uses are speculative at this time, but an economic consultant developed a likely development scenario for the SEQ amendment area that includes the development of sports oriented retail and restaurant uses, a sports medical office building, a 100,000 square foot indoor sports complex, two 120-room hotels, a gas station, and approximately 138 acres of assorted sports fields. This development scenario was developed based on uses supported by the SRL General Plan and Zoning designations and likely market conditions and analyzed at a programmatic level of detail in the 'Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan' project Environmental Impact Report (EIR). The proposed high school was evaluated at the project level in the EIR. These uses are discussed further in the Fiscal Analysis Report prepared for this area of the Morgan Hill USA Amendment, 2015, application. Supplemental or subsequent environmental review will be required at a 'project level' for the other SRL uses to address project level detail once such projects are initiated.

As further discussed below, allowing this proposed development of the SRL District would directly support the preservation of agricultural lands and the advancement of the City's General Plan goals and policies, including key Economic and Community Development Goals.

Agricultural Lands Preservation

As noted in the submittal letter, a key objective for the SRL District USA expansion is to enable future development of sports and recreational uses on a limited portion of the City's Southeast Quadrant area in order to preserve and strengthen nearby agricultural activity through the acquisition of agricultural land conservation easements within the City's identified Agricultural Lands Conservation Area. The City has adopted General Plan goals and policies, a Citywide Agricultural Lands Preservation Program, and an Agricultural Lands Mitigation Ordinance in order to achieve the permanent preservation and enhancement of open space and agriculture areas within the City's Sphere of Influence. The adopted Agricultural Lands Preservation Program and implementing ordinance require any new development within the City that impacts identified farmlands to place an equivalent amount of farmland area under permanent conservation easements. These permanent conservation easements are encouraged in the City's identified Agricultural Lands Priority Preservation Area, which includes the majority of the SEQ. This Program was developed based upon the guidance of highly respected agricultural lands preservation and economic consultants with the objective of providing a feasible set of tools to permanently preserve agricultural lands and agricultural activity consistent with the community's desire to have such uses in close proximity.

The City has also codified elements of the Program in the City's Zoning Ordinance to strengthen and streamline implementation of the Program goals and procedures. The Agricultural Lands Preservation Program includes a "Stay Ahead" provision that requires the City insure conservation easements are acquired in advance or concurrent with actual development. Individual projects thus may establish offsetting easements ahead of or concurrent with development activity. The

Agricultural Lands Mitigation Ordinance also establishes an In Lieu Fee that future projects would be required to pay as a means of mitigation of impacts upon agricultural lands if the establishment of conservation easements is not included directly within the project. Consistent with the Stay Ahead provision, easements acquired using the In Lieu Fee would also need to be fully in place concurrent with the related development activity. The City Council has formally declared an intent to use the City's existing open space funds to further supplement the acquisition of agricultural mitigation lands within the City's identified Agricultural Lands Conservation Area. The City currently has approximately $5 million in open space funds available and anticipates further revenue for this fund through the ongoing implementation of the RDCS.

The City's Agricultural Lands Preservation Program thus will insure that when farmlands are converted to other uses, the City will accomplish the preservation of comparable agricultural land in the City's Agricultural Conservation Priority Area. This approach of a fee-based 1:1 mitigation ratio is similar to other agricultural preservation programs in use within California (e.g., Yolo County, San Joaquin County) that also rely upon the development of some farmland to generate economic support for the conservation of other areas. The City's General Plan and Agricultural Lands Preservation Program also support the use of transfers of development rights or other mechanisms to promote agricultural preservation, but the fee-based conservation easement strategy was determined to be the most feasible tool for addressing a large number of parcels under multiple ownership and with near-term potential to be removed from agricultural use.

To move the City's Agricultural Lands Preservation Program forward, the City is in the process of identifying a third-party entity to administer and implement the program. This strategy is consistent with past communication from other organizations (including LAFCO staff) on how to most effectively manage this effort. Lastly, the City Council adopted a resolution of support for Santa Clara County's "Sustainable Agricultural Lands Policy Framework" grant and will be working with them and other stakeholders now that the grant has been awarded. If it is determined that the City's own program can be enhanced during this collaborative process, the City is committed to taking the necessary actions to ensure its Agricultural Lands Preservation Program is as effective as possible.

<u>Morgan Hill General Plan - Economic and Community Development Goals</u>
LAFCO policies are based on the objectives of insuring orderly growth, preventing sprawl and preserving agricultural and other open space lands. The City's General Plan is the primary planning tool for advancing the goal of orderly growth. The City of Morgan Hill has incorporated within its General Plan a Land Use Diagram and growth management policies that reflect the LAFCO land use planning goals. Inclusion of the proposed amendment area properties in the City's USA would facilitate orderly growth and development patterns, while development in a portion of the SEQ would provide economic incentive to ensure that agricultural activity and open space are maintained and permanently preserved in the larger SEQ area in locations suitable for agriculture, where they might otherwise be converted to residential as well as non-residential uses currently allowable on these lands under the County jurisdiction.

The development of regionally-oriented recreational facilities and commercial uses along Highway 101 is a key economic development strategy identified within the City's General Plan. After conducting extensive analysis, the City has concluded that the proposed USA amendment area provides the most logical location for the establishment of the proposed SRL and private high school uses, consistent with the City's General Plan goals and polices. These policies include encouraging tourist oriented and sub-regional retail uses at the southwest Tennant freeway interchange and providing a high quality education experience for school age children. The Highway 101/Tennant Avenue interchange, one of only three interchanges serving Morgan Hill, provides a high degree of access to the proposed amendment area and represents a significant investment in public infrastructure that should be capitalized upon with land uses that will directly benefit from that infrastructure and provide a return benefit to Morgan Hill. The proposed tourist and recreation oriented commercial development (SRL uses) and the high school would greatly benefit from and add to the utilization of this access to Highway 101, as well as to the proximity of the City's other regionally oriented sports field complex (Outdoor Sports Center) and the Aquatics Center. The project area would also be unique within Morgan Hill in that it would provide the significantly large lots required for the nature of proposed development while also funding the City's Agricultural Lands Preservation Program and establishing land uses compatible with and supportive of the long-term preservation of the adjacent agricultural area.

As part of the City's SEQ stakeholder engagement process, the City consulted with County Planning staff, who suggested three criteria for the City to consider for any proposed USA expansion (and/or annexations):

1) Could the planned land use be accommodated within the existing City limits?
2) Is the location appropriate for the proposed land uses?
3) Would any farmlands lost through annexation and subsequent development be adequately mitigated.

The City does not have other lands designated and zoned for SRL uses or a private high school or that would be feasible to rezone for such uses elsewhere in the City. Although there is vacant industrial and commercial land inventory within the City that theoretically could be converted to support SRL or a private high school use, such lands are not suitably located, of suitable size, or economically feasible to support the proposed establishment of an SRL district as envisioned within the City's General Plan. Furthermore, as concluded through recent economic analyses, the City's existing inventory of vacant commercial and industrial lands is already inadequate to meet the City's long-term goals for economic development and a balanced community that supports a job supply and commercial activity consistent with planned population growth. The City similarly has a limited supply of vacant residential land within its City limits and is contemplating the need for other USA expansions that would allow for continued residential growth while also regularizing the City's boundaries. Thus while the conversion of other commercial and industrial lands would not be feasible to support an SRL district or the development of a private high school, the City also needs to maintain them to have an adequate inventory of employment generating lands for its long-term jobs/housing balance, which is important for Morgan Hill as well as the region as a whole.

Implementation of the proposed SRL District would result in an appropriate land use. SRL uses and the private high school would directly benefit from proximity to Highway 101, the Highway 101-Tennant interchange, existing recreational facilities (the City's Aquatic Center and Outdoor Sports Center), and proximity to each other. Unlike other potential uses (including residential development that could occur within the County), the SRL District uses would be compatible with adjacent agricultural activity and could support that activity by supporting agriculture related tourism activity.

As discussed above, the City has adopted policies and ordinances to mitigate the loss of agricultural lands that would occur with development of the SRL District. Furthermore, the City is looking to that development to help fund its agricultural preservation activities.

The proposed USA Expansion would thus be consistent with these three criteria as well as with LAFCO policies for Urban Service Area Amendment requests.

Monterey-South-Hordness / City of Morgan Hill USA Amendment

The Monterey-South-Hordness / City of Morgan Hill USA Amendment area (amendment area) includes 17 parcels, seven of which are already under the City's jurisdiction and receiving City services including utilities, police and fire. Six of these parcels are currently developed. The other 10 parcels are located outside the City boundary, eight of which are currently developed. All 17 of the parcels are outside of the Urban Service Area boundaries of Morgan Hill.

The seven incorporated properties and six of the 10 properties in the area outside the City boundary described below, along with four properties at the intersection of Monterey Road and Watsonville Road, were part of an Urban Service Area amendment application to LAFCO in October 2012, referred to as Monterey-South of Watsonville. In October, 2013, LAFCO approved extension of the USA to include the latter four properties. The current application includes the remaining 13 parcels that were the subject of the 2012 LAFCO application and four additional residential properties, located on John Wilson Way between the Oakwood School and Morgan Hill Church properties.

A detailed discussion of the City's policies related to USA adjustments evaluating the Monterey-South-Hordness-City of Morgan Hill amendment area under two separate applications: Watsonville-Hordness and Monterey-City of Morgan Hill, is provided in the attached Planning Commission staff reports of September 23, 2014 and August 11, 2015. The following text includes a broad discussion of the nature of development in the amendment area and why its inclusion in the City's Urban Service area is warranted at this time.

Consistent with the fact that seven of the seventeen parcels, constituting more than half (37.43 acres) of the total amendment area (64.49 acres), are already in the city limits (incorporated) and that the area in general consists of properties already developed with urban forms of development, the primary goals for this USA amendment request are to regularize the City boundaries, improve

service delivery efficiencies and implement City of Morgan Hill General Plan goals. The following discussion provides more detail on how these goals would be achieved through the requested USA expansion.

The Incorporated Area:
Development in the incorporated area includes single family residential, non-retail commercial, and institutional uses, and one parcel of vacant land. There is an existing 60,000 square foot public school (Oakwood School) in this area on a 24.9 acre site. Four single-family housing units, and approximately 5,050 square feet of non-retail commercial development encompass five properties. The one vacant/undeveloped incorporated parcel (6.12 acres) is located generally to the west of Monterey Road, between a single family residence to the northwest and businesses to the south east.

The school has been approved for expansion for up to 776 students from 347 students under a Conditional Use Permit issued by the City of Morgan Hill in 2004. The school property is designated Single Family Medium (SFM) under the City of Morgan Hill General Plan and has a corresponding Single Family District R1(9,000) zoning district to be consistent with the General Plan. Private schools are a generally subject to approval through a Conditional Use Permit process as is required within this zoning district.

The remaining six incorporated properties are located along Monterey Road and designated non-retail commercial by the City's General Plan with a CLR PD zoning. No specific development plans are proposed for these six properties. The likely development scenario anticipates future construction of 117,000 square foot of non-retail commercial space on these sites.

The proposed inclusion of the already incorporated area into the City's USA would regularize the City's boundaries by reducing incongruity between the USA and City boundaries, thereby eliminating confusion over jurisdictional lines. The proposed USA expansion would also produce a more regular (rectilinear) boundary line. Furthermore, as earlier indicated, these parcels already receive City services and their inclusion in the Urban Service Area would help facilitate more logical development patterns within the City.

Area Outside of City Boundary:
The remaining 27.06 acre area within the proposed amendment is outside of the existing City limits, but generally developed with urban uses that would be more logically served through Morgan Hill's municipal services. The already urbanized parcels include a church (Morgan Hill Bible Church) on an 8.69 acre site encompassing 2 parcels, five single-family residential units and approximately 4,540 square feet of non-retail commercial development on six sites totaling 8.79 acres. Two parcels are vacant, one of which is 2.20 acres, owned by SCVWD and maintained as open space for future flood control purposes and the other (7.38 acres) is located generally to the west of the SCVWD parcel along Watsonville Road. While the SCVWD parcel will remain in use as flood control channel, the 7.38 parcel is designated for multi-family residential development within the City's General Plan.

The Monterey-Morgan Hill Bible Church (APNs 779-04-016 and 779-04-061) site is currently developed with the church facility, including the church, classrooms, surface parking, a sports field, baseball diamond, and volleyball courts. The Church envisions expanding the facility by 8,400 square feet. The site carries a General Plan designation of Public Facility (PF), with Public Facility (PF) pre-zoning. The church is a Conditional Use under the Public Facilities Zoning District and considered consistent with the General Plan designation for the site. The Church, which provides various social services beneficial to the Morgan Hill Community, would like to expand at the existing location to support its current activities within Morgan Hill. Incorporation of this property into the City's USA would allow for more efficient delivery of urban services to an already urbanized property, while also providing a benefit to the overall health and welfare of the community by allowing the Church to eliminate the leach field in an area subject to flooding.

The most likely development scenario for this area includes, in addition to the church expansion, the development of multifamily housing (123 units) on the vacant parcel adjacent to the SCVWD property, designated Multi Family Residential under the City's General Plan. This vacant parcel was evaluated for agricultural significance as part of the previously adopted initial study/MND for the 2012 Monterey-South of Watsonville project and its conversion found to be a less than significant impact under CEQA. However, because the City has formally adopted an Agricultural Lands Preservation Program and Agricultural Lands Mitigation Ordinance as described earlier, any future development of the property would be required to provide mitigation at a ratio of 1 acre of permanent agricultural conservation for each 1 acre of mapped farmland lost through its development. With the understanding that the loss of agricultural lands associated with the future development of the parcel would be fully mitigated through the City's Agricultural Lands Preservation Program, the City is requesting that the property be brought into the City's USA because its future annexation and development would conform with the City's Desirable Infill policies. Specifically, the development of this parcel would provide the benefit of installation of one-half street improvements along the entire Watsonville Road frontage from the property's western boundary to Monterey Road.

This SCVWD property has a GP designation of Open Space and is pre-zoned Open Space (OS). The land use and pre-zoning designations for this parcel are not anticipated to result in any foreseeable physical changes but rather continuance of the current use of the property. Any future physical changes to the property undertaken by the SCVWD would be subject to environmental review by the District as Lead Agency.

The application includes four residential properties located between the Morgan Hill Bible Church property and the Oakwood School property. These properties are already developed with residential uses at an urban density and no future intensification is anticipated if they are brought into the City's USA. These properties are included in the Urban Services area expansion request so as to avoid the creation of an unincorporated peninsula between the school and the church properties (e.g., to establish a regular, rectilinear boundary) and to allow for more efficient delivery of services by the City to an existing urban use. There are no anticipated plans for development of these properties at this time.

FIGURE 1

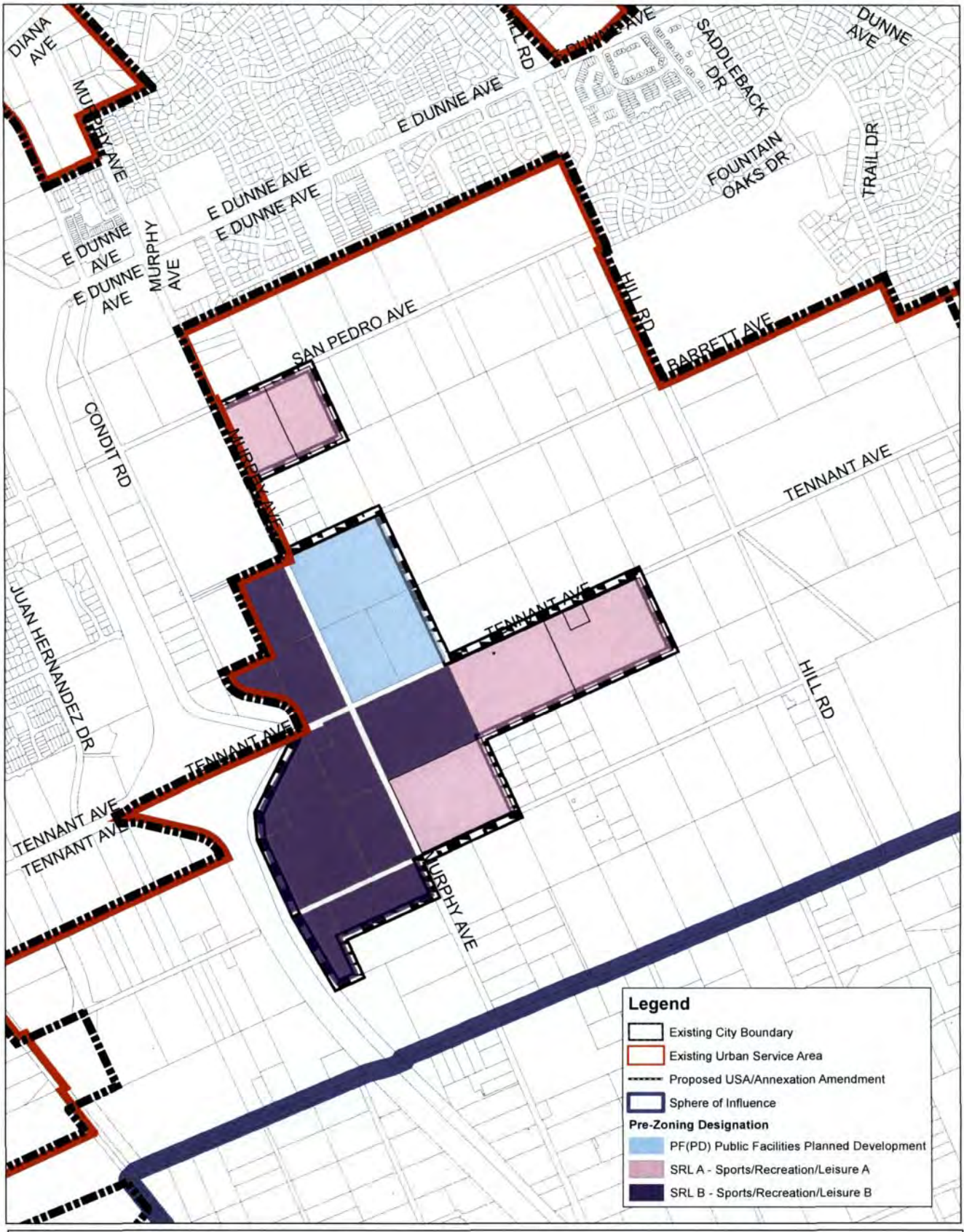

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Exhibit A
ZA-08-04: Condit-Craiker

CITY OF MORGAN HILL

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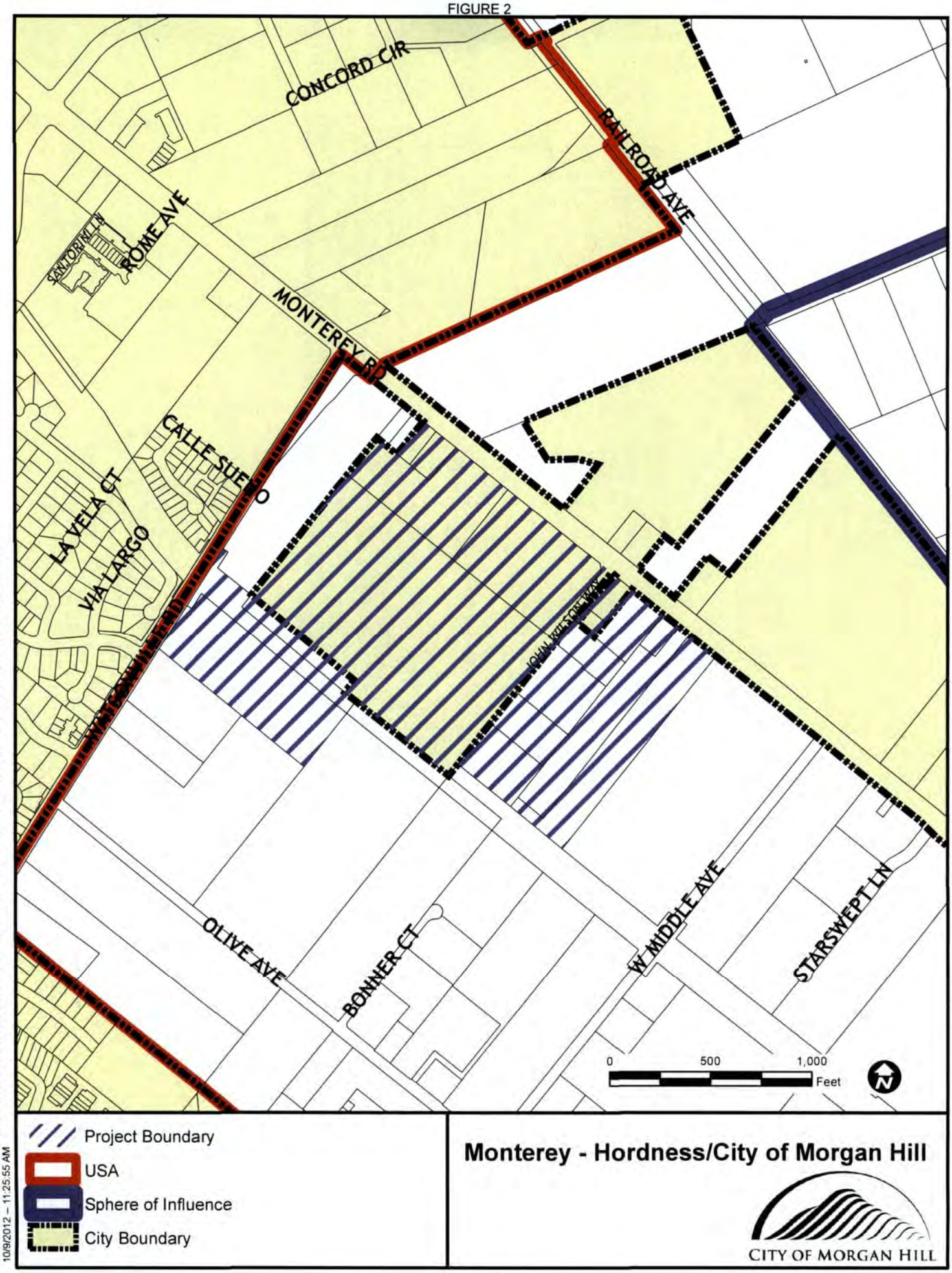
FIGURE 2



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PLAN FOR SERVICES

MORGAN HILL URBAN SERVICE AREA AMENDMENT, 2015

Sports - Recreation - Leisure District

Monterey-South-Hordness/City of Morgan Hill

October, 2015

PLAN FOR SERVICES

INTRODUCTION

The Plan for Services is required by the Local Agency Formation Commission (LAFCO) for USA amendments for services to the affected territory. Affected territory in this instance includes two areas that are the subject of the Morgan Hill Urban Service Area Amendment, 2015, LAFCO Application. These areas are referred to as the Sports-Recreation-Leisure District and the Monterey-South-Hordness / City of Morgan Hill.

Services addressed in this document include water, wastewater, stormwater, solid waste, police services, fire services, school facilities, library services, and parks and recreation facilities. As necessary, the discussion speaks to all of the affected territory or is specific to the two areas.

1. ENUMERATION AND DESCRIPTION OF HOW SERVICES WILL BE PROVIDED AND WHO WILL PROVIDE THE SERVICES TO THE AFFECTED TERRITORY.

Fire

In January 2013, the City of Morgan Hill entered into contract with The California Department of Forestry and Fire Protection (CAL Fire) to provide fire protection and emergency medical services.

The department serves a growing population of 41,000 and covers 13 square miles. Due to its close proximity and cooperative agreement with CAL FIRE, the South Santa Clara County Fire District (SSCCFD) and Morgan Hill Fire Department entered into a boundary drop and resource sharing agreement which increased resource availability and response efficiency for both agencies.

Within the City there are 2 MHFD Stations, each staffing an ALS (paramedic) fire engine. Additionally, SSCCFD Station 1 is located within the City limits (15670 Monterey Street) and responds to City calls for service through the "boundary drop" agreement. MHFD provides emergency services for residential, commercial and wildland firefighting; for medical emergencies; automobile and technical rescue; and other hazardous conditions. The department has a staff of 24 employees.

In 2014 the fire department was reevaluated by The Insurance Service Office (ISO). The ISO data plays an important role in the underwriting process for insurance companies evaluating policies for business, and homeowners insurance. The MHFD now has an ISO rating of 3/3X.

The authority having jurisdiction (AHJ) for fire, rescue, and emergency medical services (EMS) typically strives to respond the closest appropriate resource to emergency calls. Since the location of the nearest fire station does not always correspond to established city or district boundaries, agreements (e.g. automatic aid, mutual aid, and boundary- drop) are developed between the AHJ and the agency controlling the closest resource(s) to ensure the response of the closest units to an emergency. These formal, written agreements are almost universally based on a reciprocal exchange of similar resources, without monetary compensation. Automatic aid agreements currently exist between MHFD and 5SCCFD.

The majority of the areas are within 5 miles of an existing MHFD or SSCCFD Fire Station. All of the parcels in the affected territories are not in State Responsibility Area (SRA). The SRA designation means that the California Department of Forestry and Fire Protection (CAL FIRE) has jurisdictional responsibility for suppression of fires involving, or threatening, the watershed and other resource values.

No new facilities or personnel will be needed to adequately provide service to these sites once they are annexed into the City. Seven of the parcels totaling 38.77 acres in the Monterey-South-Hordness-City of Morgan Hill area proposed for inclusion in the Urban Service Area Boundary, are already located within the Morgan Hill City limits and receive city services.

Police

The City of Morgan Hill Police Department will provide services to the subject areas. The headquarters of the Morgan Hill Police Department is located at 16200 Vineyard Boulevard. The department currently employs 36 sworn officer positions, six paid reserve police officer positions, and 23 non-sworn support positions. The goal of the Police Department is to respond to Priority One calls under five minutes and Priority Two calls within eight minutes. Priority One calls are reports of a crime in progress or where an injury has occurred and Priority Two calls are reports on felonies and other major calls.

Due to the visitor serving nature of the land uses proposed in the SEQ USA Amendment area, the MHPD anticipates significant increases in service costs associated with development within the Southeast Quadrant. The MHPD anticipates an increase in the number of calls for service based on an increased number of large events that would draw in large number of people from outside the Morgan Hill community. The Department's prior experience indicates that large events are closely related to increases in vehicle break-ins and interpersonal altercations of various kinds. In response to an increased number of large events being held in Morgan Hill, the MHPD is taking a more proactive approach of posting officers on-site at large events, rather than simply responding when a call for service is placed.

According to Margarita Balagso, Police Analyst, the MHPD would need to hire three additional sworn officers, a part time records specialist, and a public safety dispatcher in order to adequately respond to increased demand generated by the proposed project. In addition, the MHPD recommends hiring an additional multiservice officer to address issues associated with the proposed private high school.

Based on a review of its location in relation to established Police patrol areas, the types of land uses, and other factors, the MHPD determined that the inclusion of Monterey-South-Hordness-City of Morgan Hill area generally would not result in disproportionate Police service demands However, the MHPD recently experienced a significant increase in calls for service resulting from the development of a low-income senior housing complex. In the event that the multifamily housing proposed for construction within the Monterey-South-Hordness-City of Morgan Hill area features similar characteristics, the Police Department anticipates potentially needing to hire at least one full-time police officer, as well as one half-time public safety dispatcher,

Schools

The Morgan Hill Unified School District is comprised of 15 schools: nine elementary, two middle, two high schools, a continuation high school, and a community adult school, as well as a Home Schooling Program.

Due to the nature of uses in the SEQ USA Amendment Area, schools are not required to serve this area. The schools that would serve the Monterey-South-Hordness-City of Morgan Hill area are San Martin/Gwinn Elementary School, located at 100 North Street in San Martin, roughly 1.6 miles southeast of the site; Lewis H. Britton Middle School, located at 80 West Central Avenue, roughly two miles northwest of the site; and Ann Sobrato High School, located at 401 Burnett Avenue, roughly 4.3 miles north of the site. The Oakwood School, a private K-12 school, is located in the project area.

Using the Morgan Hill Unified School District's student generation rate of 0.4102 students per new multi-family housing unit, the number of students anticipated to be generated by the 'Monterey-South of Watsonville' project would be approximately 50 students.

The School District converted San Martin/Gwinn Elementary School to a K-8 school and is short on capacity as a result. The School District is in the process of developing a new elementary school. Per Kirsten Perez of the Morgan Hill Unified School District, once the new school is opened the District would need to adjust attendance boundaries, but no new facilities would be needed to serve the Monterey-South-Hordness-City of Morgan Hill area.

Library Facilities

The Santa Clara County Library System serves residents and property owners in the cities of Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Milpitas, Morgan Hill, Saratoga, and all unincorporated areas of Santa Clara County, including the affected territories. The system operates one library in Morgan Hill, which is located at the Morgan Hill Civic Center. The 26,000-sf library was constructed in 2007 when the population was 38,193. There is a master planning process in early stages that would address future expansion needs.

Parks and Recreational Facilities

The City of Morgan Hill currently owns approximately 207 acres of public parkland. The City maintains two community parks, five neighborhood parks, two neighborhood/school parks, and 15 mini-parks, in addition to its public trail system and open space. The closest park to the project site is Paradise Park, located at the corner of La Crosse Drive and Calle Enrique, less than one mile west of the site. The City also owns and operates special use facilities for recreational purposes. These facilities include the Morgan Hill Aquatics Center, Community and Cultural Center, the Centennial Recreation Center, the 40-acre Outdoor Sports Center, and skateboard/bmx park. The likely scenario for the development of Sports/Recreation/ Leisure (SRL) uses in the SEQ USA Amendment Area is anticipated to yield 142 acres in sports fields upon annexation.

The City of Morgan Hill General Plan includes a policy to achieve a standard of five acres of parkland per thousand population. According to the California Department of Finance, 2015 estimates, the population of Morgan Hill is 41,779.

Water

The City of Morgan Hill provides potable water service to its residential, commercial, industrial, and institutional customers within the City limits. The City of Morgan Hill currently relies on groundwater as its sole water supply source. The groundwater basin underlying the City is part of the Santa Clara Valley groundwater basin and is managed by the Santa Clara Valley Water District (SCVWD). Groundwater is pumped from the Coyote Valley subarea of the Santa Clara Subbasin to the north and the Llagas Subbasin to the south.

Groundwater supplies are recharged through infiltration of rainfall, seepage from the surrounding hills, seepage into and

out of the groundwater basin, and net irrigation return flows to the basin. To supplement the naturally occurring recharge sources, the Santa Clara Valley Water District manages a recharge program whereby water is imported from outside of the valley and introduced into the ground water aquifer system by means of a system of recharge basins throughout the South County. Imported water is piped to these basins where it percolates into the ground water system. SCVWD's recharge program includes imported raw water and water stored in local reservoirs.

The City's water system facilities include 17 groundwater wells, 13 potable water storage tanks, 10 booster stations, and over 160 miles of pressured pipes ranging from two to 16 inches in diameter.

The existing water system in the vicinity of the SEQ USA Amendment Area includes the following:

- 12-inch pipes in Tennant Avenue west of Condit Road,
- 12-inch and 10-inch pipes in Condit Road from Tennant Avenue to East Dunne Avenue,
- 8-inch and 10-inch parallel pipes in East Dunne Avenue from Hill Road to Condit Road,
- 16-inch pipes in Barrett Avenue west of Condit Road, and
- 10-inch pipe in San Pedro Avenue approximately 1,000 feet east of Murphy Avenue.

The City's Water Master Plan identifies two capital improvement projects in the SEQ area one of which, a new 16 inch water main in Barrett Avenue and Murphy Avenue, is in the vicinity of the SEQ USA Amendment area. A portion of this project was completed in 2009-2010. A 16-inch water main was constructed in Barrett Avenue from Juan Hernandez Drive, across Highway 101 (US 101), and ended at Condit Road.

There are existing 10-inch water mains in Monterey Road and Watsonville Road adjacent to the project site. The City-operated water main in Monterey Road terminates approximately 350 feet northwest of the northeastern boundary of the Morgan Hill Bible Church site. The City of Morgan Hill currently provides water service to the incorporated portion of the Monterey-South-Hordness-City of Morgan Hill area and will serve future development.

Development of these two areas would cause an increased demand in water for the site. According to the City of Morgan Hill 2010 Urban Water Management Plan, prepared by Risk Management Professionals, the capacity of the system is 18,422 acre-feet per year. The demand generated by the uses in the SEQ USA Amendment Area would be 432 acre-feet per year. This calculation is based on the proposed land use acreages (177 acres for SRL uses and 38 acres for the school) and their corresponding water demand coefficients (2.24 for SRL uses and 0.94 for the school) extracted from the 'Agricultural Lands Preservation Program and Southeast Quadrant Land Use Plan' EIR. Data presented in the Water Supply Assessment for the Southeast Quadrant Area, prepared by Akel Engineering, 2013 shows the City wide demand as 9,596 acre-feet, not including the SEQ area indicating that there are sufficient water supplies to serve the uses and future development in the two areas.

An Initial Study, 2011, was prepared for the 'Monterey-South of Watsonville' project, which included nearly the same parcels that are in the Monterey-South-Hordness-City of Morgan Hill area and considered impacts of the anticipated development in this area. This Initial study indicates that the City of Morgan Hill has the capacity to serve the increased demand. The water demand attributable to the future development in this area is 75 acre-feet per year

Wastewater

The City of Morgan Hill sewer collection system consists of approximately 135 miles of six-inch through 30-inch diameter sewers, and includes 15 sewage lift stations and associated force mains. The system also consists of trunk sewers, which

are generally 12 inches in diameter and larger, that convey the collected wastewater flows through an outfall that continues south to the Wastewater Treatment Facility (WWTF) in the City of Gilroy. The WWTF is jointly owned by the cities of Gilroy and Morgan Hill.

The City of Morgan Hill's sewer system includes the following facilities in the vicinity of the SEQ Area:

- 15-inch and 18-inch pipes in Barrett Avenue west of Condit Road,
- 10-inch pipes in Barrett Avenue from Condit Road to Hill Road,
- 8-inch pipes in Murphy Avenue from Barrett Avenue to San Pedro Avenue, and
- 8-inch pipes in San Pedro Avenue from Murphy Avenue to approximately 1,100 feet west

In addition, one Capital Improvement Program wastewater collection project was completed in 2014.

- An 18-inch sewer pipe was constructed in Barrett Avenue from Railroad Avenue to US 101, and a 15-inch pipe across US 101 ending at Condit Road. Phase 2 of the project is currently in design to replace an existing 10-inch sewer in Barrett Avenue with 15-inch pipe from Condit Road to Hill Road.

The South County Regional Wastewater Authority, a joint powers authority comprised of the City of Morgan Hill and the City of Gilroy, operates the wastewater treatment plant, which treats, recycles, and disposes of wastewater from the two cities. The wastewater treatment plant was built in 1990 and provides secondary treatment consisting of influent screening, aerated grit removal, nitrification, dentrification, oxidation ditches, and secondary clarification. The Environmental Impact Report prepared for the SEQ area of which the Sports –Recreation- Leisure District is a part indicates that the existing facility would have the capacity to serve the proposed increase in service population.

There are existing 24-inch and 30-inch sanitary sewer lines in Monterey Road and a 10-inch sanitary sewer line in Watsonville Road adjacent to the project site. The Initial Study previously prepared for the project indicates that this existing facility has the capacity to serve the proposed increase in service population.

Storm Drain

The City of Morgan Hill's storm drainage system consists of a combination of curb and gutter facilities, curb inlets, underground pipelines, and bubblers that drain into detention and retention basins or to the nearest creek. The affected territory is within the West Little Llagas Creek watershed that drains to Monterey Bay.

There is minimal existing storm drain infrastructure in the vicinity of the SEQ Area (including the High School site). All existing storm drains outfall into Madrone Channel north of Tennant Avenue. There is no existing storm drain infrastructure south of Tennant Avenue. The existing storm drain system includes the following:

- 24-inch, 15-inch and 12-inch pipes west of Condit Road, which provide drainage for the sports field and aquatics center east of Condit Road and existing developed properties east of Condit Road, and
- 42-inch pipes in San Pedro Avenue, which provides drainage for existing residential areas northeast of the SEQ Area.

One Capital Improvement Program project for upsizing the existing San Pedro Avenue storm drain to 48-inch is planned to improve system capacity and service in the SEQ Area

Currently, there are no City storm drainage pipelines or inlet structures within the Monterey-South-Hordness-City of Morgan Hill area. Stormwater flows are conveyed in the open West Little Llagas channel, culverts under Watsonville Road and Monterey Road, and in a local drainage ditch adjacent to Watsonville Road.

Future changes under the Upper Llagas Creek Flood Protection Project (also known as PL566) are planned for the area at the Watsonville/Monterey intersection. This project would extend an earthen channel southward onto APN 779-04-067 that would act to reroute flood waters away from Monterey Road. These modifications would significantly reduce the watershed for the reach of West Little Llagas Creek in the vicinity of Monterey Road from the currently shown 5.6 square miles in the Federal Emergency Management Agency (FEMA) Flood Insurance Study. The stormwater infrastructure at Watsonville/Monterey would then adequately handle 100-Year flood flows from this smaller drainage area without any flooding.

A one-mile diversion channel, a portion of which would be located in APN 779-04-067 on the project site, west of Monterey Road, across Watsonville Road, John Wilson Way, and Middle Avenue is currently in the planning and design stage.

For the purposes of the storm drain system, there is no total capacity standard or unit of measure; all development is required to meet predevelopment flow for the 10-, 25-, and 100-yr storm event

Solid Waste

Recology South Valley provides solid waste and recycling services to the businesses and residents of the cities of Morgan Hill and Gilroy. The City entered into a new contract for solid waste management disposal capacity in 2014 with Waste Solutions Group for disposal at the John Smith Landfill in San Benito County. This facility was expanded in 2012 and, according to its permit (October, 2013) with the Central Coast Regional Water Quality Control Board, has 5.4 million cubic yards of remaining capacity and a projected closure date of 2041. Waste is collected in Morgan Hill via the City's franchise agreement with Recology. Since there are user fees associated with the service, Recology can expand its routes and fleet to accommodate future growth.

2. LEVEL AND RANGE OF SERVICES INCLUDING DETAILED INFORMATION ON THE EXTENT, SIZE, LOCATION AND CAPACITY OF EXISTING INFRASTRUCTURE.

For a description of the size location of existing infrastructure, and capacity analysis please refer to the discussion provided under Question #1, above.

3. ESTIMATED TIME FRAME FOR SERVICE DELIVERY.

Service delivery would be available upon annexation of the subject properties into the Morgan Hill city limits.

4. STATEMENT INDICATING CAPITAL IMPROVEMENTS, OR UPGRADING OF STRUCTURES, ROADS, SEWER OR WATER FACILITIES OR OTHER CONDITIONS THE AGENCY WOULD IMPOSE OR REQUIRE WITHIN THE AFFECTED TERRITORY PRIOR TO PROVIDING SERVICE IF PROPOSAL IS APPROVED.

A portion of Monterey-South-Hordness-City of Morgan Hill application (APN 779-04-052) is proposed to be included in the City's Urban Service Area boundary with a residential land use and zoning designation. In accordance with the

Morgan Hill City Council Policy 94-02, Criteria for Adjustment of the Urban Service Boundary, a benefit to the City must be provided from inclusion of residential property into the Urban Service Area boundary. Acceptable benefits include providing needed infrastructure or allowing the establishment of public facilities. The applicant proposes to provide one-half street improvements along the entire Watsonville Road project frontage. Watsonville Road is planned to be a four-lane arterial. Installing one-half street improvements for a four-lane arterial would be above and beyond what would typically be required of a project, and would improve circulation in the area. Butterfield Boulevard is currently being extended south and connects with the Monterey Road/Watsonville Road intersection. Installation of the half street improvements along the project frontage would provide a desirable transition through the intersection. In accordance with the Desirable Infill Criteria and standards, the applicant is required to install the improvements within five years of the date the area is added to the USA or upon development, whichever occurs first.

5. DESCRIPTION OF HOW SERVICES WILL BE FINANCED

SERVICE	FUNDING SOURCE
Fire	General Fund
Police	Impact Fees for facilities and General Fund
Schools	District adopted developer fees per Leroy F. Greene School Facilities Act of 1998 and Government Code Section 65995
Library Facilities	Community Facilities District Tax and Joint Library District
Parks and Recreational Facilities	Park land dedication & User Fees per MHMC Chapter 17.28
Water	Impact Fees and Water Rates
Sewer	Impact Fees per MHMC Chapter 3.56 and Sewer Rates
Storm Drain	Impact Fees per MHMC Chapter 3.56 and Non-AB1600 Fees
Solid Waste	End User Fees

bae urban economics

City of Morgan Hill

Sports-Recreation-Leisure District Fiscal Impact Analysis

October 2015

bae urban economics

October 27, 2015

Andrew Crabtree, Community Development director
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

Dear Andrew,

BAE Urban Economics, Inc. (BAE), is pleased to submit the attached Fiscal Impact Analysis for the proposed Sport-Recreation-Leisure District urban service area expansion and annexation.

Please do not hesitate to contact me in our firm's Davis office, at 530-750-2195, or mkowta@bae1.com, to discuss the draft report and its findings. We will look forward to assisting you with the presentation at the LAFCO hearing.

Sincerely,

Matt Kowta, MCP
Managing Principal

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EXECUTIVE SUMMARY

The City of Morgan Hill commissioned BAE Urban Economics, Inc. to prepare an analysis of the potential fiscal impacts of the Sport-Recreation-Leisure District project on the City itself, as well as Santa Clara County, and other local service providers. The project would involve expanding the City's Urban Service Area and annexing approximately 215 acres of land. Existing development in the area primarily includes fallow agricultural fields, single-family homes, and a limited amount of active agricultural uses. Anticipated future development includes approximately 138 acres of assorted sports fields, a private high school, sports oriented retail and restaurant uses, a sports medical office building, a 100,000 square foot indoor sports complex, two 120-room hotels, and a gas station. In accordance with Santa Clara County LAFCo policies, the fiscal impact analysis focuses on the new development that would occur on land within the urban service area extension, as well as the land that would be annexed to the City. The analysis examines the impacts in the year that annexation would occur (Base Year), as well as 5 years and 10 years later.

The research and analysis conducted as part of this study indicates that the proposed project could be fiscally attractive to the City of Morgan Hill. As currently described, the proposed urban service area extension and annexation would result in a fiscal surplus of approximately $24,000 in the Base Year, due to the reallocation of the existing property tax base. This reallocation of property tax revenue to the City corresponds with a reduction in the property tax allocation to the SSCCFPD.[1] New development through Year 5 would result in an annual fiscal surplus of only around $7,200, though the surplus would increase to $633,000 by Year 10. The most significant costs generated by the proposed development are based on anticipated impacts to the Morgan Hill Police Department (MHPD), which could need to hire up to two new police officers, a part time records specialist, a full time dispatcher, and a full time multi-service officer, in order to adequately address potential increases in calls for service. These costs, however, would be easily off-set by increases in sales tax revenue generated by the proposed commercial development component.

For Santa Clara County, the analysis indicates that the next fiscal impact to the County would be zero in the Base Year, -$18,600 in Year 5, and -$24,600 in Year 10. These deficits however are a function of the current County Budget, which budgets for expenditures approximately six percent greater than revenues in order to include expenditure contingencies which, if needed, will be covered by reserves from prior years. Using the budgeted costs and revenues to calculate current average cost and revenue multipliers, and then applying those multipliers to the projected service population associated with the proposed project creates the projections of fiscal deficits. Based on conversations with County budget staff in conjunction with prior fiscal impact analyses, in actual practice the County seeks to hold expenditures below the budgeted levels so that they can be balanced with current revenues. If the fiscal projections in this study were based on actual expected expenditures, the results for the proposed project would be approximately balanced.

[1] Note that the South County Fire Protection District would also experience a reduction in its service area, coupled with an increase in the capacity of the City to provide mutual aid due the planned construction of a third fire station.

For other local governmental entities that provide services to the project area (Morgan Hill Unified School District, Gavilan Community College, Santa Clara County Library, and Santa Clara Valley Water District), interviews with agency representatives indicated that the fiscal impacts of the proposed USA expansion should be relatively benign, as their existing funding mechanisms will tend to produce sufficient revenues to balance any anticipated increases in costs.

INTRODUCTION AND PROJECT DESCRIPTION

Introduction

The City of Morgan Hill commissioned BAE Urban Economics, Inc. (BAE) to prepare a fiscal impact analysis that evaluates the potential fiscal impacts of the proposed Sport-Recreation-Leisure District project on the City of Morgan Hill, Santa Clara County, and affected special districts. This report provides separate quantified analyses of the fiscal impacts to the City of Morgan Hill and Santa Clara County. In accordance with Santa Clara County LAFCo policies, the fiscal impact analysis focuses on the new development that would occur on land within the urban service area extension, as well as the land that would be annexed to the City. The analysis examines the impacts in the year that annexation would occur (Base Year), as well as 5 years and 10 years later. This study provides more qualitative discussion of the impacts of the proposed project on other affected local agencies that provide services to property, residents, or employees that would be located in the Sport-Recreation-Leisure District.

Project Description

The proposed project involves approximately 215 acres on 21 parcels located on the southeastern edge of the City of Morgan Hill. Figure 1 shows the regional location and Figure 2 shows the outline of the specific project area. The proposed project area includes only a portion of the much larger Southeast Quadrant area, as illustrated in Figure 3. The proposed General Plan land use designation for most of the project area is Sports-Recreation-Leisure (SRL), which is implemented through a corresponding SRL Zoning District that includes two subdistricts. SRL Zoning Subdistrict A would support low intensity land uses, including adventure sports/facilities, batting cages, equestrian centers, and indoor/outdoor sports centers. Subdistrict B, located adjacent to Highway 101, would support low and medium intensity land uses including the uses identified in Subdistrict A, plus more commercially oriented uses, like gas stations, restaurants, hotels, and stadiums. The project area also includes a site with a Public Facilities General Plan designation and corresponding planned development zoning that support the future development of a private high school.

In addition to the distinctions that can be made between the two zoning areas and two zoning subdistricts, the Sport-Recreation-Leisure District can be divided into five sub-areas, which are illustrated in Figure 4, and described below. For a more detailed breakdown of existing and anticipated development by land use and sub-area, please refer to Appendix A.

South County Catholic High School

The South County Catholic High School, also known as St. John XXIII College Preparatory, site covers approximately 38 acres at the northern end of the project area. The project is planned in multiple phases, which will ultimately lead to the development of 210,441 square feet of indoor facilities, sufficient to accommodate 1,600 students and 125 staff. Phase I of the project will include the development of 65,100 square feet of facilities, which will be sufficient to accommodate up to 600 students and 55 staff. Phase I is projected to begin in the third quarter of 2017 and to end in the

second quarter of 2018. Phasing for the Additional Class Rooms, Chapel, Auditorium, Gymnasium, Aquatic Complex, Football, Baseball, and Soccer Fields is contingent on fundraising.

Grestoni Sports Retail/Restaurant

The Grestoni site includes a total of four acres, located to the northwest of the intersection of Murphy Avenue and Tennant Avenue. Proposed development on the Grestoni site includes 40,000 square feet of sports oriented retail and 3,000 square feet of sports themed restaurant space.

Puliafico Sports-Recreation-Leisure

The Puliafico site is located along Tennant Avenue, between Murphy Avenue and Hill Road. The site is proposed for development under Subdistrict A, which may include a 20,000 square foot sports-medicine office building, and up to 36 acres of sports fields and related uses.

Jacoby/Morgan Hill Ball Fields

The Jacoby site, also known as the Morgan Hill Ball Fields, is located on the southeast corner of the Highway 101/Tenant Avenue interchange. The site includes a total of 26 acres. As reported in the EIR addendum published in July 2015, the City proposes to acquire the site for the development of six baseball and softball fields, along with supporting facilities and surface parking. Approximately 3.4 acres of land fronting on Tennant Avenue would subsequently be conveyed back to the seller for development of approximately 35,000 square feet of sports-oriented retail and commercial uses.

City Initiated Application

Under an additional City initiated application, the City proposes to annex a total of 109 acres, constituting the remainder of the current Sport-Recreation-Leisure District project area (note that the current project area represents only a portion of the larger Southeast Quadrant planning area). Proposed development within this area includes a 100,000 square foot indoor sports and recreation facility, as well as nearly 80 acres of sports fields, two 120-room hotels, one gas station, and approximately 100,000 square feet of retail.

Development Program

To provide the basis for the quantified analysis of fiscal impacts of the proposed project, BAE collaborated with City staff to prepare a table that summarizes the existing and future land uses anticipated within the project area. Table 1 summarizes the anticipated development program for a period of ten years following annexation. As reported in the table, the 14 single-family housing units that currently exist within the project area are expected to be removed. The City anticipates that, over the ten years following annexation, the Sport-Recreation-Leisure District will experience considerable sports-oriented development, including 175,000 square feet of retail, 6,000 square feet of restaurant space, 20,000 square feet of office space, a 100,000 square foot indoor sports complex, a 65,100 square feet of high school facilities, spread across the two subdistricts.

Phasing

As summarized in Table 1, the City anticipates that the majority of the developed indoor space that is currently planned for the area will be completed by Year 5. This includes all of the planned

restaurant space, office space, indoor sports facilities, and gas station. The first phase of the South Catholic High School development is expected to be complete by the end of Year 5, with the remaining phases beginning construction after Year 10. Approximately 50 percent of the hotel rooms are expected to be developed by the end of Year 5, as is 70 percent of the retail space and the outdoor sports fields. The remaining development would be completed through Year 10.

Service Population

Table 1 also includes assumptions about the average household sizes in residential units and the average employment densities for non-residential development, for the purposes of estimating the anticipated change in the municipal service population. Service population is defined to include all residents, plus one-half of the anticipated employment base. The discounting for employees is meant to account for the fact that employees, who spend less time in the community than residents, will tend to generate less service demand and less revenue than residents. This assumption is widely used in projecting fiscal impacts for municipalities.

Table 1: Existing and Anticipated Development, Sports-Recreation-Leisure District

Land Use	Baseline (Year 0)	Year 5	Net Change (Years 0-5)	Build-out (Year 10)	Net Change (Years 0-10)
Housing (Units)	**14**	**3**	**(11)**	**0**	**(14)**
Single Family Residential	*14*	*3*	(11)	*0*	(14)
Non-Residential (Square Feet)	**0**	**316,105**	**316,105**	**366,105**	**366,105**
Retail	*0*	*125,000*	125,000	*175,000*	175,000
Restaurant	*0*	*6,000*	6,000	*6,000*	6,000
Office	*0*	*20,000*	20,000	*20,000*	20,000
Indoor Sports	*0*	*100,000*	100,000	*100,000*	100,000
High School	*0*	*65,105*	65,105	*65,105*	65,105
Other Non-Residential (Rooms)	**0**	**120**	**120**	**240**	**240**
Hotel	*0*	*120*	120	*240*	240
Other Non-Residential (Acres)	**0**	**99**	**99**	**139**	**139**
Gas Station	*0*	*1*	1	*1*	1
Sports Fields	*0*	*98*	98	*138*	138
Housing (Residents)(a)	**42**	**0**	**(42)**	**0**	**(42)**
Single Family Residential	*42*	*0*	(42)	*0*	(42)
Non-Residential (Employees)(b)	**0**	**492**	**492**	**650**	**650**
Retail	*0*	*227*	227	*318*	318
Restaurant	*0*	*30*	30	*30*	30
Office	*0*	*67*	67	*67*	67
Indoor Sports	*0*	*25*	25	*25*	25
High School (c)	*0*	*55*	55	*55*	55
Hotel	*0*	*60*	60	*120*	120
Gas Station (d)	*0*	*8*	8	*8*	8
Sports Fields	*0*	*20*	20	*28*	28
Service Population, Total (e)	**42**	**246**	**204**	**325**	**283**

Notes:

(a) Assumes a residential density factor of:

Single-Family Residential	3.0 persons per unit

(b) Assumes a employment density factors of:

Retail	550	square feet per employee
Restaurant	200	square feet per employee
Office	300	square feet per employee
Indoor Sports	4,000	square feet per employee
High School	Variable	
Hotel	2	Rooms per employee
Sports Fields	5	Acres per employee

(c) Phase I of the school development will generate 55 full-time equivalent jobs.

(d) Based on the national average employment per gasoline station, as reported in the Bureau of Labor Statistics.

(d) Includes the resident population, plus one-half of the employment base.

Sources: City of Morgan Hill, 2015; Michael Brandman Associates, 2015; BLS, QCEW, 2015; BAE, 2015.

Figure 1: Regional Location

Source: Census 2000 Data. The CaSIL, MBA GIS 2011.

Michael Brandman Associates

Exhibit 2-1
Regional Location Map

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CITY OF MORGAN HILL
CITYWIDE AGRICULTURE PRESERVATION PROGRAM AND SOUTHEAST QUADRANT LAND USE PLAN
ENVIRONMENTAL IMPACT REPORT

Figure 2: Project Vicinity

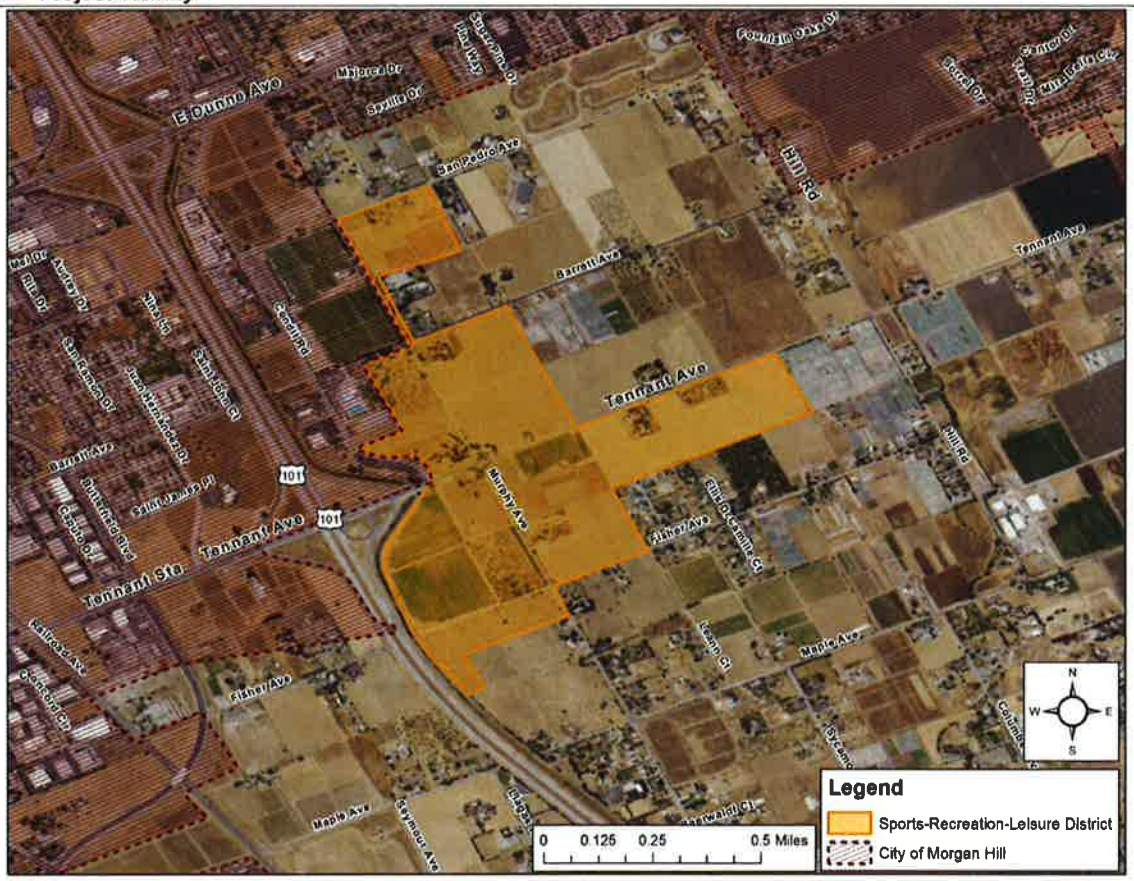


Figure 3: Southeast Quadrant Planning Area

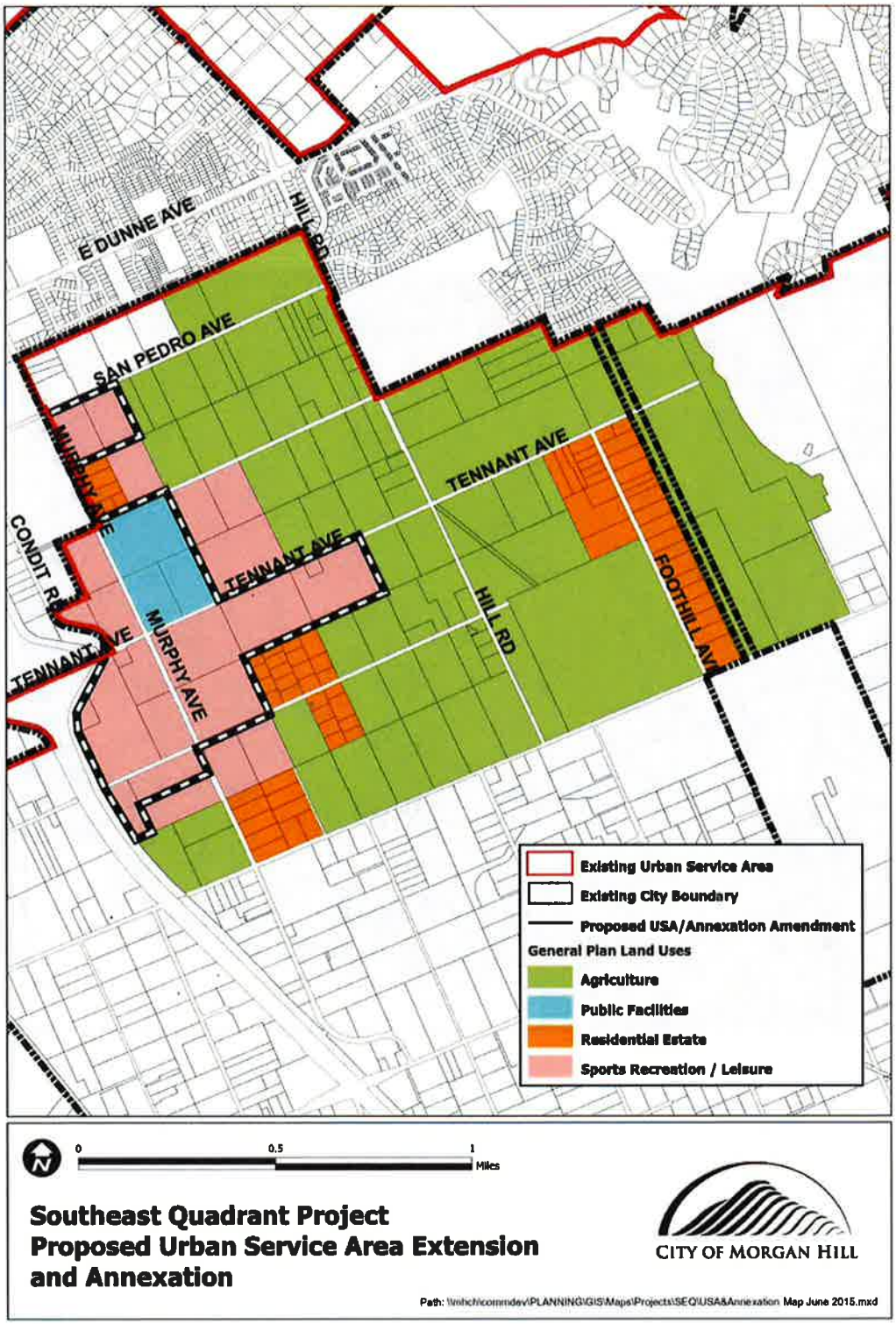
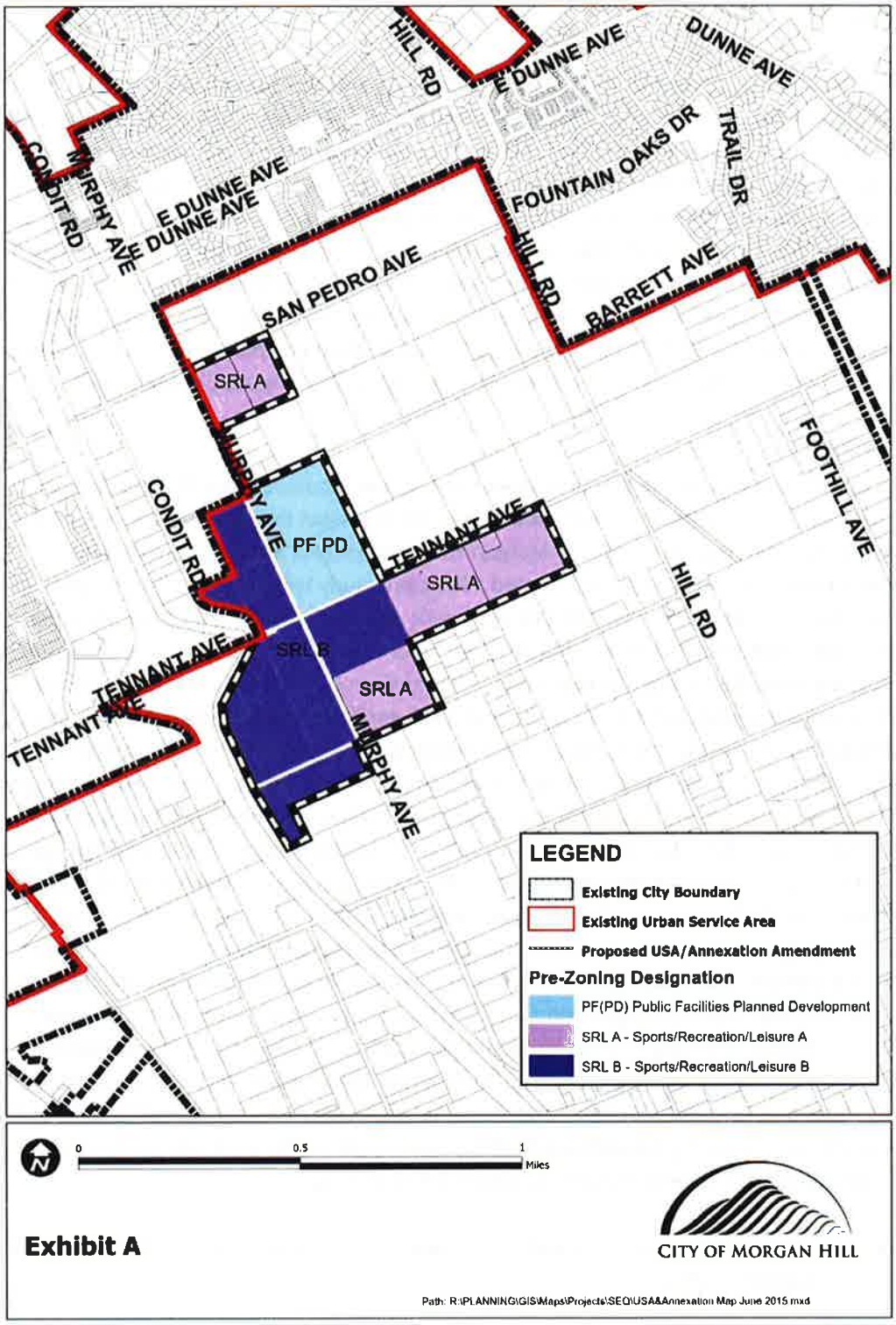


Figure 4: Sport-Recreation-Leisure District Sub-Areas



CITY OF MORGAN HILL GENERAL FUND FISCAL IMPACTS

This section of the report presents the projected increases in revenues and costs to the City of Morgan Hill that would result from the proposed project. The analysis is geared to the City of Morgan Hill's General Fund, as the General Fund represents the portion of the City's budget that finances key public services using general purpose discretionary revenues. Because the major general purpose discretionary revenues come from sources such as property tax, sales tax, and property tax in-lieu of vehicle license fees, over which the City has relatively little control, the fiscal impact analysis addresses the concern that new development within the City may generate demand for services, and whether the costs of those services would be covered by associated increases in discretionary revenues. The remainder of the City's budget that is not analyzed as part of this fiscal analysis tends to involve service expenditures and revenues that the City is able to more closely align.

Methodology

The fiscal impact analysis for the City of Morgan Hill employs a combination of case study and average cost and revenue multiplier techniques in order to project the changes in costs and revenues that would accrue to the City of Morgan Hill, if the project area is annexed, and development occurs on the sites as anticipated. The case study technique involves analyzing the specific attributes of the project and identifying specific changes in service costs or revenues based on the particular characteristics of the project. Law enforcement and fire and emergency medical service cost are evaluated using this technique. All other services are projected on an average cost per capita basis, assuming that future development will generate costs at the same average per capita rate as existing development, based on expenditures contained in the City Budget for the 2015-2016 fiscal year. Property tax, property tax in-lieu of vehicle license fee revenues, property transfer taxes, sales taxes, and transient occupancy (TOT) taxes are projected using a case study approach that models the anticipated revenues based on project characteristics and the specific factors that are used to allocate revenues from these sources to the City of Morgan Hill. Other revenues are projected on an average per capita revenue basis, which assumes that new development will generate increases in revenues that are equal to the current per capita revenue generation for the same sources. BAE developed the average cost and revenue multipliers in consultation with staff from the City of Morgan Hill finance department, who provided assistance in identifying the current net General Fund expenditures (total expenditures minus offsetting program revenues) and revenues for various City services. Finance Department staff also assisted in identifying those cost and revenue items that would be expected to change in response to changes in development within the City as opposed to those that would not be expected to change. All cost and revenue projections are expressed in constant 2015 dollars.

Additional methodological details and assumptions are provided in the discussion of individual cost and revenue projections below.

Projected Service Costs

General Government

The General Government cost category includes expenses for the City Attorney, City Clerk, City Council, City Manager, Elections, Finance, and Human Resources Departments. These departments all provide administrative support for other City Departments. It is assumed that City Council expenditures will not change significantly in response to changes in development, as the City Council will not be expanded, nor will it meet more frequently. On the other hand, expenditures associated with all other General Government functions are assumed to vary according to changes in development within the City of Morgan Hill. Current (2015-2016 fiscal year) variable costs for General Government functions are estimated at $3.95 million per year. The reported expenditures associated with elections differ slightly from those reported in the 2015-2016 budget and represent an average between election and non-election years. As shown in Table 2, the City collects approximately $1.9 million in offsetting revenues for general government functions, resulting in a net General Fund cost of $2.05 million per year for General Government functions, which respond to service demand from both residential and commercial development.

To calculate a current average service cost multiplier for General Government functions, Table 2 determines the current service population served by these functions. As shown in the lower part of Table 2, based on estimates from the State Department of Finance, the current (2015) Morgan Hill population is 41,779 persons, while the current number of people with jobs located in the City of Morgan Hill is 18,820, based on estimates from the Association of Bay Area Governments (ABAG), resulting in a current service population of 51,189. This same service population is used to estimate other current average costs and revenues per service population in subsequent tables.

Dividing the net General Fund expenditures by the estimated service population yields a current average annual cost per service population of $40.00. To project the increased costs, the current cost per service population is applied to the projected changes in City service population resulting from annexation of existing development and completion of future development (from Table 1) within the project area. As shown in the lower part of Table 2, the City's annual General Government expenditures are expected to increase upon annexation of existing development by around $1,680. By Year 5, in response to new development, General Government expenditures are expected to increase by $9,800 per year. Additional development between Year 5 and Year 10 will increase the expenditures further, to around $13,000 annually.

Table 2: General Government Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
City Attorney	$598,440	100%	$598,440
City Clerk	$608,543	100%	$608,543
City Council	$432,624	0%	$0
City Manager	$756,925	100%	$756,925
Elections	$59,918	100%	$59,918
Finance	$1,345,489	100%	$1,345,489
Human Resources	$582,349	100%	$582,349
Subtotal General Government Functions	**$4,347,565**		**$3,951,664**
Offsetting Program Revenues			
Program Revenue	$1,904,000	100%	$1,904,000
Transfers In	$0	100%	$0
Subtotal Program Revenues	**$1,904,000**		**$1,904,000**
Net Variable General Fund Costs			**$2,047,664**
Average Cost Per Service Population (a)			**$40.00**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	42	288	367
Increased Annual Cost	$1,680	$11,513	$14,690

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) The figures include existing residents and employees in areas that will be annexed into the City, as well as those associated with new development.

Sources: City of Morgan Hill Recommended 2015-2016 Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Recreation

The City of Morgan Hill offers a comprehensive set of recreation programs, accounting for approximately $6.83 million in expenditures per year; however, the City also structured its recreation-related user fees and charges to cover almost the entire cost of the recreation program. As shown in Table 3, after accounting for offsetting program revenues, the annual net General Fund cost for the Recreation Department is approximately $296,400, or $7.09 per resident. This average cost calculation excludes people who are employed in Morgan Hill, as those who are not also residents are more likely to partake in recreational programs where they live, as opposed to in Morgan Hill. To the extent that some people who work locally might also participate in City of Morgan Hill recreation programs, this will tend to slightly overstate the per capita costs and make the analysis more conservative, from the City's perspective. The expenditure projections exclude residents of existing housing units, as these residents are not expected to generate a substantial increase in demand for recreational programs. As shown at the bottom of Table 3, projected increases in net General Fund costs for Recreation are zero for all years, since existing residents are

excluded from the calculation, and no new residential development is proposed. City staff anticipate the new sports facilities developed on the Jacoby property would be operated using a similar model and would be likely to achieve around 75 percent cost recovery. With operating costs estimated at around $600,000 per year, the total annual cost to the General Fund would equal approximately $150,000 per year, beginning in Year 5.

Table 3: Recreation Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Recreation	$6,834,635	100%	$6,834,635
Subtotal Variable Costs	**$6,834,635**		**$6,834,635**
Offsetting Program Revenues			
Program Revenue	$6,478,229	100%	$6,478,229
Transfers In	$60,000	100%	$60,000
Subtotal Program Revenues	**$6,538,229**		**$6,538,229**
Net Variable General Fund Costs			**$296,406**
Average Cost Per Service Population (a)			**$7.09**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	0	0
Increased Annual Costs	$0	$0	$0

Notes:
(a) The estimated service population for recreation services includes existing Morgan Hill residents only.

Current Morgan Hill residents (2015) 41,779

(b) The figures reflect only those residents associated with new development.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Police

As shown in Table 4, the MHPD is broken down into a number of different functions. Costs for all police functions are assumed to vary in response to changes in development within the City. Total variable costs are $14.18 million for the 2015-2016 fiscal year. Offsetting program revenues of just over $1.01 million bring the net variable General Fund cost to $13.17 million per year, or an average annual cost of $257.24 per service population.

Applying the current average cost per service population to the new service population that would be generated by the proposed project results in new Police service cost projections. The new service population estimate includes new development only, and excludes residents of existing housing units and employees of existing businesses, since neither are expected to generate new demand for law enforcement services. Using this approach, BAE projects new annual police service costs of zero in the Base Year, increasing to $63,200 in Year 5 and $83,700 in Year 10 and beyond.

Table 4: Law Enforcement Service Costs, Cost Multiplier Approach

General Fund Expenditures	2015-2016	% Variable	Variable Cost
PD Administration	$1,247,208	100%	$1,247,208
PD Field Operations	$6,676,893	100%	$6,676,893
PD Support Services	$2,006,458	100%	$2,006,458
PD Emergency Services	$171,609	100%	$171,609
PD Special Operations	$2,677,095	100%	$2,677,095
Dispatch Services	$1,403,374	100%	$1,403,374
Subtotal Variable Costs	**$14,182,637**		**$14,182,637**
Offsetting Program Revenues			
Program Revenue	$914,604	100%	$914,604
Transfers In	$100,000	100%	$100,000
Subtotal Program Revenues	**$1,014,604**		**$1,014,604**
Net Variable General Fund Costs			**$13,168,033**
Average Cost Per Service Population (a)			**$257.24**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$63,232	$83,664

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for Law Enforcement Services.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

However, due to the visitor serving nature of the land uses proposed, the MHPD anticipates significant increases in service costs associated with development within the Sport-Recreation-Leisure District that would not be reflected in the service population-based estimate of costs just presented. The MHPD anticipates an increase in the number of calls for service based on an increased number of large events that would draw in large number of people from outside the Morgan Hill community. The Department's prior experience indicates that large events are closely related to increases in vehicle break-ins and interpersonal altercations of various kinds. In response to an increased number of large events being held in Morgan Hill, the MHPD is taking a more proactive approach of posting officers on-site at large events, rather than simply responding when a call for service is placed. According to Margarita Balagso, Police Analyst, the MHPD would need to hire two additional sworn officers, one multi-service officer, a part time records specialist, and a public safety dispatcher in order to adequately respond to increased demand generated by the

proposed project.[2] As reported in Table 5, the total annual cost associated with expanding MHPD staffing would equal approximately $699,300. The cost associated with purchasing and replacing necessary equipment would equal around $42,300, which would be incurred every 3-7 years. As a result, the increased annual cost associated with providing law enforcement services to the project area would be zero in the Base Year, $707,720 in Year 5, Year 10, and ongoing.

Table 5: Law Enforcement Service Costs, Case Study Approach

Additional Staffing Requirements		Staffing	Annual Cost
Police Officer		2 FTE	$370,234
Multi-Service Officer		1 FTE	$126,637
Public Safety Dispatcher		1 FTE	$146,430
Records Specialist		.5 FTE	$55,959
Subtotal, Staffing Requirements		**5.5 FTE**	**$699,260**
Equipment and Supplies			
Patrol Vehicle and Equipment Installation			$32,000
Equipment for Patrol Officers			$6,000
Equipment for Multi-Service Officer			$2,500
Equipment for Public Safety Dispatcher			$1,800
Subtotal Equipment and Supplies			**$42,300**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Annual Costs (a)	$0	$707,720	$707,720

Note:
(a) Assumes that equipment will be replaced once every five years.

Sources: Morgan Hill Police Department, 2015; BAE, 2015.

Fire/EMS

The City of Morgan Hill currently contracts with Cal Fire (State of California, Department of Forestry and Fire Protection) to provide fire protection services within the City of Morgan Hill. Cal Fire integrates the operation of the Morgan Hill Fire Department (MHFD) with the operation of the South Santa Clara County Fire Protection District (SSCCFPD), which Cal Fire currently operates on a contract basis, and which is the fire agency that currently provides fire protection and EMS services to the project area, while it remains in unincorporated Santa Clara County. Fire protection will be provided to the site by a "regionalized" fire system that includes the existing stations in the immediate area, including the SSCCFPD/Cal Fire station, located in Morgan Hill at 15670 Monterey Street, and the existing Morgan Hill fire stations which are located at 18300 Old Monterey Road and 2100 East Dunne Avenue.

Due to the structure of the City's contract with Cal Fire, as development occurs in the project area and potentially adds incrementally to the level of calls for fire and EMS services for stations serving the project area, the City's cost of its contract for services will not increase. Furthermore, according

[2] Personal communication. Margarita Balagso, Police Analyst, City of Morgan Hill Police Department. August 13, 2015.

documents recently provided to the City of Morgan Hill by Derek Witmer, Fire Chief of the Santa Clara Cal Fire unit, the MHFD proposes to serve all proposed annexation areas using existing resources and through an Automatic Aid agreement with the SSCCFD.[3] All existing engine companies are operating below "full utilization."[4] The proposed annexation is not expected to result in any significant increase the calls for service, nor will it result in a decreased level of service for existing residents and businesses. No new facilities, personnel, apparatus', or equipment are envisioned. By the end of the current fiscal year, the MHFD and MHPD will complete a Public Safety Master Plan, which will identify needs for the development and maintenance of facilities and equipment necessary to ensure the public safety. As part of the Master Plan, the MHFD anticipates establishing a volunteer fire company that will provide supplementary services. Based on this information, it is unlikely that the proposed project will create any significant increase in the City's costs for fire protection and EMS services and at the same time, the level of service in the area will continue to meet targeted service standards.

Table 6: Fire Protection Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Fire Protection	$5,329,155	0%	$0
Subtotal Variable Costs	**$5,329,155**		**$0**
Offsetting Program Revenues			
Program Revenue	$251,940	$0	$0
Transfers In	$0	$0	$0
Subtotal Program Revenues	**$251,940**		**$0**
Net Variable General Fund Costs			**$0**
Average Cost Per Service Population (a)			**$0**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$0	$0

Notes:
(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for Fire Protection Services.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

[3] Personal communication. Derek J. Witmer, Fire Chief, Cal Fire Santa Clara Unit. August 16, 2015.
[4] An engine company reaches "full utilization" at around 2,500 to 3,000 annual calls for service. All existing engine companies operating in the Morgan Hill area responded to fewer than 1,300 incidents each in 2014.

Cable TV

According to the City Budget, the City of Morgan Hill's Cable TV program is administered by the Environmental Programs Division of the Community Development Department. The Division supports cable television customer services, administers the City's public access contract, oversees cellular telephone transmission tower licenses, and responds to customer concerns regarding other telecommunications providers. Expenditures associated with the Cable TV program are not expected to fluctuate corresponding with changes in service population. In addition, all existing expenditures are currently offset by program revenues; thus, net General Fund costs for these services are zero, as shown in Table 7. Based on this analysis, the City will likely be successful in achieving 100 percent cost recovery for this program as the City's service population increases; thus, no net General Fund cost increases are projected as a result of the proposed project.

Table 7: Cable Television Program Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Cable TV	$43,649	0%	$0
Subtotal Variable Costs	**$43,649**		**$0**
Offsetting Program Revenues			
Program Revenue	$48,987	0%	$0
Transfers In	$0	0%	$0
Subtotal Program Revenues	**$48,987**		**$0**
Net Variable General Fund Costs			**$0**
Average Cost Per Service Population (a)			**$0**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$0	$0

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for Cable Television.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Street Maintenance/Congestion Management

For the 2015-2016 Fiscal Year, the City of Morgan Hill budget calls for expenditures of approximately $1.98 million on street maintenance and congestion management functions. Various transfers from other funds total to $1.38 million, with marginal program revenue of $75,000, for a net General

Fund cost of just under $531,000, or an average cost per service population of $10.37 per year. Applying this to the proposed project's anticipated service population yields annual cost increases of zero in the Base Year; $2,550 in Year 5, and $3,400 in Year 10 and beyond, as shown in Table 8. In addition, the City anticipates the need to construct an additional 2.4 miles of roadway within the project area. The ongoing cost of maintaining this public right-of-way is estimated at approximately $33,265 per mile of street centerline. This would equal a total cost of around $79,800 per year. Combined with increase in maintenance costs associated with the increase in service population, the total annual cost for street maintenance and congestion management would be zero in the base year, but would increase to approximately $83,200 by Year 5 and beyond.

Table 8: Street Maintenance and Congestion Management Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Street Maintenance	$1,906,471	100%	$1,906,471
Congestion Management	$75,116	100%	$75,116
Subtotal Variable Costs	**$1,981,587**		**$1,981,587**
Offsetting Program Revenues			
Program Revenue	$75,000	100%	$75,000
Transfers In	$1,375,616	100%	$1,375,616
Subtotal Program Revenues	**$1,450,616**		**$1,450,616**
Net Variable General Fund Costs			**$530,971**
Average Cost Per Service Population (a)			**$10.37**

Projected Costs	Base Year	Year 5	Year 10
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$2,550	$3,374

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for Street Maintenance and Congestion Management Services.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Downtown Maintenance

The City of Morgan Hill budgets for approximately $104,200 in expenditures in support of Downtown Maintenance in the current fiscal year. These expenditures are not anticipated to change in response to new development in the Sport-Recreation-Leisure District area; thus, no net General Fund cost increases are projected as a result of the proposed project.

Table 9: Downtown Maintenance Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Downtown Maintenance	$104,156	0%	$0
Subtotal Variable Costs	**$104,156**		**$0**
Offsetting Program Revenues			
None	$0	0%	$0
Subtotal Program Revenues	**$0**		**$0**
Net Variable General Fund Costs			**$0**
Average Cost Per Service Population (a)			**$0.00**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$0	$0

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for Downtown Maintenance Services.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Environmental Programs

The City of Morgan Hill budgets for approximately $213,000 in expenditures for Environmental Programs in the current fiscal year. This is offset by $180,000 in program revenues (primarily grants that fund the program activities), leaving a net cost of approximately $33,000 for the year. This translates to an average annual cost of $0.65 per service population. When applied to the increased service population associated with the proposed project, the projected cost increases are zero in the Base Year; $159 annually by Year 5, and $210 by Year 10 and thereafter, as shown in Table 10.

Table 10: Environmental Program Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Environmental Programs	$213,071	100%	$213,071
Subtotal Variable Costs	**$213,071**		**$213,071**
Offsetting Program Revenues			
Program Revenue	$180,000	100%	$180,000
Transfers In	$0	100%	$0
Subtotal Program Revenues	**$180,000**		**$180,000**
Net Variable General Fund Costs			**$33,071**
Average Cost Per Service Population (a)			**$0.65**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$159	$210

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for Environmental Programs.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Transfers Out

The City of Morgan Hill uses a limited amount of its discretionary general purpose revenues to fund programs outside of the General Fund. This financing is provided in the form of fund transfers from the General Fund to other funds. For fiscal year 2015-2016, the transfers out from the General Fund are $1.57 million, or $30.67 per service population. Assuming the City continues this same average per service population level of support for programs outside of the General Fund as new development occurs, the projected annual increases in Transfers Out will be zero in the Base Year, $7,500 in Year 5, and $10,000 in Year 10 and later years, as shown in Table 11.

Table 11: Transfers Out from General Fund

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Transfers Out	$1,569,946	100%	$1,569,946
Subtotal Variable Costs	**$1,569,946**		**$1,569,946**
Offsetting Program Revenues			
None	$0	0%	$0
Subtotal Program Revenues	**$0**		**$0**
Net Variable General Fund Costs			**$1,569,946**
Average Cost Per Service Population (a)			**$30.67**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	246	325
Increased Annual Costs	$0	$7,539	$9,975

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Projected Revenues

Property Taxes

The property tax revenues that accrue to a city are a function of the assessed value of real property located within the City, times the basic ad-valorem property tax rate (1.0 percent of assessed value), times the property tax increment allocation factor for the City that is applicable within the Tax Rate Area (TRA) in which the development in question is located. Currently the City of Morgan Hill does not receive a portion of the property taxes generated by the properties that are located within the project area, but that are located outside of the existing city limits. Upon annexation, the City of Morgan Hill will be assigned a share of the basic 1.0 percent property tax generated by those parcels. According to Santa Clara County Assessor's records, the current assessed value of property that would be annexed to the City of Morgan Hill is approximately $17.6 million, as shown in Table 12. Once annexation occurs, the reallocation of the existing tax base would result in a net increase in the City's property tax revenue in the base year of approximately $18,600, as shown in Table 13. This primarily represents a reallocation of existing property tax revenue, primarily from the SSCCFPD, which would experience a decrease in property tax revenue of -$18,300. This decrease in property tax revenue would be accompanied by a contraction in the SSCCFPD District service area, as well as an increase in the potential for the MHFD to provide mutual aid.[5] All other entities that receive an allocation of the base 1.0 percent property tax would be only marginally impacted.

[5] Through existing agreements, the MHFD and the SSCCFPD cooperate to provide fire protection services within both jurisdictions based on which agency is best positioned to respond most efficiently. Because the SSCCFPD responds to a proportionately greater share of calls in the City, compared to those instances when the MHFD responds to calls in the unincorporated county, the City currently funds approximately 50 percent of the costs associated with one of the fire engines operated within the SSCCFPD. Because the proposed USA expansion could impact the share of SSCCFPD calls for service within the City of Morgan Hill, the City could continue to monitor and adjust the offsetting funding it provides. The MHFD also plans to construct a third fire station which, when constructed and staffed, would decrease the number of calls within the City of Morgan Hill that would be served by the SSCCFPD.

Table 12: Existing Assessed Value

Existing Development	TRA 087-002
81714004	$2,163,971
81714009	$219,127
81714005	$149,726
81714017	$982,908
81714019	$96,978
81714011	$106,262
81714012	$108,788
81714014	$887,858
Subtotal, TRA 004-022	**$4,715,618**

Existing Development	TRA 087-018
81717001	$3,688,598
81717025	$2,093,300
81717026	$2,093,300
81713008	$500,000
81716002	$266,844
81716005	$260,674
81716004	$83,303
81713037	$167,042
81713011	$93,575
81716001	$1,594,305
81716014	$1,044,658
81718001	$396,520
81718002	$642,496
Subtotal, TRA 087-002	**$12,924,615**
Total, Assessed Value	**$17,640,233**

Sources: Santa Clara County Office of the Assessor; BAE, 2015.

Table 13: Base year Property Tax Reallocation

Receiving Entities	Pre-Annexation TRA 087-002	Pre-Annexation TRA 087-018	Pre-Annexation Total, All TRAs	Post-Annexation TRA 087-002	Post-Annexation TRA 087-018	Post-Annexation Total, All TRAs	Net Change Value	Net Change Percent
Santa Clara County	$7,064	$19,269	$26,333	$7,172	$19,181	$26,353	$20	0%
Santa Clara County Library	$1,297	$3,525	$4,822	$1,307	$3,505	$4,812	($10)	0%
Morgan Hill City	$0	$0	$0	$5,050	$13,522	$18,572	$18,572	n.a.
Morgan Hill Unified	$21,996	$59,992	$81,988	$21,996	$60,002	$81,998	$10	0%
Gavilan Community College	$2,800	$7,627	$10,427	$2,800	$7,627	$10,427	$0	0%
County School Service	$1,690	$4,592	$6,282	$1,690	$4,592	$6,282	$0	0%
South Santa Clara County Fire Protection District	$4,912	$13,395	$18,307	$0	$0	$0	($18,307)	-100%
Santa Clara Valley Water District South Zone I	$796	$2,154	$2,950	$806	$2,144	$2,950	$0	0%
Santa Clara Valley Water District	$363	$225	$589	$88	$225	$314	($275)	-47%
Bay Area Air Quality Management District	$88	$255	$343	$98	$255	$353	$10	3%
Loma Prieta Resource Conservation District	$20	$69	$88	$20	$69	$88	$0	0%
Santa Clara Valley Water District West Zone 3	$0	$1,371	$1,371	$0	$1,361	$1,361	($10)	-1%
Santa Clara County Importation Water - Misc District	$246	$676	$921	$246	$666	$911	($10)	-1%
ERAF	$5,885	$16,097	$21,982	$5,885	$16,097	$21,982	$0	0%
Total, All Receiving Entities	**$47,156**	**$129,246**	**$176,402**	**$47,156**	**$129,246**	**$176,402**	**$0**	**0%**

Sources: Santa Clara County Office of the Assessor; Santa Clara County Auditor-Controller; BAE, 2015.

Projected Increases In Assessed Value and Property Tax Revenues

BAE conducted limited market research to estimate the potential future value of the new development that is anticipated on the project sites included in the proposed USA extension and annexation. The anticipated new development on these parcels includes a wide range of uses, including retail, restaurant, medical office, indoor sports, hotel/motel, gas station, and sports fields. The school facilities and the Jacoby/Morgan Hill Ball Fields are assumed to receive tax exemption by Year 5 and have zero assessed value.

Retail. Two methods were used to estimate the value of the proposed retail space. First, information from recent sales of Morgan Hill retail properties was used determine a range of current retail sales prices. Among the property sales identified, prices ranged from $171 to $630 per square foot, with an average sale price of $381 per square foot and a median sales price of $342 per square foot. Second, the fiscal analysis used capitalization rates listed for retail properties currently on the market and recently sold retail properties to estimate a retail cap rate for Morgan Hill (7.0 percent). The estimated retail cap rate was applied to the triple net asking rents for currently leasing retail properties in Morgan Hill, yielding a range of $204 to $326, with an average estimated value of $248 per square foot and a median value equal to $244 per square foot. Based on these values, the fiscal analysis assumes that the proposed retail space would be valued at $300 per square foot, which provides a reasonably conservative estimate, acknowledging that the proposed retail components are characterized as newly constructed, specialty strip retail.

Restaurant. Similar to the methods used to estimate the value of the proposed retail space, for-sale listings and current asking rents were used to estimate the value of the proposed restaurant space. While a review of recent real estate sales data in Morgan Hill failed to identify any recently sold restaurant space, the analysis identified one existing restaurant space in Gilroy that is currently available for sale. The space totals 5,200 square feet and has a current asking price of $3.3 million, which equals an average price per square foot of $630, which is significantly higher than what could be expected for development in the Sport-Recreation-Leisure District. A review of currently leasing commercial space in Morgan Hill identified one restaurant space in an existing community shopping center priced at $2 per square foot, triple net. Assuming a five percent expense allowance, and a cap rate of 7.0 percent, the estimated value per square foot equals approximately $326. Based on these values, the fiscal analysis assumes that the proposed retail space would be valued at $325 per square foot.

Medical Office. Due to very limited sales activity for medical office space in Morgan Hill, this analysis used a combination of historic sales data and current asking lease rates to estimate the value of newly constructed medical office space. According to CoStar, the five year average sales price for medical office space in Morgan Hill is $213 per square foot, with an asking price of $239 and a cap rate of seven percent. The average lease rate per square foot is $2.15 in 2015. Assuming a five percent expense allowance and a cap rate of 7.0 percent, the average value is approximately $350 per square foot. The fiscal analysis assumes that the proposed medical office space would be valued at $300 per square foot, which provides a reasonably conservative estimate.

Indoor Sports Center. Due to a lack of information on comparable sales and/or development costs associated with indoor sports centers, this study evaluated the reported assessed value of Silver Creek Sportsplex in southern San Jose. According to the Santa Clara County Assessor, parcel number 679-01-017 has an assessed value of $24.4 million, based on an initial transfer date of 2005. After adjusting for inflation, this would equal approximately $30.3 million in 2015 dollars. Divided by the 240,000 square feet, this equals an average per square foot value of $126. In addition, current listings for industrial and flex space in Morgan Hill indicate per square foot prices that range from $120 to $234. Based on these values, the fiscal analysis assumes that the proposed indoor sports complex would be valued at $125 per square foot, which provides a reasonably conservative estimate, reflecting the large size of the required space, as well as the intended use.

Hotel/Motel. BAE identified only one hotel property currently listed for sale within the greater Morgan Hill area, with no sales having occurred within the past two years. The Super 8 located on San Ysidro Avenue in Gilroy is currently listed for sale at a price of $5.4 million, which equals an asking price of approximately $106,000 per room. In a report presented to the Morgan Hill City Council in July 2015, HA&A indicated that the average daily rate for a hotel room in Morgan Hill is $120, with an average occupancy rate of approximately 70 percent. This equals an average revenue per available room night (RevPAR) of roughly $84. With an average expense rate, as reported by STR Analytics, of approximately 40 percent, and a cap rate of 7.4 percent, as reported by RealtyRates.com, BAE estimates the average value per room could equal as much as $165,700. In order to ensure the use of a fairly conservative estimate, this analysis assumes that the two hotels proposed for development in the Sport-Recreation-Leisure District would be valued at approximately $125,000 per room.

Gas Station. BAE identified 11 sales of gas station properties within the City of Morgan Hill since 1998; however, pricing information was provided for only four of them. Normalized on a per acre basis, these historic sales average around $2.9 million. This includes the sale of the Chevron at 851 Cochrane Road for $5.7 million in 2006, as well as the more recent sale of the Kwik Serv at 17015 Monterey Street for $2.3 million in 2013. Recognizing that the proposed gas station would be oriented toward the existing freeway interchange, this analysis assumes that the gas station would be valued at approximately $3.0 million per acre.

Sports Fields. Valuation assumptions for the variety of sports fields proposed for development in the Sport-Recreation-Leisure District are based on development cost assumptions provided by the City of Morgan Hill. Information provided by Chris Ghione, Community Services Director for the City of Morgan Hill, indicates that the estimated cost for development of the Morgan Hill Ball Fields, including land purchase, ranges from $890,028 to $905,522 per acre. Based on this information, this analysis assumes that the cost to develop the full variety of sports field facilities will average approximately $900,000 per acre.

Based on information reported in Tables 14 and 15, the assessed value (2015 dollars) within the Sport-Recreation-Leisure District is expected to equal approximately $17.6 million in the base year,

which would increase to $147.6 million by Year 5 and $209.9 million by Year 10. The assessed value is fairly evenly split between the two affected TRAs. According to property tax allocation information furnished by the Santa Clara County Property Tax Apportionment Division, the City of Morgan Hill receives 10.462 percent of the new property tax increment generated within TRA 087-018,[6] [7] which is projected to equal approximately $13,500 in the base year, $92,800 in Year 5 and $128,000 in Year 10 and beyond. The City receives 10.708 percent of the new property tax increment generated within TRA 087-002,[8] [9] which is projected to equal approximately $5,000 in the base year, $63,100 in Year 5 and $93,700 in Year 10 and beyond. Combining the revenue generated within both TRAs, the assessed value of property located in the Sport-Recreation-Leisure District would generate $18,600 of property tax revenue in the base year, which would increase to $155,900 by Year 5 and $221,700 by Year 10.

[6] Personal communication. Jacelyn Ma, Property Tax Manager, Santa Clara County Property Tax Apportionment Division. July 9, 2015.
[7] Personal communication. Kenneth Kan, Senior Accountant, Santa Clara County Property Tax Apportionment Division. August 4, 2015.
[8] Personal communication. Jacelyn Ma, Property Tax Manager, Santa Clara County Property Tax Apportionment Division. July 9, 2015.
[9] Personal communication. Kenneth Kan, Senior Accountant, Santa Clara County Property Tax Apportionment Division. August 4, 2015.

Table 14: Property Tax Revenues, TRA 087-018

Anticipated Development	Base Year (0)	Year 5	Year 10
Residential (units)	11	2	0
Retail (sq. ft.)	0	40,000	40,000
Restaurant (sq. ft.)	0	3,000	3,000
Office (sq. ft.)	0	20,000	20,000
Indoor Sports (sq. ft.)	0	100,000	100,000
High School (sq. ft.)	0	65,105	65,105
Hotel (rooms)	0	0	0
Gas Station (acres)	0	0	0
Sports Fields (acres)	0	61	101
Undeveloped (acres)	32	0	0
Assessed Value (a)(b)			
Residential	$10,737,000	$2,084,000	$0
Retail	$0	$12,000,000	$12,000,000
Restaurant	$0	$975,000	$975,000
Office	$0	$6,000,000	$6,000,000
Indoor Sports (c)	$0	$12,500,000	$12,500,000
High School	n.a.	n.a.	n.a.
Hotel	$0	$0	$0
Gas Station	$0	$0	$0
Sports Fields (c)	$0	$55,121,000	$90,891,000
Undeveloped	$2,188,000	$0	$0
Total, Assessed Value	**$12,925,000**	**$88,680,000**	**$122,366,000**
New Ad Valorem Tax (1%)	$129,250	$886,800	$1,223,660
New Property Tax to City of Morgan Hill (10.462121%)	$13,522	$92,778	$128,021

Notes:

(a) Includes the existing assessed value, plus the anticipated value of new development.

(b) The estimated assessed values for new development are based on the following unit costs:

Retail/Commercial	$300	per sq. ft.
Restaurant	$325	per sq. ft.
Medical Office	$300	per sq. ft.
Indoor Sports	$125	per sq. ft.
Private High School	Variable	
Hotel/Motel	$125,000	per room
Gas Station	$3,000,000	per acre
Sports Fields	$900,000	per acre

(c) Properties associated with both indoor and outdoor sports facilities may, or may not, be owned/operated by the City of Morgan Hill and/or a non-profit partner. Due to uncertainty regarding the amount of land that would be tax-exempt, the only new development that is modelled as tax exempt is that which is anticipated to occur on the Jacoby property.

Sources: Santa Clara County Property Tax Apportionment Division, BAE, 2015.

Table 15: Property Tax Revenues, TRA 087-002

Anticipated Development	Base Year (0)	Year 5	Year 10
Residential (units)	3	1	0
Retail (sq. ft.)	0	85,000	135,000
Restaurant (sq. ft.)	0	3,000	3,000
Office (sq. ft.)	0	0	0
Indoor Sports (sq. ft.)	0	0	0
High School (sq. ft.)	0	0	0
Hotel (rooms)	0	120	240
Gas Station (acres)	0	1	1
Sports Fields (acres)	0	15	15
Undeveloped (acres)	32	0	0
Assessed Value (a)(b)			
Residential	$4,716,000	$887,858	$0
Retail	$0	$25,554,000	$40,500,000
Restaurant	$0	$975,000	$975,000
Office	$0	$0	$0
Indoor Sports (c)	$0	$0	$0
High School	n.a.	n.a.	n.a.
Hotel	$0	$15,444,000	$30,000,000
Gas Station	$0	$3,000,000	$3,000,000
Sports Fields (c)	$0	$13,050,000	$13,050,000
Undeveloped	$3,625,000	$0	$0
Total, Assessed Value	**$4,716,000**	**$58,910,858**	**$87,525,000**
New Ad Valorem Tax (1%)	$47,160	$589,109	$875,250
New Property Tax to City of Morgan Hill (10.708333%)	$5,050	$63,084	$93,725

Notes:
(a) Includes the existing assessed value, plus the anticipated value of new development.
(b) The estimated assessed values for new development area based on the following unit costs:

Retail/Commercial	$300	per sq. ft.
Restaurant	$325	per sq. ft.
Medical Office	$300	per sq. ft.
Indoor Sports	$125	per sq. ft.
Hotel/Motel	$125,000	per room
Gas Station	$3,000,000	per acre
Sports Fields	$900,000	per acre

(c) Properties associated with both indoor and outdoor sports facilities may, or may not, be owned/operated by the City of Morgan Hill and/or a non-profit partner. Due to uncertainty regarding the amount of land that would be tax-exempt, the only new development that is modelled as tax exempt is that which is anticipated to occur on the Jacoby property.

Sources: Santa Clara County Property Tax Apportionment Division, BAE, 2015.

Property Taxes In-Lieu of Vehicle License Fees (ILVLF)

Property taxes in-lieu of vehicle license fees were instituted as a revenue source for cities and counties in the mid-2000s when the State legislature acted to divert motor vehicle license fee revenues which were previously subvented to local government. In exchange, the state established ILVLF as a mechanism to replace the lost vehicle license fees and then to increase the revenues

over time as the assessed valuation increases. Local jurisdictions' ILVLF revenues increase in proportion to the increase in their assessed valuation.

As shown on Table 16, the City of Morgan Hill currently receives ILVLF revenues of approximately $3.11 million per year. Based on an existing citywide assessed value of approximately $7.7 billion, the ILVLF revenues are approximately equal to 0.04035 percent of assessed value. Table 16 projects that the proposed project will generate approximately $7,100 in new ILVLF for the City in the Base Year, which would increase to $59,600 in Year 5 and $84,700 in Year 10.

Table 16: ILVLF Revenues

General Fund Revenues	2015-2016	Varies with New Development	Variable Revenues
Property Tax In-Lieu of Vehicle License Fees	$3,110,842	yes	$3,110,842
Estimated 2015-2016 Assessed Valuation Citywide			$7,708,893,912
ILVLF as % of Assessed Valuation			0.04035%
Projected Revenues	**Base Year**	**Year 5**	**Year 10**
Increase in Assessed Value	$17,641,000	$147,590,858	$209,891,000
Increased ILVLF	$7,119	$59,559	$84,699

Source: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; BAE, 2015.

Property Transfer Tax

When real property is sold, a property transfer tax is collected at the time of the sale. The tax is $1.10 per $1,000 in property value. The revenues are split equally between the City and the County. As shown in Table 17, the City of Morgan Hill currently receives $457,960 per year in property transfer tax revenues. Because the tax is only paid when property is sold, a given property may only generate property transfer tax revenues sporadically over the course of many years. Although owner-occupied residential properties (e.g., single-family homes, condominiums, townhouses, etc.) tend to turn fairly frequently, income properties, such as apartments and commercial and industrial properties tend to remain in the same ownership for lengthy periods of time. For the purposes of this study, it is assumed that property turnover will be minimal from the Base Year through Year 5, but that the proposed project will generate property transfer tax on an ongoing basis, as reflected in Year 10 projections.

In order to generate an estimate of the average annual property transfer tax revenues that the proposed project could generate on an ongoing basis, it is assumed that the retail and sports related components of the project will turn over an average of once every 20 years. The transfer tax paid upon turnover is assumed to be equal to the projected property value times $1.10 per $1,000 in value, times the City's 50 percent share. This figure is then divided by 20, to estimate the average annual revenues from this source. Table 17 shows these calculations, indicating that from Year 10 onward, the City might expect to receive, on average, approximately $5,800 per year in property transfer tax revenues from the project area, although actual revenues may fluctuate significantly

from year to year. To the extent that any of the affected property could change ownership after annexation, but before Year 10 (e.g., property is sold to a housing developer), this analysis may understate potential revenues.

Table 17: Property Transfer Tax Revenues

General Fund Revenues	2015-2016	Varies with Development	Variable Revenues
Property Transfer Taxes	$457,960	yes	$457,960

Development Type (a)	2015 Value	Average Annual Transfer Tax (b)(c)
Residential	$0	$0
Retail	$52,500,000	$1,444
Restaurant	$1,950,000	$54
Office	$6,000,000	$165
Indoor Sports	$12,500,000	$344
High School	n.a.	n.a.
Hotel	$30,000,000	$825
Gas Station	$3,000,000	$83
Sports Fields	$103,941,000	$2,858
Total, Ongoing Year 10+		**$5,772**

Projected Revenues (d)	Base Year	Year 5	Year 10
Increased Property Transfer Tax	$0	$0	$5,772

Notes:
(a) Includes new development and development located in areas currently outside of the existing City limits, since the periodic resale of existing development within the City is already reflected in the City's current property transfer tax revenues. This is the
(b) The City's share of property transfer tax is $0.55 per $1000 valuation for the property that changes ownership.
(c) This analysis assumes that single-family residential properties will turn over once every seven years, while commercial properties will turn over on average once every 20 years. This is the annualized average property transfer tax revenues that each property would generate on an ongoing basis.
(d) Note that it is possible that some of the project area property would change ownership during the development process, which could generate property transfer taxes at some point between the Base Year and Year 10. To the extent that this occurs, this analysis will tend to understate potential revenues.

Sources: City of Morgan Hill Recommended 2015-2016 Budget; City of Morgan Hill Finance Department; BAE, 2015.

Sales Tax

Sales tax revenue is a significant source of revenue for the City of Morgan Hill's General Fund. The generally high incomes of the City's residents and the fact that the City is a destination for certain regional shopping activities, including auto sales, contributes to the City's sales tax revenue generation. The City receives sales tax allocations of approximately one percent of local taxable sales. Since the proposed project does not include any new residential development, this analysis estimates retail sales tax revenue based on average per square foot taxable sales. According to the Urban Land Institute, the average taxable sales per square foot in community shopping centers is approximately $362. Based on the total square footage of proposed retail development, adjusted downward by 24 percent to account for space occupied by uses that do not generate sales taxes, as

well as functional vacancy, BAE estimates that by Year 5 retail development in the project area could generate around $34.4 million taxable retail sales, which would increase to $48.2 million by Year 10. This would generate approximately $343,900 in sales tax revenue to the City in Year 5, which would increase to $481,500 by Year 10.

Table 18: Sales Tax Revenues

New Development	Base Year	Year 5	Year 10
Retail (sq. ft.)	0	125,000	175,000
Average Sales Per Square foot (a)(b)	$362		
Projected Revenues	**Base Year**	**Year 5**	**Year 10**
Increased Retail Sales (c)	$0	$34,391,781	$48,148,493
Increased Annual Revenues (d)	$0	$343,918	$481,485

Notes:
(a) Based on the average sales per square foot for community shopping centers, as reported by the Urban Land Institute.
(b) Figure has been adjusted to account for inflation based on the Bureau of Labor Statistics (BLS) Consumer Price Index (CPI).
(c) Includes a 14 percent non-retail adjustment and a 10 percent vacancy allow ance.
(d) Based on the sales and use tax rate of 8.75 percent that w as in effect as of July 1, 2015, as reported by the California State Board of Equalization.

Source: California State Board of Equalization, 2015; Urban Land Institute, 2008; Bureau of Labor Statistics, 2015; BAE, 2015.

Transient Occupancy Tax

Transient occupancy tax (TOT) revenue is collected as a percentage of the lodging revenues in local hotels and motels. The two hotels proposed for development in the Sport-Recreation-Leisure District would include approximately 120 rooms each. This analysis assumes limited service hotels with an average daily rate of $120 and an average occupancy rate of 70 percent, which are based on figures reported by HA&A in a report to the Morgan Hill City Council in July 2015. Based on these figures, the hotel rooms in the Sport-Recreation-Leisure District are expected to generate approximately $3.9 million in revenue in Year 5, which would increase to $7.9 million in Year 10 and beyond. Based on the existing TOT rate of 10 percent, the annual revenue that would accrue to the City would equal $394,200 in Year 5 and $788,400 in Year 10.

Table 19: Transient Occupancy Tax Revenues

New Development	Base Year	Year 5	Year 10
Hotel (rooms)	0	120	240
Average Daily Rate (a)	$120		
Projected Revenues	**Base Year**	**Year 5**	**Year 10**
Increased Hotel Revenue (b)	$0	$3,942,000	$7,884,000
Increased Annual TOT Revenues (c)	$0	$394,200	$788,400

Notes:
(a) Based on the HA&A Hotel Market Research Report presented to the Morgan Hill City Council in July 2015.
(b) Assumes an annual average occupancy rate of 70 percent, based on the HA&A report.
(c) Based on the transient occupancy tax (TOT) rate of 10 percent

Source: California State Board of Equalization, 2015; Urban Land Institute, 2008; Bureau of Labor Statistics, 2015; BAE, 2015.

Other Miscellaneous Revenues and Transfers

Table 20 lists a number of other miscellaneous revenues and transfers from other funds which contribute to the General Fund. Current average revenues per service population are $46.12. Applying this figure to the projected increase in Morgan Hill's service population associated with the proposed project indicates that the increased annual revenue would be zero in the Base Year, and $11,300 by Year 5, increasing to nearly $15,000 in Year 10 and beyond.

Table 20: Other Revenues

General Fund Revenues	2015-2016	Varies with New Development	Variable Revenues
Franchise Fees	$1,776,150	yes	$1,776,150
Public Safety Sales Tax	$344,329	yes	$344,329
Interest Earnings	$53,480	no	$0
Other Rentals	$229,829	no	$0
Motor Vehicle In Lieu	$15,000	yes	$15,000
Miscellaneous	$225,299	yes	$225,299
Subtotal Other Revenues	**$2,644,087**		**$2,360,778**
Average Revenues Per Service Population (a)			**$46.12**

Projected Revenues	Base Year	Year 5	Year 10
Increased Service Population (b)	0	246	325
Increased Annual Revenues	$0	$11,336	$14,999

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	**51,189**

(b) Increases in the local service population exclude residents of existing housing units and employees of existing commercial businesses, since annexation alone will not cause a significant change in revenue generation.

Source: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Net Fiscal Impacts

Table 21 summarizes the projected annual net fiscal impacts to the Morgan Hill General Fund, comparing the projected increases in service costs to the projected increases in revenues for the three points in time covered by this study. As shown in the table, the proposed urban service area extension and annexation would generate a small annual fiscal surplus in the base year of approximately $24,000, based on a reallocation of the existing property tax base. New development associated with the proposed project would generate a net annual fiscal surplus by Year 5 of only $7,200, which would increase to $633,000 by Year 10. While there a potential that proposed indoor and outdoor sports facilities that are assumed to be privately owned would instead be owned and operated by the City of Morgan Hill, or some other tax exempt entity, the removal of that property from the tax rolls would not significantly impact the long-term (Year 10 and beyond) net fiscal outcome of the proposed project. However, it should be noted that projected fiscal surpluses are largely dependent on the successful development and operation of the retail and lodging components of the proposed project.

Table 21: Net Fiscal Impact, City of Morgan Hill General Fund

Projected Costs	Base Year (0)	Year 5	Year 10
General Government	$1,680	$9,833	$13,010
Recreation	$0	$150,000	$150,000
Law Enforcement	$0	$707,720	$707,720
Fire Protection	$0	$0	$0
Cable TV	$0	$0	$0
St. Maint./Cong. Mgmt.	$0	$82,386	$83,210
Downtown Maintenance	$0	$0	$0
Env. Programs	$0	$159	$210
Transfers Out	$0	$7,539	$9,975
Sub-total Costs	**$1,680**	**$957,636**	**$964,124**
Projected Revenues			
Property Taxes	$18,572	$155,862	$221,745
ILVLF	$7,119	$59,559	$84,699
Property Transfer Tax	$0	$0	$5,772
Sales Tax	$0	$343,918	$481,485
Transient Occupancy Tax	$0	$394,200	$788,400
Other Revenues and Transfers	$0	$11,336	$14,999
Sub-total Revenues	**$25,691**	**$964,875**	**$1,597,101**
NET FISCAL IMPACT	**$24,011**	**$7,239**	**$632,977**

Source: BAE, 2015.

FISCAL IMPACTS ON SANTA CLARA COUNTY

Santa Clara County LAFCo prescribes a methodology to estimate impacts to the County from annexation requests; however, the LAFCo methodology relies on the use of five-year budget projections that the Santa Clara County Office of Budget and Analysis no longer produces. According to staff from that office, as of 2012, the County had not prepared the budget projections for several years, because of the volatility of the County's revenue situation, due to significant changes in subventions from the State and federal government as well as changes in local revenues due to economic conditions.[10] As a result, this study utilizes the 2015-2016 County budget document as the basis for the fiscal impact calculations, utilizing the format prescribed by LAFCo.

As shown in the upper part of Table 22, Santa Clara County has budgeted about $2.59 billion in expenditures and $2.41 billion in revenues for the 2015-2016 fiscal year. Based on this, current expenditures are budgeted at about 7.5 percent more than expected revenues. If all budgeted expenditures are made, this will mean that the County will need to dip into reserves from prior years in order to balance the budget; however, according to conversations with the County Budget Director conducted during preparation of prior City of Morgan Hill fiscal impact studies, the budgeted expenditures include contingencies; thus, actual expenditures are anticipated to be more in line with the budgeted revenues and the County will seek to avoid dipping into reserves from prior years.

Projected Service Costs

Based on the budgeted expenditures and the County's current service population of approximately 2.4 million, the County's average annual cost per service population is $1,082. Applying this figure to the projected increase in service population associated with the new development that is expected as part of the proposed project, the increased annual County service costs would be zero in the Base Year, $266,000 in Year 5, and $352,000 in Year 10.

Projected Revenues

Based on the budgeted revenues, the County's current average revenues per service population are $1,007. Applying this figure to the projected service population associated with the proposed project, the County's increased annual revenues are estimated at zero in the Base Year, $247,400 in Year 5, and $327,400 in Year 10.

Net Fiscal Impacts

As shown in the lower part of Table 22, the net annual fiscal impact to the County would be zero in the Base Year, -$18,600 in Year 5, and -$24,600 in Year 10. These relatively minor projected fiscal deficits are a function of the County's current budget, which budgets expenditures that exceed revenues by about 7.5 percent. Given the current budget situation, it is inevitable that fiscal deficits would be projected following this methodology. In reality, if the County is able to avoid spending its

[10] Personal communication. Mary Stephens, Budget Director, County of Santa Clara. September 6, 2012.

contingency budgets in the current fiscal year, the budget will be balanced, avoiding the need to dip into reserves from prior years. The reduced rate of expenditures would also mean that the proposed project would be fiscally balanced, following the methodology used in this study.

Table 21: Santa Clara County Impacts

Population Projections	2015	Base Year (0)	Year 5	Year 10
Proposal-Generated Service Population	n.a.	0	246	325
County Population (2015)	1,889,638			
County Employment (2015)	1,003,780			
County Service Population	**2,391,528**			
County General Fund Projections				
Expenditures For County (2015/16)	$2,588,269,079			
Revenues For County (2015/16)	$2,407,361,380			
Expenditures Per Service Population	$1,082			
Revenues Per Service Population	$1,007			

Fiscal Impact of Proposal	Base Year (0)	Year 5	Year 10
Increased Proposal-Generated Expenditures	$0	$266,025	$351,989
Increased Proposal-Generated Revenues	$0	$247,432	$327,386
Net County General Fund Impact due to Proposal Surplus	**$0**	**($18,594)**	**($24,602)**

Sources: County of Santa Clara; State Department of Finance; ABAG; BAE, 2015.

FISCAL IMPACTS ON OTHER AGENCIES

Morgan Hill Unified School District

The Morgan Hill Unified School District (MHUSD) serves Morgan Hill, San Martin, South San Jose, and portions of unincorporated Santa Clara County, including the Subject Site. The schools that serve the subject site are Jackson Academy, Britton Middle School, and Live Oak High School.

With respect to ongoing operating and instructional costs, a project's impact on a school district generally depends on whether the district is a "basic aid" district that derives nearly all of its general operating funding from local property tax revenues or a district that receives substantial revenues from the State of California that combine with the district's local property tax revenue share in order to reach the per pupil funding levels prescribed by the Local Control Funding Formula (LCFF). Basic aid districts are those in which local property taxes paid to the school district exceed the amount of state-mandated per-student funding, resulting in a larger amount of revenue per student than the state minimum. If a project located in a basic aid district generates new students for the district but does not increase property tax revenue enough to provide the current level of per-student funding for each new student, the net fiscal impact to the district will be negative. The net fiscal impact for the district will be positive if property taxes generated by new development exceed the cost of providing the current level of per-student funding for each student that the project generates.

Most school districts in California, including MHUSD, are not basic aid districts. In these districts, local property taxes are not sufficient to reach the funding levels prescribed by the LCFF, so the state provides supplemental funds to bring district spending up to the state-mandated amounts. Since state funding covers the gap between local property taxes and the per-student amounts, a development project in a non-basic aid district is unlikely to have an impact on the per pupil funding available to cover ongoing operational and instructional costs. Instead, the amount of supplemental funding provided by the state will adjust to account for any changes in the difference between property tax revenues and the LCFF-dictated amount of funding per student. Therefore, since MHUSD is not a basic aid district, new development in the project area is not expected to impact the District with respect to the per-pupil resources that would be available to fund ongoing operating or instructional costs.

According to the MHUSD Facilities Director, the District's existing facilities are nearly at capacity, with only limited ability to accommodate the new students that the projected development would be expected to generate.[11] Under a newly approved plan, the District will shift the sixth grade classes from the elementary schools to the middle schools, therefore creating additional capacity among the elementary schools to accommodate new students. The District receives impact fees for new development in the amount of $3.36 per square foot of livable residential space, which is reserved for new construction or capital improvements and therefore could be used to expand existing

[11] Personal communication. Anessa Espinosa, Director of Facilities, Morgan Hill Unified School District. August 25, 2015.

facilities, if new development were to generate enough students to require additional classrooms or other facilities expansions. However, there are no residential uses proposed for the project area; therefore the proposed project will not have a significant impact on the MHUSD.

Gavilan Community College

The Gavilan Community College system has campuses in Morgan Hill, Gilroy, and Hollister, and is the community college system that is most likely to be impacted by development on the Subject Site. Similar to elementary, middle, and high school districts, the Gavilan Community Colleges are funded through a combination of property taxes and funding from the state, with the state covering the gap between property tax revenues and the minimum amount of per-student funding.

However, the state funds only a limited number of community college students each year, and the total number of students funded depends largely on the state budget. In the 2011-2013 the state implemented a workload reduction process that reduced the amount of funds received by the college. With the approval of Proposition 30 in 2012, state funding for the college stabilized.[12] While the college indicated that it was no longer accepting new students in 2011, budget stabilization has allowed the college to pursue expansion and the establishment of a new facility in the Coyote Valley which will significantly expand capacity.[13] In the future, if the college finds itself restricted in its ability to accommodate new students it will limit or cease enrollment, regardless of the expressed demand.

There are no residential uses proposed for development in the Sport-Recreation-Leisure District; therefore the proposed project will not have a significant impact on the Gavilan Community College. If, in the future, the project description is revised to include residential units, the impacts would likely remain the same, for the reasons described above.

Santa Clara County Library

The Santa Clara County Library system serves residents and property owners in Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Milpitas, Morgan Hill, Saratoga, and all unincorporated areas of Santa Clara County, including the Sport-Recreation-Leisure District. The system operates one library in Morgan Hill, which is located at the Morgan Hill Civic Center.

The Santa Clara County Library system is funded primarily through property taxes assessed on property in unincorporated Santa Clara County and the nine cities that the County Library system serves. In addition to a portion of the one percent local property tax levy, the County Library system receives a Community Facilities District (CFD) tax that is charged on all property within the area that the system covers. The CFD tax amounts to $33.66 per year for each single family home and $16.83 per year for each multifamily unit. The CFD is levied on non-residential property on a per-acre basis. The Administrative Services Manager for the County Library system estimates that the

[12] Gavilan Joint Community College District. (July 1, 2015). Tentative Budget: Fiscal Year 2015-2016. Retrieved from: http://www.gavilan.edu/budget/tentative_budget/FY1516_Tentative_Budget.pdf

[13] Personal communication. Jan Bernstein Chargin, Director of Public Information, Gavilan College. September 2, 2015.

revenue generated by property taxes and the CFD would be adequate to cover the cost of providing library services to new residents on the subject site.[14]

Santa Clara Valley Water District

The Santa Clara Valley Water District (SCVWD) is a wholesale water supplier and groundwater basin manager. The District provides water to the City of Morgan Hill and the City of Morgan Hill owns and operates the system that supplies water to its retail customers. Costs of connections to the District's system may be charged to treated water retail agencies (e.g., City of Morgan Hill) or to untreated surface water customers, but are not charged to groundwater well users, except that a nominal well permitting fee is charged for construction of new wells to cover the cost of well inspection. The District does install a meter on any wells producing more than 2 acre-feet for M&I use in Zone W-5 (south County area), but the District does not charge for the meter, the maintenance of the meter, or the reading of the meter.

Water rates charged to wholesale customers are volumetric. The District does have the ability to adjust groundwater charges to recover the costs of protecting and replenishing groundwater, including the purchase of imported water to augment local supplies. However, increases in charges are subject to a majority protest process similar to a Prop 218 process. Therefore, there is a risk to the District that increased costs may not be recovered through commensurate rate increases, but the expected risk is low according to staff of the District.

Based on this information, this study assumes that any impacts on District operations will be offset by the wholesale water service charges that will be collected from the City, which will in turn be offset by the retail water rates that the City charges to its retail customers; thus, no adverse fiscal impacts are anticipated from the proposed project.

[14] Personal communication. Carol Frost, Deputy County Librarian, Santa Clara County Library. August 25, 2015.

Appendix A: Existing and Anticipated Development, Sports-Recreation-Leisure District (Page 1 of 2)

Land Use	Baseline (Year 0)	Year 5	Net Change (Years 0-5)	Build-out (Year 10)	Net Change (Years 0-10)
Residential (units)	**14**	**3**	**(11)**	**0**	**(14)**
South County Catholic High School	*3*	*0*	*(3)*	*0*	*(3)*
Grestoni Sports Retail/Restaurant Uses	*0*	*0*	*0*	*0*	*0*
*Puliafico *SRL Uses*	*3*	*0*	*(3)*	*0*	*(3)*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application	*8*	*3*	*(5)*	*0*	*(8)*
Retail (sq. ft.)	**0**	**125,000**	**125,000**	**175,000**	**175,000**
South County Catholic High School	*0*	*0*	*0*	*0*	*0*
Grestoni Sports Retail/Restaurant Uses	*0*	*40,000*	*40,000*	*40,000*	*40,000*
*Puliafico *SRL Uses*	*0*	*0*	*0*	*0*	*0*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*35,000*	*35,000*	*35,000*	*35,000*
City Initiated Application (a)	*0*	*50,000*	*50,000*	*100,000*	*100,000*
Restaurant (sq. ft.)	**0**	**6,000**	**6,000**	**6,000**	**6,000**
South County Catholic High School	*0*	*0*	*0*	*0*	*0*
Grestoni Sports Retail/Restaurant Uses	*0*	*3,000*	*3,000*	*3,000*	*3,000*
*Puliafico *SRL Uses*	*0*	*0*	*0*	*0*	*0*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application	*0*	*3,000*	*3,000*	*3,000*	*3,000*
Office (sq. ft.)	**0**	**20,000**	**20,000**	**20,000**	**20,000**
South County Catholic High School	*0*	*0*	*0*	*0*	*0*
Grestoni Sports Retail/Restaurant Uses	*0*	*0*	*0*	*0*	*0*
*Puliafico *SRL Uses*	*0*	*20,000*	*20,000*	*20,000*	*20,000*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application	*0*	*0*	*0*	*0*	*0*
Indoor Sports (sq. ft.)	**0**	**100,000**	**100,000**	**100,000**	**100,000**
South County Catholic High School	*0*	*0*	*0*	*0*	*0*
Grestoni Sports Retail/Restaurant Uses	*0*	*0*	*0*	*0*	*0*
*Puliafico *SRL Uses*	*0*	*0*	*0*	*0*	*0*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application	*0*	*100,000*	*100,000*	*100,000*	*100,000*
High School (sq. ft.)	**0**	**65,105**	**65,105**	**65,105**	**65,105**
South County Catholic High School (c)	*0*	*65,105*	*65,105*	*65,105*	*65,105*
Grestoni Sports Retail/Restaurant Uses	*0*	*0*	*0*	*0*	*0*
*Puliafico *SRL Uses*	*0*	*0*	*0*	*0*	*0*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application	*0*	*0*	*0*	*0*	*0*
Hotel (rooms)	**0**	**120**	**120**	**240**	**240**
South County Catholic High School	*0*	*0*	*0*	*0*	*0*
Grestoni Sports Retail/Restaurant Uses	*0*	*0*	*0*	*0*	*0*
*Puliafico *SRL Uses*	*0*	*0*	*0*	*0*	*0*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application (b)	*0*	*120*	*120*	*240*	*240*

(Continued)

Sources: City of Morgan Hill, 2015; BAE, 2015.

Appendix A: Existing and Anticipated Development, Sports-Recreation-Leisure District (Page 2 of 2)

Land Use	Baseline (Year 0)	Year 5	Net Change (Years 0-5)	Build-out (Year 10)	Net Change (Years 0-10)
Gas Station (acres)	**0**	**1**	**1**	**1**	**1**
South County Catholic High School	*0*	*0*	*0*	*0*	*0*
Grestoni Sports Retail/Restaurant Uses	*0*	*0*	*0*	*0*	*0*
*Puliafico *SRL Uses*	*0*	*0*	*0*	*0*	*0*
*Jacoby *SRL Uses; Morgan Hill Ball Fields*	*0*	*0*	*0*	*0*	*0*
City Initiated Application	*0*	*1*	*1*	*1*	*1*
Sports Fields (acres)	**0**	**98**	**98**	**138**	**138**
South County Catholic High School	0	0	0	0	0
Grestoni Sports Retail/Restaurant Uses	0	0	0	0	0
Puliafico *SRL Uses	0	36	36	36	36
Jacoby *SRL Uses; Morgan Hill Ball Fields	0	23	23	23	23
City Initiated Application	0	40	40	79	79
Undeveloped (acres)	**64**	**0**	**(64)**	**0**	**(64)**
South County Catholic High School	0	0	0	0	0
Grestoni Sports Retail/Restaurant Uses	4	0	(4)	0	(4)
Puliafico *SRL Uses	0	0	0	0	0
Jacoby *SRL Uses; Morgan Hill Ball Fields	26	0	(26)	0	(26)
City Initiated Application	34	0	(34)	0	(34)

Notes:

(a) Assumes that approximately one-half of the retail anticipated as part of the City Initiated Application w ill be developed by year 5, w ith the remainder developed through year 10.

(b) Assumes that one 120 room hotel w ill be developed by year 5, w ith a second 120 hotel developed betw een year 5 and year 10.

(c) The Environmental Impact Report for the South County Catholic High School indicates that the project w ill be divided into three phases. Construction on the first phase w ould begin in 2015 and conclude in 2017. Construction on the second phase w ould not begin until 2030, w ith full project completion occuring in 2049.

Sources: City of Morgan Hill, 2015; BAE, 2015.

bae urban economics

City of Morgan Hill

Monterey-South-Hordness-City of Morgan Hill Fiscal Impact Analysis

September 2015

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function of the structure of the current County Budget, which projects expenditures which are approximately six percent greater than revenues. This includes expenditure contingencies which, if needed, will be covered by reserves from prior years. When the budgeted costs and revenues are used to calculate current average cost and revenue multipliers, which are then applied to the projected service population associated with the proposed project, this creates the projections of fiscal deficits. In practice, the County seeks to hold expenditures below the budgeted levels, so that they can be balanced with current revenues. If the fiscal projections in this study were based on actual expected expenditures, the results for the proposed project would be approximately balanced.

For other local governmental entities that provide services to the project area (Morgan Hill Unified School District, Gavilan Community College, Santa Clara County Library, and Santa Clara Valley Water District), interviews with agency representatives indicated that fiscal impacts should be relatively benign, as their existing funding mechanisms will tend to produce sufficient revenues to balance any anticipated increases in costs.

currently exists within the annexation area is expected to remain. The City anticipates that there will be approximately 72,000 square feet of new non-retail commercial development, plus the 8,400 square foot church expansion, within the first five years following annexation. The City also anticipates the development of a 123-unit multifamily housing complex. Within ten years following annexation, the City anticipates another 45,000 square feet of new non-retail commercial development, as well as a 32,000 square foot expansion of the existing Oakwood School.

Table 1 also includes assumptions about the average household sizes in residential units and the average employment densities for non-residential development, for the purposes of estimating the anticipated change in the municipal service population. Service population is defined to include all residents, plus one-half of the anticipated ongoing jobs associated with commercial land uses anticipated in the project area. The discounting for employees is meant to account for the fact that employees, who spend less time in the community than residents, will tend to generate less service demand and less revenue than residents. This assumption is widely used in projecting fiscal impacts for municipalities.

Figure 1: Regional Location

Source: City of Morgan Hill, 2015; BAE, 2015.

CITY OF MORGAN HILL GENERAL FUND FISCAL IMPACTS

This section of the report presents the projected increases in revenues and costs to the City of Morgan Hill as a result of the proposed project. The analysis is geared to the City of Morgan Hill's General Fund, as the General Fund represents the portion of the City's budget that finances key public services using general purpose discretionary revenues. Because the major general purpose discretionary revenues come from sources such as property tax, sales tax, and property tax in-lieu of vehicle license fees, over which the City has relatively little control, the concern is that new development within the City may generate demand for services, the costs of which may not be covered by increases in the discretionary revenues. On the other hand, the remainder of the City's budget tends to involve service expenditures and revenues that the City is able to more closely align.

Methodology

The fiscal impact analysis for the City of Morgan Hill employs a combination of case study and average cost and revenue multiplier techniques in order to project the changes in costs and revenues that would accrue to the City of Morgan Hill, if the project area is annexed, and development occurs on the sites as anticipated. The case study technique involves analyzing the specific attributes of the project and identifying specific changes in service costs or revenues based on the particular characteristics of the project. Fire and emergency medical services and police costs are evaluated using this technique. All other services are projected on an average cost per capita basis, assuming that future development will generate costs at the same average per capita rate as existing development, based on expenditures contained in the City Budget for the 2015-2016 fiscal year. Property tax, property tax in-lieu of vehicle license fee revenues, property transfer taxes, and sales taxes are projected using a case study approach that models the anticipated revenues based on project characteristics and the specific factors that are used to allocate revenues from these sources to the City of Morgan Hill. Other revenues are projected on an average per capita revenue basis, which assumes that new development will generate increases in revenues that are equal to the current per capita revenue generation for the same sources. BAE developed the average cost and revenue multipliers in consultation with staff from the City of Morgan Hill finance department, who provided assistance in identifying the current net General Fund expenditures (total expenditures minus offsetting program revenues) and revenues for various City services. Finance Department staff also assisted in identifying those cost and revenue items that would be expected to change in response to changes in development within the City as opposed to those that would not be expected to change. All cost and revenue projections are expressed in constant 2015 dollars.

Additional methodological details and assumptions are provided in the discussion of individual cost and revenue projections below.

Table 2: General Government Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
City Attorney	$598,440	100%	$598,440
City Clerk	$608,543	100%	$608,543
City Council	$432,624	0%	$0
City Manager	$756,925	100%	$756,925
Elections	$59,918	100%	$59,918
Finance	$1,345,489	100%	$1,345,489
Human Resources	$582,349	100%	$582,349
Subtotal General Government Functions	**$4,347,565**		**$3,951,664**
Offsetting Program Revenues			
Program Revenue	$1,904,000	100%	$1,904,000
Transfers In	$0	100%	$0
Subtotal Program Revenues	**$1,904,000**		**$1,904,000**
Net Variable General Fund Costs			**$2,047,664**
Average Cost Per Service Population (a)			**$40.00**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	25	198	252
Increased Annual Cost	$985	$7,931	$10,068

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing commercial businesses that are already located within the existing city limits, since annexation alone will not cause a significant change in demand for General Government Services. The figures reflect existing residents and employees in areas that will be annexed into the City, as well as those associated with new development.

Sources: City of Morgan Hill Recommended 2015-2016 Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Recreation

The City of Morgan Hill offers a comprehensive set of recreation programs, accounting for approximately $6.83 million in expenditures per year; however, the City also structured its recreation-related user fees and charges to cover almost the entire cost of the recreation program. As shown in Table 3, after accounting for offsetting program revenues, the net General Fund cost for the Recreation Department is approximately $296,400, or $7.09 per resident. This average cost calculation excludes people who are employed in Morgan Hill, as those who are not also residents are more likely to partake in recreational programs where they live, as opposed to in Morgan Hill. To the extent that some people who work locally might also participate in City of Morgan Hill recreation programs, this will tend to slightly overstate the per capita costs and make the analysis more conservative, from the City's perspective. The expenditure projections exclude residents of existing housing units, as these residents are not expected to generate a substantial increase in demand for

Table 4: Law Enforcement Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
PD Administration	$1,247,208	100%	$1,247,208
PD Field Operations	$6,676,893	100%	$6,676,893
PD Support Services	$2,006,458	100%	$2,006,458
PD Emergency Services	$171,609	100%	$171,609
PD Special Operations	$2,677,095	100%	$2,677,095
Dispatch Services	$1,403,374	100%	$1,403,374
Subtotal Variable Costs	**$14,182,637**		**$14,182,637**
Offsetting Program Revenues			
Program Revenue	$914,604	100%	$914,604
Transfers In	$100,000	100%	$100,000
Subtotal Program Revenues	**$1,014,604**		**$1,014,604**
Net Variable General Fund Costs			**$13,168,033**
Average Cost Per Service Population (a)			**$257.24**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	281	334
Increased Annual Costs	$0	$72,242	$85,981

Notes:

(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, both within the existing city limits and within the annexation area, since annexation alone will not cause a significant change in demand for Law Enforcement Services. The figures reflect only those residents and employees associated with new development.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Because Police expenditures are such a large portion of the City of Morgan Hill General Fund's expenditures, the overall results of the fiscal impact analysis will be particularly sensitive to the MHPD service costs when the project area is fully built out. In order to cross-check the cost projections generated using the average cost method, BAE provided information on the proposed project to Police Analyst Margarita Balagso of the MHPD, for evaluation of the potential impacts on Police Department operations from the proposed project. Based on a review of the project site, its location in relation to established Police patrol areas, the types of land uses, and other factors, the MHPD determined that the project would likely increase demand for law enforcement services, such that the MHPD would need to hire one full-time officer and one half-time public safety dispatcher, at

companies are currently operating below "full utilization."[4] The proposed annexation is not expected to generate any significant increase the number of calls for service, nor will it result in a decreased level of service for existing residents and businesses. No new facilities, personnel, apparatus, or equipment are envisioned. By the end of the current fiscal year, the MHFD and MHPD will complete a Public Safety Master Plan, which will identify needs for the development and maintenance of facilities and equipment necessary to ensure the public safety. As part of the Master Plan, the MHFD anticipates establishing a volunteer fire company that will provide supplementary services. Based on this information, it is unlikely that the proposed project will create any significant increase in the City's costs for fire protection and EMS services and, at the same time, the level of service in the area will continue to meet targeted service standards.

Table 6: Fire Protection Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Fire Protection	$5,329,155	0%	$0
Subtotal Variable Costs	**$5,329,155**		**$0**
Offsetting Program Revenues			
Program Revenue	$251,940	0%	$0
Transfers In	$0	0%	$0
Subtotal Program Revenues	**$251,940**		**$0**
Net Variable General Fund Costs			**$0**
Average Cost Per Service Population (a)			**$0**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	281	334
Increased Annual Costs	$0	$0	$0

Notes:
(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, both within the existing city limits and within the annexation area, since annexation alone will not cause a significant change in demand for Fire Protection Services. The figures reflect only those residents and employees associated with new development.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Cable TV

[4] An engine company reaches "full utilization" at around 2,500 to 3,000 annual calls for service. All existing engine companies operating in the Morgan Hill area responded to fewer than 1,300 incidents each in 2014.

this to the proposed project's anticipated service population yields annual project cost increases of zero in the Base Year; $2,900 in Year 5, and $3,500 in Year 10 and beyond, as shown in Table 8.

Table 8: Street Maintenance and Congestion Management Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Street Maintenance	$1,906,471	100%	$1,906,471
Congestion Management	$75,116	100%	$75,116
Subtotal Variable Costs	**$1,981,587**		**$1,981,587**
Offsetting Program Revenues			
Program Revenue	$75,000	100%	$75,000
Transfers In	$1,375,616	100%	$1,375,616
Subtotal Program Revenues	**$1,450,616**		**$1,450,616**
Net Variable General Fund Costs			**$530,971**
Average Cost Per Service Population (a)			**$10.37**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	281	334
Increased Annual Costs	$0	$2,913	$3,467

Notes:
(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, both within the existing city limits and within the annexation area, since annexation alone will not cause a significant change in demand for Street Maintenance and Congestion Management Services. The figures reflect only those residents and employees associated with new development.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Downtown Maintenance

The City of Morgan Hill budgets for approximately $104,200 in expenditures in support of Downtown Maintenance in the current fiscal year. These expenditures are not anticipated to change in response to new development in the Monterey-South-Hordness-City of Morgan Hill area; thus, no net General Fund cost increases are projected as a result of the proposed project.

Table 10: Environmental Program Service Costs

General Fund Expenditures	2015-2016	% Variable	Variable Cost
Environmental Programs	$213,071	100%	$213,071
Subtotal Variable Costs	**$213,071**		**$213,071**
Offsetting Program Revenues			
Program Revenue	$180,000	100%	$180,000
Transfers In	$0	100%	$0
Subtotal Program Revenues	**$180,000**		**$180,000**
Net Variable General Fund Costs			**$33,071**
Average Cost Per Service Population (a)			**$0.65**
Projected Costs	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	281	334
Increased Annual Costs	$0	$181	$216

Notes:
(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	51,189

(b) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, both within the existing city limits and within the annexation area, since annexation alone will not cause a significant change in demand for Environmental Programs. The figures reflect only those residents and employees associated with new development.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Transfers Out

The City of Morgan Hill uses a limited amount of its discretionary general purpose revenues to fund programs outside of the General Fund. This financing is provided in the form of fund transfers from the General Fund to other funds. For fiscal year 2015-2016, the transfers out from the General Fund are $1.57 million, or $30.67 per service population. Assuming the City continues this same average per service population level of support for programs outside of the General Fund as new development occurs, the annual projected increases in Transfers Out will be zero in the Base Year, $8,600 in Year 5, and $10,250 in Year 10 and later years, as shown in Table 11.

Projected Revenues

Property Taxes

The property tax revenues that accrue to a city are a function of the assessed value of real property located within the City, times the basic ad-valorem property tax rate (1.0 percent of assessed value), times the property tax increment allocation factor for the City that is applicable within the Tax Rate Area (TRA) in which the development in question is located. Currently, the City of Morgan Hill does not receive any portion of the property taxes generated by the properties that are located within the project area, but that are located outside of the existing City limits. Upon annexation, the City of Morgan Hill will be assigned a share of the basic 1.0 percent property tax generated by those parcels According to Santa Clara County Assessor's records, the current assessed value of property that included in the USA extension is $3.1 million, while the assessed value in the area proposed for annexation is approximately $5.2 million, as shown in Table 12. Approximately 37 percent of the existing assessed value for the Monterey-South-Hordness-City of Morgan Hill area is associated with the portion already located within the existing City limits, with 63 percent located in the area proposed for annexation. As will be discussed in greater detail below, approximately 42 percent of the value associated with new development is anticipated to occur on parcels already located within the City, while the remaining 58 percent is associated with new development proposed in the annexation area.

Once annexation occurs, the reallocation of the existing tax base would result in a net increase in the City's property tax revenue in the base year of approximately $5,600, as shown in Table 13. This primarily represents a reallocation of existing property tax revenue from the South Santa Clara County Fire Protection District, which would experience a decrease in property tax revenue of -$5,400. This decrease in property tax revenue would be accompanied by a contraction in the SSCCFPD District service area, as well as an increase in the potential for the MHFD to provide mutual aid.[5] All other entities that receive an allocation of the base 1.0 percent property tax would be only marginally impacted.

[5] Through existing agreements, the MHFD and the SSCCFPD cooperate to provide fire protection services within both jurisdictions based on which agency is best positioned to respond most efficiently. Because the SSCCFPD responds to a proportionately greater share of calls in the City, compared to those instances when the MHFD responds to calls in the unincorporated county, the City currently funds approximately 50 percent of the costs associated with one of the fire engines operated within the SSCCFPD. Because the proposed USA expansion could impact the share of SSCCFPD calls for service within the City of Morgan Hill, the City could continue to monitor and adjust the offsetting funding it provides. The MHFD also plans to construct a third fire station which, when constructed and staffed, would decrease the number of calls within the City of Morgan Hill that would be served by the SSCCFPD.

Table 13: Base year Property Tax Reallocation

Receiving Entities	Pre-Annexation TRA 004-022	Pre-Annexation TRA 087-002	Pre-Annexation Total, All TRAs	Post-Annexation TRA 004-022	Post-Annexation TRA 087-002	Post-Annexation Total, All TRAs	Net Change Value	Net Change Percent
Santa Clara County	$4,507	$7,810	$12,317	$4,507	$7,929	$12,436	$119	1%
Santa Clara County Library	$821	$1,434	$2,254	$821	$1,445	$2,265	$11	0%
Morgan Hill City	$3,166	$0	$3,166	$3,166	$5,583	$8,749	$5,583	176%
Morgan Hill Unified	$14,021	$24,320	$38,341	$14,021	$24,320	$38,341	$0	0%
Gavilan Community College	$1,782	$3,096	$4,878	$1,782	$3,096	$4,878	$0	0%
County School Service	$1,074	$1,868	$2,943	$1,074	$1,868	$2,943	$0	0%
South Santa Clara County Fire Protection District	$0	$5,431	$5,431	$0	$0	$0	($5,431)	-100%
Santa Clara Valley Water District South Zone I	$503	$880	$1,382	$503	$891	$1,393	$11	1%
Santa Clara Valley Water District	$230	$402	$632	$230	$98	$328	($304)	-48%
Bay Area Air Quality Management District	$59	$98	$157	$59	$109	$168	$11	7%
Loma Prieta Resource Conservation District	$15	$22	$37	$15	$22	$37	$0	0%
Santa Clara County Importation Water - Misc District	$157	$272	$428	$157	$272	$428	$0	0%
ERAF	$4,912	$6,506	$11,418	$4,912	$6,506	$11,418	$0	0%
Total, All Receiving Entities	**$31,247**	**$52,137**	**$83,384**	**$31,247**	**$52,137**	**$83,384**	**$0**	**0%**

Sources: Santa Clara County Office of the Assessor; Santa Clara County Auditor-Controller; BAE, 2015.

Morgan Hill, including the Diamond Creek property at 15685 Monterey Street, just to the north of the Monterey-South-Hordness-City of Morgan Hill project site. Asking rents at the newly constructed Diamond Creek property generally mirror the overall citywide trend, with rates ranging from $2,100 to $3,000 per month. Assuming a 6.0 percent cap rate, and operating expenses estimated at 30 percent of gross revenue, these rents indicate that newly constructed multifamily rental units in Morgan Hill may range in value from approximately $294,000 per unit to $420,000 per unit, with an average of $356,000 and a median of $354,000. Recognizing that the proposed multifamily units may be developed as senior housing, with a smaller average square footage compared to non-age restricted housing, this fiscal analysis uses an estimated per-unit value of $325,000 per unit for multifamily rental properties. To the extent that some of the multifamily units could be developed as larger non-age restricted units, or as for-sale units (e.g., townhouses or condominiums), this value assumption may tend to under-state the potential assessed value and resulting property tax revenues that the residential components of the proposed project might generate.

As shown in Table 14, the assessed value (2015 dollars) of development within the portion of the project area located within the existing City limits is expected to equal around $3.1 million in the base year. This reflects the assessed value of development that already exists within the area. Commensurate with new development, the assessed value is expected to increase to around $20.8 million by Year five and $29.6 million by Year 10. This reflects the build-out of the non-retail commercial development, as well as the expansion of the existing Oakwood School. While the Santa Clara Assessor reports an assessed value of $1.88 million for the Oakwood School property, this is assumed to be associated with the portion of the property that has not yet been developed. Upon completion of the school expansion, this analysis assumes that the entirety of the property would be tax exempt. According to property tax allocation information furnished by the Santa Clara County Property Tax Apportionment Division, the City of Morgan Hill receives 10.132 percent of the new annual property tax increment generated within TRA 004-022,[7] [8] which would generate approximately $3,200 in property tax revenue in the base year, which would increase to approximately $21,100 in Year 5 and $30,000 in Year 10 and beyond.

As shown in Table 15, the assessed value (2015 dollars) of development within the portion of the project area located outside of the existing City limits would equal around $5.2 million in the base year, increasing to $44.4 million in Year 5 and beyond. This reflects the build-out of the 123 multifamily housing units, as well as the expansion of the existing Morgan Hill Bible Church (tax exempt). According to property tax allocation information furnished by the Santa Clara County Property Tax Apportionment Division, the City of Morgan Hill would receive 10.708 percent of the new property tax increment generated on parcels in TRA 087-002 after annexation,[9] [10] which would

[7] Personal communication. Jacelyn Ma, Property Tax Manager, Santa Clara County Property Tax Apportionment Division. July 9, 2015.
[8] Personal communication. Kenneth Kan, Senior Accountant, Santa Clara County Property Tax Apportionment Division. August 4, 2015.
[9] Personal communication. Jacelyn Ma, Property Tax Manager, Santa Clara County Property Tax Apportionment Division. July 9, 2015.

Table 15: Property Tax Revenues, TRA 087-002

Anticipated Development	Base Year (0)	Year 5	Year 10
Single Family Residential (units)	5	5	5
Multifamily Residential (units)	0	123	123
Non-Retail Commercial (sq. ft.)	4,544	4,544	4,544
Public Facilities/Church (sq. ft.)	11,600	20,000	20,000
Public Facilities/School (sq. ft.)	0	0	0
Agriculture (acres)	7	0	0
Assessed Value (a)			
Single Family Residential	$3,622,000	$3,622,000	$3,622,000
Multifamily Residential	$0	$39,812,500	$39,812,500
Non-Retail Commercial	$967,000	$967,000	$967,000
Public Facilities/Church	$0	$0	$0
Public Facilities/School	$0	$0	$0
Agriculture	$625,000	$0	$0
Total, Assessed Value	**$5,214,000**	**$44,401,500**	**$44,401,500**
New Ad Valorem Tax (1%)	$52,140	$437,765	$437,765
New Property Tax to City of Morgan Hill (10.708333%)	$5,583	$46,877	$46,877

Notes:
(b) The estimated assessed values for new development are based on the following unit costs:

Single Family Residential	n.a.	
Multifamily Residential	$325,000	per unit
Non-Retail Commercial	$250	per sq. ft.
Public Facilities/Church	n.a.	
Public Facilities/School	n.a.	

Sources: Santa Clara County Property Tax Apportionment Division, BAE, 2015.

Property Taxes In-Lieu of Vehicle License Fees (ILVLF)

Property taxes in-lieu of vehicle license fees were instituted as a revenue source for cities and counties in the mid-2000s when the State legislature acted to divert motor vehicle license fee revenues which were previously subvented to local government. In exchange, the state established ILVLF as a mechanism to replace the lost vehicle license fees and then to increase the revenues over time as the assessed valuation increases. Local jurisdictions' ILVLF revenues increase in proportion to the increase in their assessed valuation. Similar to property taxes, upon annexation, the existing base assessed valuation used to calculate the City's ILVLF revenue increase will not change upon annexation. The City will only realize increases in ILVLF revenue once the assessed valuation of the affected parcels increases above the base value at the time of the annexation.

As shown on Table 16, the City of Morgan Hill currently receives ILVLF revenues of approximately $3.11 million per year. Based on an existing citywide assessed value of approximately $7.7 billion, the ILVLF revenues are approximately equal to 0.04035 percent of assessed value. Table 16 projects that the proposed project will generate around $2,100 in new ILVLF for the City in the Base Year and that the new development would contribute to increases in citywide assessed valuation

Table 17: Property Transfer Tax Revenues

General Fund Revenues	2015-2016	Varies with Development	Variable Revenues
Property Transfer Taxes	$457,960	yes	$457,960

Development Type (a)	2015 Value	Average Annual Transfer Tax (b)(c)
Single-Family Units	$3,622,000	$285
Multifamily Residential	$39,812,500	$1,095
Non-Retail Commercial	$30,217,000	$831
Public Facilities/Church	$0	$0
Public Facilities/School	$0	$0
Agriculture	$0	$0
Total, Ongoing Year 10+		**$2,210**

Projected Revenues (d)	Base Year	Year 5	Year 10
Increased Property Transfer Tax	$0	$0	$2,210

Notes:
(a) Includes new development and development located in areas currently outside of the existing City limits, since the periodic resale of existing development within the City is already reflected in the City's current property transfer tax revenues. This is the
(b) The City's share of property transfer tax is $0.55 per $1000 valuation for the property that changes ownership.
(c) This analysis assumes that single-family residential properties will turn over once every seven years, while commercial properties will turn over on average once every 20 years. This is the annualized average property transfer tax revenues that each property would generate on an ongoing basis.
(d) Note that it is possible that some of the project area property would change ownership during the development process, which could generate property transfer taxes at some point between the Base Year and Year 10. To the extent that this occurs, this analysis will tend to understate potential revenues.

Sources: City of Morgan Hill Recommended 2015-2016 Budget; City of Morgan Hill Finance Department; BAE, 2015.

Sales Tax

Sales tax revenue is a significant source of revenue for the City of Morgan Hill's General Fund. The generally high incomes of the City's residents and the fact that the City is destination for certain regional shopping activities, including auto sales, contributes to the City's sales tax revenue generation. The City receives sales tax allocations of approximately one percent of local taxable sales. As shown on Table 18, the City currently receives approximately $210 per resident in sales tax revenues. In comparison, for all of Santa Clara County the average is $204 per resident. For the purposes of this analysis, it is assumed that new residents in the project area will generate increases in local taxable sales at the more conservative countywide rate of $204 per resident. By Year 5, the new project area residents could be expected to help generate new local sales tax revenues of nearly $25,000 per year, continuing through Year 10 and in subsequent years.

Table 19: Transient Occupancy Tax Revenues

General Fund Revenues	2015-2016	Varies with New Development	Variable Revenues
Transient Occupancy Tax	$1,991,850	yes	$1,991,850
Current Per Service Population Revenues (a)			$38.91
Projected Revenues	**Base Year**	**Year 5**	**Year 10**
Increased Service Population (b)	0	281	334
Increased Annual Revenues	$0	$10,928	$13,006

Notes:
(a) The estimated service population includes existing Morgan Hill residents, plus one half of the City's existing employment.

Current Morgan Hill residents (2015)	41,779
Current jobs within City (2015)	18,820
Service Population (Residents + 1/2 Jobs)	**51,189**

(b) Increases in the local service population exclude residents of existing housing units and employees of existing commercial businesses, since annexation alone will not cause a significant change in demand for Street Maintenance and Congestion Management Services.

Sources: City of Morgan Hill 2015-2016 Operating Budget; City of Morgan Hill Finance Department; State Department of Finance; ABAG; BAE, 2015.

Other Miscellaneous Revenues and Transfers

Table 20 lists a number of other miscellaneous revenues and transfers from other funds which contribute to the General Fund. Current average revenues per service population are $46.12. Applying this figure to the projected increase in Morgan Hill's service population associated with the proposed project indicates that the increased revenue would be zero in the Base Year, and nearly $13,000 by Year 5, increasing to $15,400 in Year 10 and beyond.

Table 21: Net Fiscal Impact, Monterey-South-Hordness, City of Morgan Hill General Fund

Projected Costs	Base Year (0)	Year 5	Year 10
General Government	$985	$7,931	$10,068
Recreation	$0	$1,521	$1,521
Law Enforcement	$0	$259,292	$259,292
Fire Protection	$0	$0	$0
Cable TV	$0	$0	$0
St. Maint./Cong. Mgmt.	$0	$2,913	$3,467
Downtown Maintenance	$0	$0	$0
Env. Programs	$0	$181	$216
Transfers Out	$0	$8,613	$10,251
Sub-total Costs	**$985**	**$280,452**	**$284,815**
Projected Revenues			
Property Taxes	$5,583	$67,930	$76,854
ILVLF	$2,104	$25,181	$29,721
Property Transfer Tax	$0	$0	$2,210
Sales Tax	$0	$24,987	$24,987
Transient Occupancy Tax	$0	$10,928	$13,006
Other Revenues and Transfers	$0	$12,952	$15,415
Sub-total Revenues	**$7,687**	**$141,978**	**$162,194**
NET FISCAL IMPACT	**$6,702**	**($138,474)**	**($122,621)**

Sources: BAE, 2015.

in the current fiscal year, the budget will be balanced, avoiding the need to dip into reserves from prior years. The reduced rate of expenditures would also mean that the proposed project would be fiscally balanced, following the methodology used in this study.

Table 22: Santa Clara County Impacts

Population Projections	2015	Base Year (0)	Year 5	Year 10
Proposal-Generated Service Population (a)	n.a.	0	281	334
County Population (2015)	1,889,638			
County Employment (2015)	1,003,780			
County Service Population	**2,391,528**			
County General Fund Projections				
Expenditures For County (2015/16)	$2,588,269,079			
Revenues For County (2015/16)	$2,407,361,380			
Expenditures Per Service Population	$1,082			
Revenues Per Service Population	$1,007			
Fiscal Impact of Proposal		**Base Year (0)**	**Year 5**	**Year 10**
Increased Proposal-Generated Expenditures		$0	$303,932	$361,735
Increased Proposal-Generated Revenues		$0	$282,689	$336,452
Net County General Fund Impact due to Proposal Surplus		**$0**	**($21,243)**	**($25,284)**

Note:
(a) Increases in the local service population exclude residents of existing housing units and employees of existing businesses, since annexation alone will not cause a significant change in demand for services. The figures reflect only those residents and employees associated with new development.

Sources: County of Santa Clara; State Department of Finance; ABAG; BAE, 2015.

housing developments generate 0.47 public school students per unit, which translates to an estimated 58 students attributable to the 123 multifamily units that are proposed. The District Facilities Director reports that the schools that serve the subject site are able to accommodate an enrollment increase of this magnitude, due in part to a recent decrease in District enrollment that has created surplus capacity. Furthermore, the District receives impact fees for new development in the amount of $3.36 per square foot of livable residential space, which is reserved for new construction or capital improvements and therefore could be used to expand existing facilities, if new development were to generate enough students to require additional classrooms or other facilities expansions. Also, if the multifamily units are developed as senior housing, they will generate considerably less in the way of K-12 student increases, resulting in a negligible impact on public schools.

Gavilan Community College

The Gavilan Community College system has campuses in Morgan Hill, Gilroy, and Hollister, and is the community college system that is most likely to be impacted by development on the subject site. Similar to elementary, middle, and high school districts, the Gavilan Community Colleges are funded through a combination of property taxes and funding from the state, with the state covering the gap between property tax revenues and the minimum amount of per-student funding.

Gavilan Community College staff typically estimate that approximately 12 percent new residents over the age of 15 will be community college students. However, the state funds only a limited number of community college students each year, and the total number of students funded depends largely on the state budget. In the 2011-2013 the state implemented a workload reduction process that reduced the amount of funds received by the college. With the approval of Proposition 30 in 2012, state funding for the college stabilized.[13] While the college indicated that it was no longer accepting new students in 2011, budget stabilization has allowed the college to pursue expansion and the establishment of a new facility in the Coyote Valley, just north of Morgan Hill, which will significantly expand capacity.[14] In the future, if the college finds itself restricted in its ability to accommodate new students in will limit or cease enrollment of new students, regardless of the expressed demand. For these reasons, BAE anticipates that the proposed project will not have a significant impact on the college.

Santa Clara County Library

The Santa Clara County Library system serves residents and property owners in Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Milpitas, Morgan Hill, Saratoga, and all unincorporated areas of Santa Clara County, including the Monterey-South-Hordness-City of Morgan Hill. The system operates one library in Morgan Hill, which is located at the Morgan Hill Civic Center.

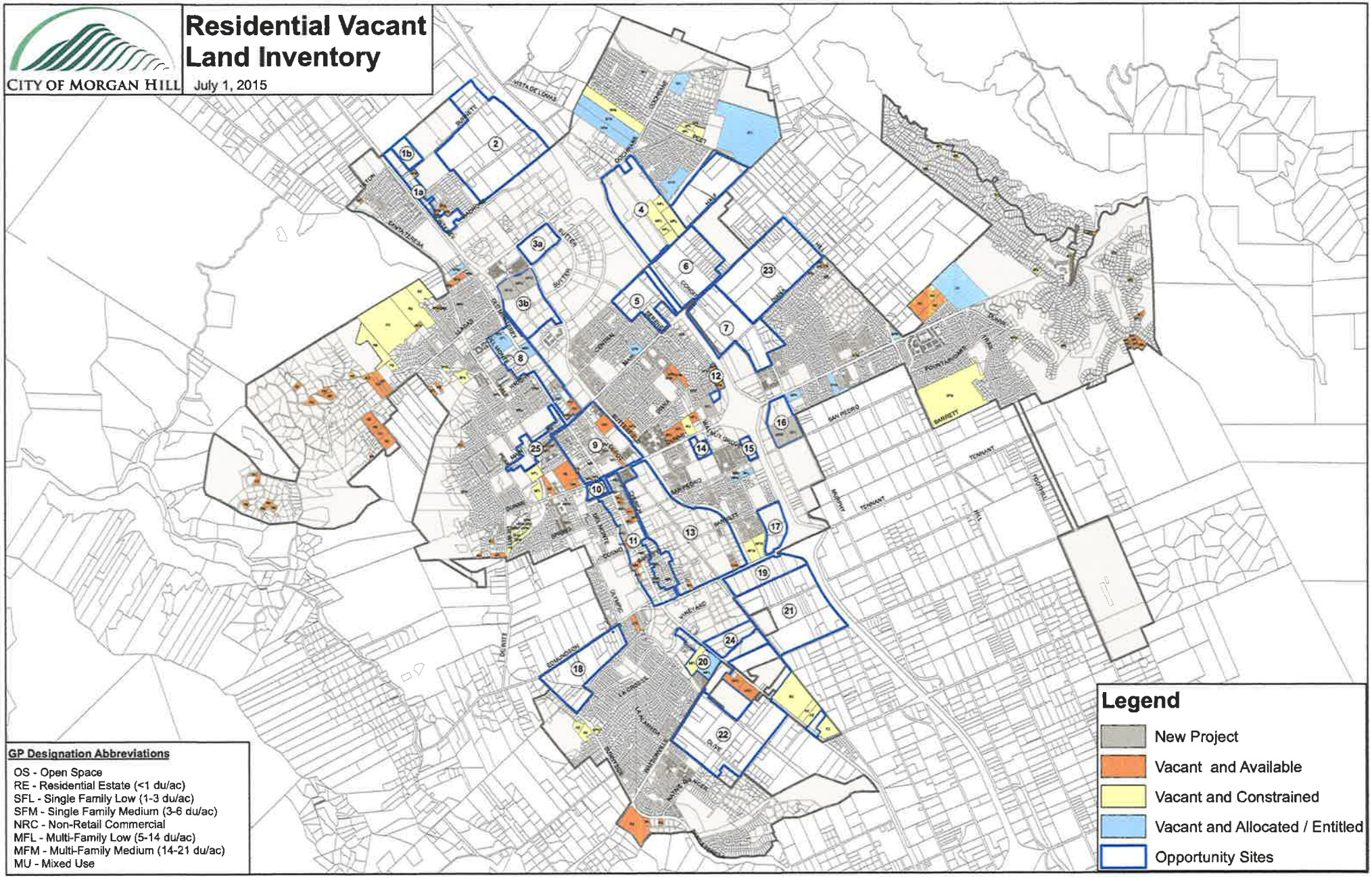
[13] Gavilan Joint Community College District. (July 1, 2015). Tentative Budget: Fiscal Year 2015-2016. Retrieved from: http://www.gavilan.edu/budget/tentative_budget/FY1516_Tentative_Budget.pdf

[14] Personal communication. Jan Bernstein Chargin, Director of Public Information, Gavilan College. September 2, 2015.

by the retail water rates that the City charges to its retail customers; thus, no adverse fiscal impacts are anticipated from the proposed project.

VACANT LANDS INVENTORY

MORGAN HILL URBAN SERVICE AREA AMENDMENT, 2015


CITY OF MORGAN HILL
Residential Vacant Land Inventory
July 1, 2015
GP Designation Abbreviations
OS - Open Space
RE - Residential Estate (<1 du/ac)
SFL - Single Family Low (1-3 du/ac)
SFM - Single Family Medium (3-6 du/ac)
NRC - Non-Retail Commercial
MFL - Multi-Family Low (5-14 du/ac)
MFM - Multi-Family Medium (14-21 du/ac)
MU - Mixed Use
Legend
New Project
Vacant and Available
Vacant and Constrained
Vacant and Allocated / Entitled
Opportunity Sites

Vacant and Underutilized Residential Land Inventory w/in (e) City Limits

Single Family	Acres	Units
Available	140.8	196
Constrained	256.7	331
Entitled	203.2	434
SF Total	**600.7**	**961**

Single Family	Acres	Units
Available + Constrained	397.5	527

Multi-Family	Acres	Units
Available	109.7	1,358
Constrained	62.5	561
Entitled	25.3	246
MF Total	**197.5**	**2,165**

Multi-family	Acres	Units
Available + Constrained	172.2	1,919

Grand Total	**798.2**	**3,126**

Total Available + Constrained	**569.8**	**2,446**

Vacancy Categories

NP = Vacant w/ New Project on-file (not yet entitled)
VA = Vacant and Available (no apparent constraints on at least a portion of site, no entitlements)
VC = Vacant, but Constrained by natural feature(s) and/or other limitations
VE = Vacant w/ one or more Planning processes completed, but not under construction

Sinlge Family = OS - Open Space, RE - Residential Estate, SFL & M - Single Family Low and Medium
Multi-Family = MFL & M, NRC - Non-Retail Commercial, MU - Mixed Use

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Open Space							
72801002	39.52	17101 KRUSE RANCH LN	OS	OS	VE	Existing house	4
	39.52						**4**
OS Total	**39.52**						**4**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Residential Estate							
77327013	0.56	17975 LAUREL WOOD LN	RE	RE 40,000	VA	Existing house	1
77307021	0.74	16870 PRICE CT	RE	R1 20,000	VA		1
76403032	0.74	WOODLAND AV	RE	RE 40,000	VA	Driveway for adjacent house through middle of lot. Significant tree coverage.	1
76403024	0.90	2105 ROCKY RIDGE RD	RE	RE 40,000	VA		1
77902029	0.92	14710 SECRETARIAT WY	RE	RE 40,000	VA		1
76435068	0.98	TRUMPP CT	RE	RE 40,000	VA		1
76430006	1.03	CASTLE LAKE CL	RE	RE 40,000	VA		1
76403017	1.08	BLACK OAK CT	RE	RE 40,000	VA		1
76403003	1.08	2200 ROLLING HILLS DR	RE	RE 40,000	VA		1
76431037	1.16	640 SPARHAWK DR	RE	RE 40,000	VA		1
76445021	1.27	18580 CASTLE HILL DR	RE	RE 40,000	VA		1
76403023	1.29	2055 ROCKY RIDGE RD	RE	RE 40,000	VA		1
77902026	1.54	14740 SECRETARIAT WY	RE	RE 40,000	VA		1
76403030	1.69	18025 WOODLAND AV	RE	RE 40,000	VA		1
76445031	1.95	CASTLE HILL DR	RE	RE 40,000	VA		1
76445007	2.27	18470 CASTLE HILL DR	RE	RE 40,000	VA		2
76445030	2.34	CASTLE HILL DR	RE	RE 40,000	VA		2
77332011	2.85	18200 SABINI CT	RE	RE 40,000	VA	Existing house at back of lot, creek runs through front of lot	1
76429038	2.96	975 LLAGAS RD	RE	RE 40,000	VA	Existing house at middle of lot, Llagas Creek at back 1/3, vacant front 1/3	1
76703036	3.10	W DUNNE AV	RE	RE 40,000	VA		2
77332012	3.55	1092 LLAGAS RD	RE	RE 40,000	VA	Existing house	3
72802004	3.79	E DUNNE AV	RE	RE 40,000	VA		3
77332010	3.80	1100 LLAGAS RD	RE	RE 40,000	VA	Existing house, creek bisects lot	3
77332013	4.60	1110 LLAGAS RD	RE	RE 40,000	VA		4
76429037	4.81	1005 LLAGAS RD	RE	RE 40,000	VA	Existing house middle, Llagas Creek back 1/2, vacant front	2
72802006	8.27	2275 E DUNNE AV	RE	RE 40,000	VA	Existing house	5
72802003	8.33	2275B E DUNNE AV	RE	RE 40,000	VA		6
76703001	10.02	155 W DUNNE AV	RE	RE 100,000	VA	Steep, extensive tree cover, limited access	4
77902023	17.27	14905 SANTA TERESA BL	RE	RE 40,000	VA	Allocations expired, creek, GP/Zoning requires 2ac and 1.5ac lots	10
	94.87						**63**
76708009	0.14	DEL MONTE AV	RE	RE 100,000	VC	Landlocked	1
76708010	0.14	DEL MONTE AV	RE	RE 100,000	VC	Landlocked	1
76716043	1.52	16615 DEL MONTE AV	RE	RE 100,000	VC	Open Space Easement	1
77328004	2.43	15725 CASINO REAL	RE	RE 40,000	VC	Hillside, fully developed	2
76429035	2.50	18414 LLAGAS CREEK DR	RE	RE 40,000	VC	Hillside, serpentine	2
82506014	4.05	MONTEREY RD	RE	RE 100,000	VC	Owner wants GP change to Industrial	1
82506015	4.08	MONTEREY RD	RE	RE 100,000	VC	Owner wants GP change to Industrial	1
77328014	4.10	1045 APPIAN WY	RE	RE 40,000	VC	Hillside, fully developed, no access from Sunnyside Av	1
82506023	7.87	MONTEREY RD	RE	RE 100,000	VC	Will not pass Part 1 RDCS	1
76427027	9.40	18580 MURPHY SPRINGS CT	RE	RE 100,000	VC	Hillside, Serpentine, steep, no access, existing large house	1
76430001	13.30	965 LLAGAS RD	RE	RE 40,000	VC	Hillside, serpentine	11
76427024	22.71	18450 SHADOW BROOK WY	RE	RE 100,000	VC	Hillside, serpentine, no access, steep	1
82506016	26.83	14900 MONTEREY RD	RE	RE 100,000	VC	Will Not Pass Part 1 RDCS, bisected by creek, adjacent to railroad	9
76428007	48.94	LLAGAS VISTA DR	RE	RE 40,000	VC	Hillside, serpentine, PG&E high voltage power lines, creek, designated OS	1
	148.02						**34**
RE Total	**242.89**						**97**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Single Family Low							
72845043	1.04	19025 MALAGUERRA AV	SFL	R1 12,000	NP		2
72855017	2.55	PEET RD	SFL	R1 12,000	NP		4
72807045	0.28	1970 DIANA AV	SFL	R1 12,000	VA		1
72618039	0.29	17500 WALNUT GROVE DR	SFL	R1 12,000	VA		1
72807007	0.31	1860 DIANA AV	SFL	R1 12,000	VA		1
72924018	0.33	15860 JACKSON OAKS DR	SFL	RPD	VA		1
72807033	0.36	17422 MICHELLE CT	SFL	R1 12,000	VA		1
72921018	0.37	16050 JACKSON OAKS DR	SFL	RPD	VA		1
72918015	0.37	16335 JACKSON OAKS DR	SFL	RPD	VA		1
72807058	0.43	17450 CRISTINA CT	SFL	R1 12,000	VA		1
72935005	0.49	17245 QUAIL CT	SFL	R1 20,000	VA		1
72916021	0.52	OAKWOOD CT	SFL	RPD	VA		1
72916023	0.53	OAKWOOD CT	SFL	RPD	VA		1
72911003	0.53	16595 OAK VIEW CL	SFL	RPD	VA		1
72930001	0.54	COPPER HILL DR	SFL	R1 20,000	VA		1
72939041	0.57	17550 HOLIDAY DR	SFL	R1 20,000	VA		1
72942006	0.62	17585 BLUE JAY DR	SFL	R1 20,000	VA		1
72916025	0.63	OAKWOOD CT	SFL	RPD	VA		1
72943022	0.63	17606 RACOON CT	SFL	R1 20,000	VA		1
72905017	0.65	17055 OAK LEAF DR	SFL	R1 12,000	VA		1
76409004	0.72	280 TILTON AV	SFL	R1 12,000	VA		1
77308081	0.73	PRICE DR	SFL	R1 12,000	VA		1
72929017	0.75	17064 SHADY LANE DR	SFL	R1 20,000	VA		1
72917004	0.84	OAK CANYON DR	SFL	RPD	VA		1
72917006	0.94	OAK CANYON DR	SFL	RPD	VA		1
76431035	1.03	660 SPARHAWK DR	SFL	RE 40,000	VA		1
72918016	1.04	16325 JACKSON OAKS DR	SFL	RPD	VA		2
72917011	1.28	OAK CANYON DR	SFL	RPD	VA		2
77308016	1.85	16775 DE WITT AV	SFL	R1 12,000	VA	Existing house	3
	21.20						**39**
72855015	1.94		SFL	R1 12,000	VC	Future School Site/Park	0
72855016	3.46		SFL	R1 12,000	VC	Future School Site/Park	0
	5.40						**0**
81760019	2.43	16675 NINA LN	SFL	R1 12,000	VE	Existing house Nina Ln frontage, vacant along future Juan Hernandez Dr	4
72834004	8.78	COCHRANE RD	SFL	R1 12,000	VE		14
72834027	77.50		SFL	R1 20,000	VE		131
	88.71						**149**
SFL Total	**115.31**						**188**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Single Family Medium							
76413002	0.06	DEL MONTE AV	SFM	R1 7,000	VA		0
76437048	0.07	W MAIN AV	SFM	R1 7,000	VA		0
72607023	0.08		SFM	R1 9,000	VA		0
76413072	0.09	MONTEREY RD	SFM	R1 7,000	VA		0
76424045	0.16		SFM	R1 7,000	VA		1
76423002	0.16	DEL MONTE AV	SFM	R1 7,000	VA	Existing house	0
72607015	0.19	DIANA AV	SFM	R1 7,000	VA	Existing house	0
81760031	0.22	810 SAN PEDRO AV	SFM	R1 7,000	VA	Existing house on portion of lot, mostly vacant	1
76424001	0.23	HALE AV	SFM	R1 7,000	VA		1
76702020	0.25	EVERGREEN DR	SFM	R1 7,000	VA		1
76427004	0.39	363B VIA LOMA	SFM	RE 100,000	VA	Existing house	0
72812156	0.44	1855 E DUNNE AV	SFM	R1 7,000	VA	Existing house	1
81770007	0.52	2785 TORO VISTA CT	SFM	R1 7,000	VA		2
72636007	0.55	ROSE AV	SFM	R1 7,000	VA	Portion of existing house extends onto lot	2
76427003	0.69	VIA LOMA	SFM	RE 100,000	VA		1
72636076	0.74	PEEBLES AV	SFM	R1 7,000	VA		3
72642008	0.84	BURNETT AV	SFM	PUD	VA	part of parking lot	3
72636057	0.99	GINGER WY	SFM	R1 7,000	VA	5 units previously allocated	4
76427019	1.07	SHADOWBROOK WY	SFM	RE 100,000	VA	Limited access	0
72609024	1.20	761 DAKOTA DR	SFM	R1 7,000	VA	Existing house	5
72609004	1.21	765 DAKOTA DR	SFM	R1 7,000	VA	Existing house	5
72607089	2.04	17374 WALNUT GROVE DR	SFM	R1 9,000	VA		9
76721015	2.37	220 W EDMUNDSON AV	SFM	R1 9,000	VA		10
72607021	2.76	17364 WALNUT GROVE DR	SFM	R1 9,000	VA		12
76424013	3.11	18680 HALE AV	SFM	R1 7,000	VA	Existing house	13
72609002	4.31	DIANA AV	SFM	R1 7,000	VA	Existing house	19
	24.74						**94**
76702027	0.21	EVERGREEN DR	SFM	R1 7,000	VC	Evergreen Drive not yet built	1
76702028	0.21	EVERGREEN DR	SFM	R1 7,000	VC	Evergreen Drive not yet built	1
76702026	0.23	EVERGREEN DR	SFM	R1 7,000	VC	Evergreen Drive not yet built	1
76702012	0.81	EVERGREEN DR	SFM	R1 7,000	VC	Evergreen Drive not yet built	3
76731033	1.26	15560 SUNNYSIDE AV	SFM	R1 7,000	VC	Future Hale/Santa Teresa RoW, PG&E high voltage power lines	4
76432025	1.57	18200 CHRISTEPH DR	SFM	R1 9,000	VC	Llagas Creek, future street	3
76702013	1.96	EVERGREEN DR	SFM	R1 7,000	VC	Evergreen Drive not yet built	5
76701052	3.84	DEWITT AV	SFM	R1 7,000	VC	Future Hale/Santa Teresa, limited access	0
76432052	3.91	17995 RIL MARIANNA CT	SFM	R1 7,000	VC	Steep, tree cover, limited access, 2 existing house (one vacant)	10
72836012	19.91	1485 COCHRANE RD	SFM	R1 9,000	VC	Existing house, owner unwilling to sell/develop	75
81720031	69.41	HILL RD	SFM	R1 7,000	VC	Court Ruling-No Dev Under RDCS	194
	103.32						**297**
72811026	1.62	E DUNNE AV	SFM	R1 7,000	VE		6
81760057	1.71	SAN PEDRO AV	SFM	R1 7,000	VE		6
76424010	2.38	120 CAMPOLI DR	SFM	R1 7,000	VE		9
81719044	3.39	1390 E DUNNE AV	SFM	R1 7,000	VE		12
72620053	3.64	605 E MAIN AV	SFM	R1 7,000	VE		13
81719043	4.70	1630 E DUNNE AV	SFM	R1 7,000	VE		17
72832018	17.81	MISSION VIEW DR	SFM	R1 7,000	VE	Early phases complete or under construction	68
72836014	19.60	1465 COCHRANE RD	SFM	R1 7,000	VE		74
72836013	20.10	1365 COCHRANE RD	SFM	R1 9,000	VE		76
	74.95						**281**
SFM Total	**203.01**						**672**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Non-Retail Commercial							
81703003	0.48	16170 MONTEREY RD	NRC	CL-R	NP	Half in Opp Site 11	3
81703004	0.51	16180 MONTEREY RD	NRC	CL-R	NP	Half in Opp Site 11	3
76717046	2.92	16595 MONTEREY RD	NRC	CL-R	NP		19
76413020	0.02	MONTEREY RD	NRC	CL-R	VA	AT&T Site	0
81702018	0.09	16380 MONTEREY RD	NRC	CL-R	VA		0
81701006	0.13	16780 MONTEREY RD	NRC	CL-R	VA		1
81701005	0.14	16770 MONTEREY RD	NRC	CL-R	VA		1
72624049	0.36	17770 MONTEREY RD	NRC	CL-R	VA	Office and shared parking with adjacent office building	2
81702025	0.99	SAN PEDRO AV	NRC	CL-R	VA		6
76718046	1.10	MONTEREY RD	NRC	CL-R	VA		7
81729027	1.27	16015 CAPUTO DR	NRC	CO	VA		8
76718005	2.00	16295 MONTEREY RD	NRC	CL-R	VA	1/2 vacant	13
76717047	2.03	COSMO AV	NRC	CL-R	VA		13
77904072	5.11	15295 MONTEREY RD	NRC	CL-R PD	VA		34
77904074	6.20	LAND ONLY	NRC	CL-R PD	VA		42
	23.36						**152**
72625004	4.32	MONTEREY RD	NRC	CL-R	VE		58
	4.32						**58**
NRC Total	**27.68**						**210**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Multi-family Low							
76711030	2.69	335 SPRING AV	MFL	R2 3,500	NP		21
72601008	6.69	LAUREL RD	MFL	R2 3,500	NP		53
81712009	9.15	MURPHY AV	MFL	CG	NP	Recently approved GP Change from C to MFL	77
76414051	0.17	175 LINDO LN	MFL	R2 3,500	VA		1
81703048	0.17	KEITH WY	MFL	R2 3,500	VA		1
81703028	0.23	16165 CHURCH ST	MFL	R2 3,500	VA		1
76708037	0.34	55 W DUNNE AV	MFL	D-R3	VA		2
81702001	0.90	16685 CHURCH ST	MFL	R2 3,500	VA	Existing store w/ small parkin lot	7
81704059	1.00	215 TENNANT AV	MFL	R2 3,500	VA		8
81701001	1.66	SAN PEDRO AV	MFL	R2 3,500	VA	Previously entitled for 12 units - Colina Vista	13
72602016	2.30	Walnut Grove	MFL	R2 3,000	VA	Walnut Grove Extension will go through lot	18
76703005	3.08	DEL MONTE AV	MFL	R2 3,500	VA		24
72602007	3.50	DIANA AV	MFL	R2 3,500	VA		28
72612004	4.26	DIANA AV	MFL	R2 3,500	VA		34
72602014	5.05	505 E DUNNE AV	MFL	R2 3,500	VA		40
	41.19						**328**
76708035	0.42	35 W DUNNE AV	MFL	D-R3	VC	Existing house w/ Little Llagas Creek running along one side.	3
72830004	2.36	1105 HALF RD	MFL	PUD	VC	Existing house, Fry's property, unwilling to sell/develop	19
76703042	4.00	W DUNNE AV	MFL	R1 20,000	VC	Hill. PG&E high voltage power lines.	6
72830001	4.34	MISSION VIEW DR	MFL	R2 3,500	VC	Fry's property, unwilling to sell/develop	35
76704009	4.86	W MAIN AV	MFL	R2 3,500	VC	PG&E property and future Hale/Santa Teresa alignment	0
76723016	8.02	15335 MONTEREY RD	MFL	R2 3,500	VC	Small creek runs through lot. Unwilling to sell/develop.	64
72830002	8.34	HALF RD	MFL	R2 3,500	VC	Fry's property, unwilling to sell/develop	67
72830003	13.72	1105 HALF RD	MFL	PUD	VC	Fry's property, unwilling to sell/develop	110
	46.06						**304**
76411002	0.91	18195 OLD MONTEREY RD	MFL	R2 3,500	VE	City Ventures development	8
76412025	1.07	MONTEREY RD	MFL	R2 3,500	VE	In Building Plan Check	10
76723030	8.53	15335 MONTEREY RD	MFL	R2 3,500	VE	West Little Llagas Crrek runs through middle of lot.	81
76411003	9.51	18105 MONTEREY RD	MFL	R2 3,500	VE	City Ventures development	76
	20.02						**175**
MFL Total	**107.27**						**807**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Multi-family Medium							
81712006	8.51	CONDIT RD	MFM	CG	NP	Recently approved GP Change from C to MFM	169
72625064	8.49	JARVIS DR	MFM	PUD	NP	MWest	174
72625079	5.65	JARVIS DR	MFM	PUD	NP	MWest	115
72625078	5.36	BUTTERFIELD BL	MFM	PUD	NP	MWest	110
76712012	0.21	BARNELL AV	MFM	R3	VA		3
	28.22						**571**
81709036	5.28	JUAN HERNANDEZ DR	MFM	R3	VC	Unwilling to sell/develop	78
81709055	6.31	TENNANT AV	MFM	R3	VC	Unwilling to sell/develop	93
	11.59						**171**
MFM Total	**39.81**						**742**

APN	ACRES	ADDRESS	GENERAL PLAN	ZONING	VACANCY CATEGORY	NOTES	UNITS (entitled, proposed, or estimated)
Mixed Use							
81701045	0.17	MYRTLE AV	MU	CC-R	VA	Landlocked, but existing R/W access through parcel in front.	1
72613030	0.18	80 E 4TH ST	MU	CBD	VA	1/3 parking, 2/3 vacant	2
81701078	0.19	MYRTLE AV	MU	CC-R	VA		2
81701018	0.19	MONTEREY RD	MU	CC-R	VA		2
76708016	0.23	MONTEREY RD	MU	CBD	VA		2
72613044	0.36	DEPOT ST	MU	CBD	VA	Sunsweet	7
72613032	0.44	91 E 4TH ST	MU	CBD	VA	Sunsweet	8
81736033	0.74	BISCEGLIA AV	MU	PUD	VA		13
72613043	0.84	90 E 3RD ST	MU	CBD	VA	Remainder of City Garage parcel that is portion of Sunsweet	16
72623019	0.86	E MAIN AV	MU	CC-R	VA	Junkyard	15
81736032	0.95	MONTEREY RD	MU	PUD	VA	Former houses used for non-res purposes	17
72623008	1.00	17620 MONTEREY RD	MU	CC-R	VA		17
72613049	2.16	DEPOT ST	MU	CBD	VA	Lumber yard	38
72623018	2.46	95 E MAIN ST	MU	CC-R	VA	Tool rental	44
72615071	6.19	17295 BUTTERFIELD BL	MU	CBD	VA	Park and Ride Lot	123
	16.97						**307**
76416011	0.12	DEL MONTE AV	MU	CC-R	VC	Parking for adjacent multi-unit building	2
72602012	4.69	E DUNNE AV	MU	PUD	VC	Unwilling to sell/develop	84
	4.82						**86**
72623020	0.96	MONTEREY RD	MU	CC-R	VE		13
	0.96						**13**
MU Total	**22.74**						**406**
Total Acres	**798.24**						**3126**

CITY OF MORGAN HILL

CITY OF MORGAN HILL VACANT AND UNDERUTILIZED COMMERCIAL AND INDUSTRIAL LAND

As of September 2015

Land Use Types

- Commercial
- Industrial

Boundaries

- Urban Service Area
- City Boundary
- Parcels

Print Date: 9/25/2015

Vacant Commercial Land Inventory w/in (e) City Limits					
APN	ASSESSEE	ACRES	Gen_Plan	Description	Zoning_Combined
72837051	MORGAN HILL RETAIL VENTURE LP	0.65	C	Commercial	PUD
72837044	MORGAN HILL RETAIL VENTURE LP	0.70	C	Commercial	PUD
81712010	JUSTINO GARY A ET AL	0.83	C	Commercial	PUD
72831015	LLAGAS LLC	0.84	C	Commercial	PUD
81713020	WU SAMMY KUN YEN AND JASMINE CHING MIAO TRU	1.25	C	Commercial	PUD
81709038	D & D RANCH	1.31	C	Commercial	PUD
81713024	HSU FAMILY LP ET AL	1.50	C	Commercial	PUD
81708014	BETH-EL BAPTIST CHURCH OF GILROY	1.59	C	Commercial	PUD
76410015	KUZIA JOHN F TRUSTEE & ET AL	1.60	C	Commercial	PUD
81702047	SEMAAN FADI I AND KRALIAN ELIZABETH TRUSTEE	1.74	C	Commercial	CS
81713022	NG BETTY TRUSTEE & ET AL	1.95	C	Commercial	PUD
81713021	NG BETTY TRUSTEE & ET AL	1.98	C	Commercial	PUD
76410013	KUZIA JOHN F TRUSTEE & ET AL	2.22	C	Commercial	PUD
81757011	SUTTER COURT DEVELOPMENT	2.26	C	Commercial	PUD
76718052	MORGAN HILL STORAGE	2.67	C	Commercial	CG
81757019	SUTTER COURT DEVELOPMENT	2.67	C	Commercial	PUD
81757009	CARLOTTO JOHN TRUSTEE & ET AL	3.27	C	Commercial	PUD
72633026	MADRONE LAND CORPORATION	3.39	C	Commercial	CG
81709039	THE HEALTH TRUST	4.04	C	Commercial	CS (PD)
81708030	D DEVI OIL INC	4.50	C	Commercial	PUD
81712013	CHINA BAY COMPANY INC	5.31	C	Commercial	PUD
81708038	JOHNSON MICHAEL D AND SUZANNE M TRUSTEE	5.52	C	Commercial	CS
81709046	D & D RANCH	5.53	C	Commercial	PUD
72817025	PATEL PRAVIN M AND MANJULA P TRUSTEE & ET A	5.78	C	Commercial	PUD
72501018	LUCKYSHING LLC	5.83	C	Commercial	PUD
81708015	COX JACK C AND MARIE I TRUSTEE & ET AL	5.97	C	Commercial	PUD
81708029	TENNANT & RAILROAD AVENUES LLC	6.84	C	Commercial	CS
81712011	CHINA BAY COMPANY INC	7.68	C	Commercial	PUD

September 25, 2015.

81708032	BIEDERMANN ATHUR AND SUSAN TRUSTEE	11.26	C	Commercial	PUD
72831016	LLAGAS LLC	12.68	C	Commercial	CO
81709041	THE HEALTH TRUST	13.94	C	Commercial	CS (PD)
72817011	S OMURA AND SONS INC	14.03	C	Commercial	PUD
72831014	LLAGAS LLC	16.67	C	Commercial	CO
Total Vacant Commercial		**158.00**			

STRATEGIC ECONOMICS INC

MEMORANDUM

Date:	May 5, 2015
To:	Edith Ramirez, City of Morgan Hill
From:	Sujata Srivastava, Strategic Economics
Subject:	Morgan Hill Industrial Land Study Update (#1212b)

Introduction

This memorandum report is an update of the calculation of available industrial land and buildings to accommodate future employment growth in Morgan Hill, building on the 2013 "Economic and Fiscal Impact Analysis of Industrial Land Conversion" report. Since the completion of the 2013 report, the City's available supply of industrial land and buildings has changed, due to three major factors:

1) General Plan Amendments were approved, are pending, or incorporated into the General Plan Update that resulted or may result in the conversion of properties from industrial to residential uses.

2) A significant amount of the available vacant industrial, R&D, and office space has been absorbed since 2013.

3) The General Plan Update currently underway will re-designate some parcels that were formerly zoned for "industrial" uses to "flex" uses, which would allow them to be developed as retail commercial sites.

This study provides a revised calculation of the potential supply of industrial space, with new estimates of land supply and available buildings. The calculation of the projected demand for employment space has not changed since 2013. Strategic Economics compared projected demand for employment space with supply. The results are expressed as "years of supply," or the ratio of the total potential supply in each scenario to projected annual average demand for employment space.

Summary of Findings

Existing Industrial Areas

The industrial employment lands in Morgan Hill are located in four major subareas. Subarea 1 is the Morgan Hill Ranch Business Park, located south of Cochrane Road and east of Butterfield Boulevard. This area houses the city's largest employers and is considered a core employment area. Subarea 2 is located north of Cochrane Road, bounded by Highway 101 to the east and Monterey Road on the west, and is also considered a core employment area. Subarea 3 is located in the Morgan Hill Ranch Business Park west of Butterfield Boulevard, housing the largest available vacant industrial sites. It also contains the South Bay parcel on Cochrane Road. Subarea 3 is considered a future employment area. Subarea 4 is the industrial district south of Dunne. This area contains heavier industrial users and is defined as an established industrial area.

The Cochrane Road area (Subareas 1, 2, and 3 in Figure 1) continues to be the strongest location for future industrial, R&D, and office uses. Home to most of Morgan Hill's largest employers, Subareas 1 and 2 include most of the city's newest and largest industrial and commercial buildings, and are most attractive for businesses considering moving to Morgan Hill. Subarea 3 includes some of the largest vacant properties under consolidated ownership, including multiple large, vacant properties on the west side of Butterfield Boulevard. Given the competitive advantages of the Cochrane Road area, this subarea would be a natural location for a large business looking to move to Morgan Hill in the future, particularly as the remaining supply of vacant land in Subareas 1 and 2 are developed over time.

The area south of Dunne Avenue (Subarea 4 in Figure 1) plays an important role in Morgan Hill's economy by providing relatively low-cost space for small manufacturers and other businesses. This area is well established for smaller industrial uses, and offers fewer opportunities for large-scale commercial or industrial development when compared to the Cochrane Road industrial subareas.

Demand for Employment Space in Morgan Hill

Morgan Hill has a significant and growing employment base. The city has a strong manufacturing and wholesale employment base, and the city's economy shows signs of diversifying, with recent increases in office-based sectors including health and education, finance, insurance, real estate, and information. Continued population growth could also drive continued growth in health and education, finance, insurance, and real estate, since these industries often serve residents. Employment forecasts range from 155 to 370 new jobs per year in Morgan Hill.

The commercial real estate market in Morgan Hill is strong, particularly for industrial and R&D uses. The total amount of vacant space has declined by half since 2013. According to Colliers International, the vacancy rate for industrial and R&D uses is under three percent (see Figure 2). The office market remains soft in Morgan Hill, with a vacancy rate of 18 percent vacancy rate. However, the overall commercial real estate market for all the above land uses is much stronger today than in 2013, with a combined vacancy rate of four percent. All land uses experienced positive absorption during 2014.

Existing industrial tenants in Morgan Hill are actively seeking space for expansion. Existing employers in Morgan Hill have plans to lease more industrial space in the next two years (approximately 100,000 square feet), and speculative industrial projects have been proposed that would add new space to the market for new and existing users.

Supply of Industrial Land

The supply projections were calculated under four scenarios, and are shown in Figure 3, 4, 5, and 6:

- Scenario 1 summarizes the previous 2013 study (Figure 3).
- Scenario 2 summarizes existing land supply using updated 2015 data (Figure 4).
- Scenario 3 shows the industrial land supply with the proposed General Plan Update, which would re-designate some industrial land for flexible commercial uses (Figure 5).
- Scenario 4 shows the supply with both the General Plan Update and the approval of General Plan Amendments to convert industrial lands to other uses (Figure 6).

Today, the total number of acres of vacant industrial land located within the city is lower than the supply in 2013, sufficient to accommodate projected demand for approximately 30-77 years. In other words, the total potential supply of industrial, R&D, warehouse, and office space is enough to satisfy between 30 and 77 years of commercial demand, depending on the pace of job growth (Figure 4).

Within the Cochrane Road subareas, the 2015 land supply can accommodate growth for 16 to 41 years, a slight decrease from 2013. As employment growth occurs within Morgan Hill, the Cochrane Road business park area is likely to continue to be the most competitive for attracting new employers and, in the longer-term, new development (Figure 4).

The proposed General Plan Update would reduce the total supply of land for employment uses to 25 to 64 years in Morgan Hill. In the Cochrane Road area, the land use changes envisioned in the General Plan Update would reduce the total inventory to 15 to 39 years of supply (Figure 5).

The combined General Plan Update and the General Plan Amendments seeking conversion of industrial properties further reduces supply citywide to 19 to 48 years. In the Cochrane Road area, the industrial land supply would meet commercial demand for between 13 and 33 years (Figure 6).

Development Potential

If rental rates continue to rise as expected, the potential for larger scale development of industrial, R&D, and office space is likely to become feasible in the short term. According to local brokers and developers, the overall rental rates on industrial and R&D properties are currently about 20 percent lower than what is required to make speculative new construction feasible. However, if rental rates in the Silicon Valley continue to climb, it is reasonable to expect that rental rates in Morgan Hill will increase enough to attract new construction. It is possible that the city would receive more development proposals for non-retail commercial space within the next 2-3 years, if job growth in the region continues to be strong.

Assumptions

The following presents the key assumptions used in the analysis.

- **Employment Growth**: Overall, Strategic Economics projects demand for between 44,700 and 114,000 square feet a year of industrial, warehousing, R&D, and office space, or a total of 805,000 to 2 million square feet by 2030. The 44,700 to 114,000 square foot range represents the projected annual *average* demand over the coming decades; in any given year, demand could be more or less depending on national, regional, and local economic conditions. The low end of the range is based on Association of Bay Area Government's 2012 projections, which forecast that Morgan Hill's employment will grow by 155 new jobs a year over the thirty year period. This would represent a substantial reduction in the rate of employment growth in Morgan Hill over the past two decades. The high end of the range is based on the historic rate of employment in Morgan Hill between 1990 to 2010, when the City added 370 jobs per year.

- **Demand for New Industrial, R&D, and Office space:** In order to determine how many square feet of industrial, R&D, office, and warehouse space these new employees would require, Strategic Economics distributed the projected employment growth by sector and then by building type. Strategic Economics then converted the employment numbers into demand for building space, using rules of thumb about the number of square feet required for each

employee (500 square feet per worker for industrial space, 800 square feet per worker for warehousing, 300 to 350 square feet for R&D, and 250 to 300 square feet for office).

- **Lot Coverage:** Aerial photographs of the city's newest business parks (e.g. Morgan Hill Ranch and Madrone Business Park) show that recent industrial and commercial development in the city has tended to be one-story high, with the total ground floor area covering no more than 30 percent of the available land area. The analysis assumes that this land use pattern (30 percent coverage ratio, 1-story development) is maintained.
- **Absorption of Existing Vacant Space:** All of the scenarios further assume that 75 percent of the currently vacant buildings in Morgan Hill – about 321,000 square feet – will be absorbed before new development occurs, allowing for some ongoing vacancies caused by friction in the market and obsolescence of some of the existing building stock.
- **Total Potential Building Area:** Includes both the maximum building area that could be developed on the vacant industrial land area considered in the scenario (subject to the lot coverage assumptions discussed above), and the 321,000 square feet of existing inventory that is expected to be absorbed into the market before new development occurs.

Figure 1. Vacant Industrial Land by Subarea, Morgan Hill, 2015

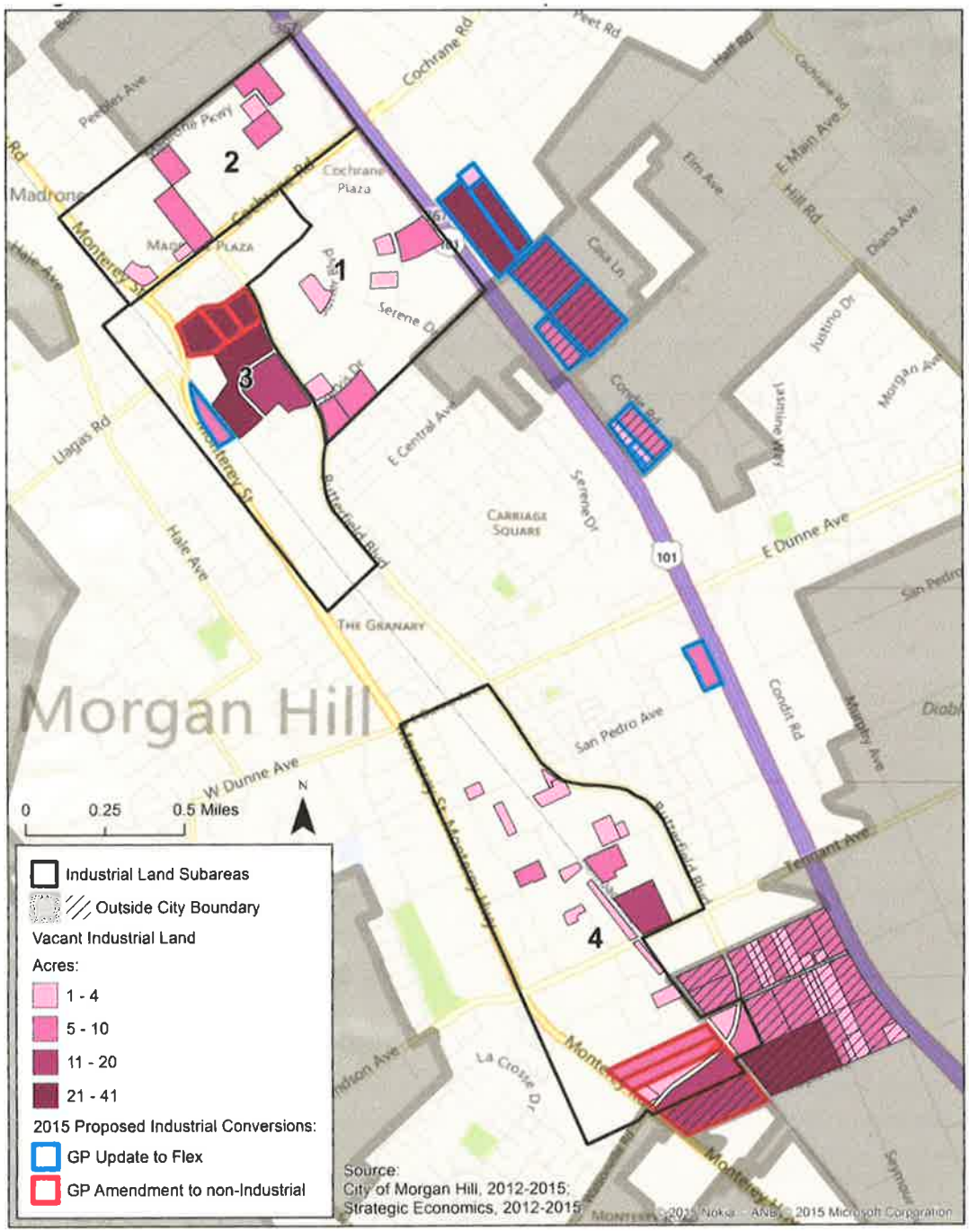


Figure 2. R&D, Industrial, Warehouse, and Office Market Statistics: Morgan Hill, 1st Quarter 2015.

	Total Existing Inventory (1Q 2015)				Vacancy (b)		Net Absorption (c)	
Product Type	Number of Buildings (a)	Total Sq. Ft.	% of Total Sq. Ft.	Monthly Rents	Vacant Space 1Q 2015	Vacancy Rate 1Q 2015	1Q 2015	Calendar Year 2014
R&D	66	2,768,135	44%	$0.95	81,670	2.95%	-22,302	66,146
Industrial	75	2,235,847	36%	$0.95	56,841	2.54%	17,220	22,251
Warehouse	6	482,538	8%	$0.49	n/a	n/a	0	28,680
Office	43	752,452	12%	$1.81	134,739	17.91%	900	47,506
Total	190	6,238,972	100%	$1.02	273,250	4.38%	-4,182	164,583

(a) Colliers tracks office buildings from 3,500 square feet, R&D from 5,000 square feet, industrial buildings from 7,500 square feet, and warehouse buildings from 10,000 square feet.

(b) Vacancy rate includes vacant direct and sublease space. Because there are only 6 warehouse buildings tracked by Colliers in Morgan Hill, there is not sufficient data to calculate the vacancy rate.

(b) Net Absorption is the net change in occupied space.

(c) Weighted average of full service asking rents, on a per square foot basis (includes all costs associated with occupying the premises).

Sources: Colliers International, 4th Quarter 2014 & 1st Quarter 2015.

Figure 3. Supply Projections for Scenario 1: Previous 2013 Study

	1. Previous 2013 Study						
Supply Projection	**City Limits**	**Subarea 1**	**Subarea 2**	**Subarea 3**	**Subarea 4**	**Cochrane Road (e)**	**City and SOI**
Vacant Industrial Land (a)							
In Acres	284	38	30	89	97	167	523
In Square Feet	12,371,040	1,655,280	1,306,800	3,876,840	4,225,320	7,274,520	22,781,880
Maximum Building Coverage	30%	30%	30%	30%	30%	30%	30%
Maximum Building Area (Acres)	85.20	11.40	9.00	26.70	29.10	50.10	156.90
Maximum Building Area (Sq. Ft.) (b)	3,711,312	496,584	392,040	1,163,052	1,267,596	2,182,400	6,834,600
Existing Vacant Industrial, R&D, Office							
Total Vacant Building Area (Sq. Ft.) (c)	808,900	808,900	808,900	808,900	808,900	808,900	808,900
75% of Building Area (Sq. Ft.) (d)	606,700	606,700	606,700	606,700	606,700	606,675	606,675
Total Potential Supply (Sq. Ft.)	4,318,012	1,103,284	998,740	1,769,752	1,874,296	2,789,075	7,441,275
Demand Compared to Supply							
Annual Average Demand (in Sq. Ft.)				44,700 - 114,000			
Years of Supply	40 - 95	10 - 25	10 - 20	20 - 40	20 - 40	25 - 60	65 - 170

Notes:

Columns may not add due to rounding.

(a) Based on City's inventory of zoned industrial parcels in current General Plan, and combined industrial and flex parcels in updated General Plan.

(b) Assumption of 30% site coverage area.

(c) Available space in Industrial, R&D, Office, and Warehouse buildings, Colliers International, 1Q2015.

(d) Assumes that 75 percent of the vacant space would be leased before new construction could occur.

(e) Includes Subareas 1, 2, and 3.

Sources: City of Morgan Hill, 2015; Colliers International, 2015; ABAG, 2012; "Economic and Fiscal Impact Analysis of Industrial Land Conversion," 2013; Strategic Economics, 2015.

Figure 4. Supply Projections for Scenario 2: Existing Conditions, 2015

	2. Existing Conditions 2015						
Supply Projection	**City Limits**	**Subarea 1**	**Subarea 2**	**Subarea 3**	**Subarea 4**	**Cochrane Road (e)**	**City and SOI**
Vacant Industrial Land (a)							
In Acres	247	29	32	63	87	124	464
Maximum Building Area (Sq. Ft.) (b)	3,230,410	378,972	418,176	823,284	1,139,530	1,620,432	6,058,455
Existing Vacant Industrial, R&D, Office							
Total Vacant Building Area (Sq. Ft.) (c)	273,250	273,250	273,250	273,250	273,250	273,250	273,250
75% of Building Area (Sq. Ft.) (d)	204,938	204,938	204,938	204,938	204,938	204,938	204,938
Total Potential Supply (Sq. Ft.)	3,435,347	583,910	623,114	1,028,222	1,344,467	1,825,370	6,263,393
Demand Compared to Supply							
Annual Average Demand (in Sq. Ft.)				44,700 - 114,000			
Years of Supply	30 - 77	5 - 13	5 - 14	9 - 23	12 - 30	16 - 41	55 - 140

Notes:

Columns may not add due to rounding.

(a) Based on City's inventory of zoned industrial parcels in current General Plan, and combined industrial and flex parcels in updated General Plan.

(b) Assumption of 30% site coverage area.

(c) Available space in Industrial, R&D, Office, and Warehouse buildings, Colliers International, 1Q2015.

(d) Assumes that 75 percent of the vacant space would be leased before new construction could occur.

(e) Includes Subareas 1, 2, and 3.

Sources: City of Morgan Hill, 2015; Colliers International, 2015; ABAG, 2012; "Economic and Fiscal Impact Analysis of Industrial Land Conversion," 2013; Strategic Economics, 2015.

Figure 5. Supply Projections for Scenario 3: General Plan Update

	3. Proposed GP Update						
Supply Projection	**City Limits**	**Subarea 1**	**Subarea 2**	**Subarea 3**	**Subarea 4**	**Cochrane Road (e)**	**City and SOI**
Vacant Industrial Land (a)							
In Acres	204	29	32	56	87	117	362
Maximum Building Area (Sq. Ft.) (b)	2,668,486	378,972	418,176	731,808	1,139,530	1,528,956	4,725,519
Existing Vacant Industrial, R&D, Office							
Total Vacant Building Area (Sq. Ft.) (c)	273,250	273,250	273,250	273,250	273,250	273,250	273,250
75% of Building Area (Sq. Ft.) (d)	204,938	204,938	204,938	204,938	204,938	204,938	204,938
Total Potential Supply (Sq. Ft.)	2,873,423	583,910	623,114	936,746	1,344,467	1,733,894	4,930,457
Demand Compared to Supply							
Annual Average Demand (in Sq. Ft.)				44,700 - 114,000			
Years of Supply	25 - 64	5 - 13	5 - 14	8 - 21	12 - 30	15 - 39	43 - 110

Notes:

Columns may not add due to rounding.

(a) Based on City's inventory of zoned industrial parcels in current General Plan, and combined industrial and flex parcels in updated General Plan.

(b) Assumption of 30% site coverage area.

(c) Available space in Industrial, R&D, Office, and Warehouse buildings, Colliers International, 1Q2015.

(d) Assumes that 75 percent of the vacant space would be leased before new construction could occur.

(e) Includes Subareas 1, 2, and 3.

Sources: City of Morgan Hill, 2015; Colliers International, 2015; ABAG, 2012; "Economic and Fiscal Impact Analysis of Industrial Land Conversion," 2013; Strategic Economics, 2015.

Figure 6. Supply Projections for Scenario 4: General Plan Update and GP Amendments

	4. Proposed GP Update and GP Amendments						
Supply Projection	**City Limits**	**Subarea 1**	**Subarea 2**	**Subarea 3**	**Subarea 4**	**Cochrane Road (e)**	**City and SOI**
Vacant Industrial Land (a)							
In Acres	149	29	32	36	52	97	286
Maximum Building Area (Sq. Ft.) (b)	1,947,132	378,972	418,176	470,448	679,536	1,267,596	3,742,806
Existing Vacant Industrial, R&D, Office Total Vacant Building Area (Sq. Ft.) (c)	273,250	273,250	273,250	273,250	273,250	273,250	273,250
75% of Building Area (Sq. Ft.) (d)	204,938	204,938	204,938	204,938	204,938	204,938	204,938
Total Potential Supply (Sq. Ft.)	2,152,070	583,910	623,114	675,386	884,474	1,472,534	3,947,743
Demand Compared to Supply							
Annual Average Demand (in Sq. Ft.)				44,700 - 114,000			
Years of Supply	19 - 48	5 - 13	5 - 14	6 - 15	8 - 20	13 - 33	35 - 88

Notes:

Columns may not add due to rounding.

(a) Based on City's inventory of zoned industrial parcels in current General Plan, and combined industrial and flex parcels in updated General Plan.

(b) Assumption of 30% site coverage area.

(c) Available space in Industrial, R&D, Office, and Warehouse buildings, Colliers International, 1Q2015.

(d) Assumes that 75 percent of the vacant space would be leased before new construction could occur.

(e) Includes Subareas 1, 2, and 3.

Sources: City of Morgan Hill, 2015; Colliers International, 2015; ABAG, 2012; "Economic and Fiscal Impact Analysis of Industrial Land Conversion," 2013; Strategic Economics, 2015.

Planning Commission Hearings

Date	Actions
6-23-15	Recommendation on Urban Service Area Expansion and Pre-Zonings for SRL District
10-14-14	Proposed General Plan Amendments - Recommendation on UGB
9-23-14	Proposed General Plan Amendments - Recommendation on Land Use Diagram Changes
9-09-14	Proposed General Plan Amendments - Direction to prepare two alternatives, including Puliafico property and not including Puliafico property as SRL.
8-26-14	Direction to staff to return to the September 9, 2014 Commission with a revised draft of the proposed Agriculture General Plan land use designation that more clearly would implement the City's vision for the Southeast Quadrant (SEQ) area including references to potential clustering of existing residential development potential and certain open space / recreational uses. Direction to staff to apply the Residential Estate General Plan Land Use designation consistently to areas within the SEQ that had already been subdivided.
8-12-14	Recommendations to certify the Agricultural Lands Preservation Program and Southeast Quadrant Land Use Plan Final Environmental Impact Report (EIR), to adopt the Agricultural Lands Preservation Program (Council Policy CP14-01 and Zoning Amendment ZA14-11), and to establish Sports / Recreation / Leisure General Plan and Zoning designations (GPA-14-09 and ZA-14-09). Direction to staff to return to the August 26, 2014 Commission with a draft Agricultural Land General Plan designation that could be applied within the Southeast Quadrant (SEQ) area and make land use policy changes if necessary to preserve the existing land use regulations applicable to the existing residential subdivisions within the SEQ.
7-22-14	Continued to 8-12-14 without discussion
6-24-14	Identified the following specific issues to be addressed by staff for the next meeting: 1) Comments from the Committee for Green Foothills; 2) Consistency with Morgan Hill 2035 comprehensive General Plan update; 3) Incorporation of input from the Open Space Authority; and 4) Invitation to LAFCO staff to participate in the Planning Commission process
6-10-14	Identified the following specific issues to be addressed by staff for the June 24, 2014 meeting: 1) Outreach to SEQ residents who would be annexed into Morgan Hill; 2) Clarification of proposed modifications to the Residential Development Control System; 3) Annexation of a larger portion of the SEQ to prevent its development within the County; 4) Identification of prohibited uses within the Open Agriculture lands designation; 5) Possible modification of the Agricultural Priority Area to achieve a larger, more regular boundary; and 6) More definition of the agricultural conservation easement procurement program
5-27-14	Discussion of Project
5-13-14	Discussion of Project
2-25-14	Study Session
4-22-08	Planning Commission - discussion of sports/recreation/leisure as a land use focus for the SEQ.

City Council Hearings

Date	Actions
7-15-15	Adoption of Agricultural Mitigation Ordinance; Adoption of SRL Zoning District; Action to forward USA Expansion request to LAFCO; Adoption of pre-zoning for SRL properties and private high school
2-04-15	Amendment of General Plan Urban Limit Line (ULL) and Urban Growth Boundary (UGB); Amendment of General Plan Land Use Diagram to establish SRL and Public Facilities districts within the SEQ; Deferral of Chiala proposal to General Plan Update with direction to continue to work with Chiala family and County to develop a TDR proposal.
12-17-14	Schedule the SEQ area General Plan Amendment requests the agenda for Council consideration in February 2015.
11-05-14	Certification of EIR Adoption of Agricultural Lands Preservation Program (Policy) and General Plan Text Amendment - SRL District
7-02-14	1) Express appreciation for County and LAFCO staff participation; 2) Reiterate commitment to permanent agricultural preservation within SEQ, establishment of an SRL District, and continued partnership between public and private property owners to implement the Preservation Program; and 3) Direction to staff to

	continue to work with the County, LAFCO, and Open Space Authority to implement City' goals consistent with regional objectives.
4-07-10	Definition of the proposed land use plan, including direction to continue to explore the proposed agricultural preservation program as a feasible strategy
10-07-09	Acceptance of the project definition to include the proposed land use plan and agricultural preservation program.
4-30-08	Direction for City staff to work cooperatively with private property owners to develop a single project and to include an analysis of the long-term feasibility of agriculture within the project
2-20-08	Direction to continue with SEQ work program as proposed with an emphasis on development of sports/recreation/leisure uses within the SEQ and identification of a priority agricultural conservation area within the SEQ
11-07-07	SEQ Land Use Plan and Agricultural Preservation Program status report and direction to accept private GPA applications and proceed with analysis; Suggestion to use Residential Development Control System (RDCS) process as a funding source for agricultural mitigation
2-21-07	SEQ Land Use Study Work Plan: Direction to revise Residential Development Control System (RDCS) to support the preservation of open space and agriculture within the SEQ
1-24-07	SEQ Market Study Presentation
1-17-07	SEQ Market Study Presentation (continued to 1-24)
7-26-06	Council discussion of industrial lands and SEQ study
6-28-06	Contract with consultant to perform SEQ land use analysis
4-19-06	Urban Limit Line General Plan Amendments
4-05-06	Urban Limit Line Study Report
6-22-05	Consideration of ULL except for SEQ Area
4-20-05	Urban Limit Line Final Report and recommendations for industrial land supply and fiscal analyses
2-02-05	Urban Limit Line Study Workshop
9-15-04	Urban Limit Line Study progress report
7-28-04	Urban Limit Line Study progress report
4-07-04	Approval of MIG Contract amendment to prepare an implementation study for the ULL
3-17-04	Discussion of MIG Contract amendment to prepare an implementation study for the ULL
3-03-04	Discussion of MIG Contract amendment to prepare an implementation study for the ULL
12-03-03	Urban Limit Line (Greenbelt) Committee Report
11-19-03	Urban Limit Line (Greenbelt) Committee Report
8-20-03	Urban Limit Line (Greenbelt) Committee Report
2-05-03	Appoint Urban Limit Line (Greenbelt) Study Advisory Committee
1-15-03	Approve contract with MIG for Urban Limit Line Study
6-18-90	Designate SEQ area as Regional Commercial Reserve

SUPPLEMENTAL INFORMATION
December 2015

December 2, 2015

Neelima Palacherla, Executive Officer
LAFCO OF SANTA CLARA COUNTY
70 West Hedding Street
11th Floor, East Wing
San Jose, CA 95110

Subject: MORGAN HILL URBAN SERVICE AREA AMENDMENT, 2015 LAFCO APPLICATION – Supplemental report regarding the Morgan Hill Sports - Recreation - Leisure (SRL) District and Monterey-South-Hordness-City of Morgan Hill Urban Service Area Amendment Requests

Neelima,

Per your request, we are providing the following supplemental report for your review in support of the 2015 Morgan Hill LAFCO Urban Service Area expansion request for the proposed Sports Recreation Leisure (SRL) district. This supplemental report provides information from the various staff reports, studies and CEQA analysis that were included in the initial application, but reorganized in a format that should facilitate LAFCO review. Some additional background information, which supports the conclusions of the previous reports, has been provided as well. The supplemental report addresses the following:

- Summary of City and Planning Commission Actions
- Consistency with LAFCO Agricultural Mitigation Policies
- Consolidated analysis of the City's service delivery for the project areas, including additional supporting data
- Clarified and updated data related to the City's industrial land supply
- Available data on Commercial Land Absorption Rates
- Parcel information related to the City Ball Fields and Puliafico properties

As you review this information, please keep in mind that the proposed SRL District is a key component of the City's Agricultural Lands Preservation Program. The City's program follows the LAFCO policy of 1:1 mitigation through the creation of permanent agricultural conservation easements and the development of the SRL District is a key means of funding these easements. The SRL District would also establish a buffer of uses compatible with agriculture and meet the City's goals of a developing a recreational district at the US Highway 101-Tennant interchange, as well as provide other benefits discussed in our initial application to LAFCO.

The City does not have information available on commercial land absorption

Please contact me if you have any further questions

Andrew Crabtree
Community Development Director

City of Morgan Hill

Summary of City and Planning Commission Actions

Per request from LAFCO staff, the City is providing the following summary and clarification of actions taken by the Planning Commission and City Council prior to the submittal of the City's 2015 LAFCO application. The same information can be found in the staff reports and resolutions previously included with that application.

Area 1: SRL District

An Urban Service Area Expansion for the SRL District was recommend for approval by the Planning Commission on June 23, 2015 (vote: 5-1) and the City Council adopted Resolution # 15-184 on July 15, 2015 to seek LAFCO approval.

Area 2: Monterey-South-Hordness-City of Morgan Hill

An Urban Service Area Expansion for two vacant parcels located on the south side of Watsonville Road (the Hordness and SCVWD parcels) was approved by the Planning Commission on September 23, 2014 (vote: 6-0) and the City Council adopted Resolution #15-217 on September 2, 2015 to seek LAFCO approval.

An Urban Service Area Expansion for 15 parcels on the west side of Monterey Road, south of Watsonville Road (the Morgan Hill Bible Church, Oakwood School and other residential and commercial parcels) was approved by the Planning Commission on August 11, 2015 (vote:) and the City Council adopted Resolution #15-218 on September 2, 2015 to seek LAFCO approval.

Prezoning Action:

As part of the hearing process, the Planning Commission recommended expansion of the USA Expansion to include 4 residential parcels the otherwise would have become a '"peninsula". Because these properties were added to the USA Expansion request at the September 2, 2015 hearing, a prezoning has not yet been completed for the properties. A prezoning is not required for a USA Expansion request, but would be required prior to annexation should the City at some point in the future annex the properties.

Consistency with LAFCO Agricultural Mitigation Policies

The City's Agricultural Lands Preservation Program is consistent with LAFCO agricultural preservation policies, and would produce the desired outcome of mitigation at a ratio of 1:1 through the establishment of permanent preservation easements.

Santa Clara County LAFCO adopted agricultural mitigation policies on April 4, 2007. At that time the Commission and the LAFCO attorney emphasized that these policies should be viewed as "advisory" to local jurisdictions. LAFCO staff stated that "the provisions in the policies are not requirements or conditions". LAFCO staff further advised "that a city council ordinance or resolution be adopted to assure the Commission that the city would enforce the plan for mitigation at the specified time and provide annual status reports until the mitigation is fulfilled." Minutes from the meeting are available at: (http://www.santaclaralafco.org/images/resumes/agenda_packet/20070404_07Apr04.pdf)

The City of Morgan Hill accordingly has adopted both an ordinance (Agricultural Mitigation Ordinance) and a Council Policy by resolution (Citywide Agricultural Lands Preservation Program) that closely follows much of the advisory policies as adopted by LAFCO in 2007. The proposed USA expansion would affect lands subject to the agricultural mitigation requirements set forth in these two documents adopted by the City of Morgan Hill.

Based upon an analysis of the City's agricultural mitigation requirements for consistency with the Santa Clara County LAFCO's agricultural mitigation policies, the City's requirements are substantially consistent with LAFCO policies with technical differences which will facilitate or make more feasible the implementation of the agricultural mitigation. At the time the LAFCO policies were developed and considered by LAFCO, various stakeholders, including the City of Morgan Hill, raised concerns over some aspects of the LAFCO policies which vary from more widely understood and utilized agricultural preservation practices. As a result, LAFCO adopted its policies as advisory in nature, recognizing that individual jurisdictions should have the latitude to develop and implement policies per their own judgment as to what would be consistent with local community values and feasible to implement within the local context.

The City included copies of its Agricultural Lands Preservation Program and Agricultural Lands Mitigation Ordinance as part of its 2015 LAFCO application. The Program and Ordinance have been provided at various stages of their development to LAFCO staff (and other stakeholders) for review and comment over the past eight years prior to their adoption by the City of Morgan Hill. The following discussion addresses how these documents align with each the Santa Clara County LAFCO agricultural mitigation policies.

LAFCO General Policies

LAFCO General Policies encourage local jurisdictions to adopt agricultural mitigation programs for prime agricultural lands through a process coordinated with LAFCO staff and that conform to LAFCO agricultural mitigation policies. The City of Morgan Hill has worked with local property owners and received input from LAFCO staff and agricultural land conservation agencies over the past seven years as it has developed its own Agricultural Lands Preservation Program. The City's Agricultural Lands Preservation Program exceeds the scope of LAFCO's policies in that the City has adopted an ordinance to require mitigation for all new development affecting Farmland of Statewide Importance, Unique Farmland and Farmland of Local Importance as well as Prime Farmlands.

1. LAFCO recommends provision of agricultural mitigation as specified herein for all LAFCO applications that impact or result in a loss of prime agricultural lands as defined in Policy #6. Variation from these policies should be accompanied by information explaining the adequacy of the proposed mitigation.

After an extensive process involving community stakeholders, private property owners, outside agencies, and a consultant who specialize in the preparation of agricultural mitigation plans, the City of Morgan Hill has adopted an Agricultural Lands Preservation Program and an Agricultural Lands Mitigation Ordinance that substantively achieves the goals of these LAFCO policies as discussed in the following narrative. Consultants hired by the City to prepare its Agricultural Mitigation Program include:

- Gregory A. House, House Consulting: With over thirty-five years experience in agricultural consulting, Mr. House has been awarded the title of Accredited Farm Manager and Accredited Rural Appraiser by the American Society of Farm Managers and Rural Appraisers, and Certified Professional Agronomist by the American Society of Agronomy. Areas of expertise include Agricultural economics, Crop valuation, Lost profits, Farm business management, land use issues, Agricultural appraisal, Crop production, Fruit and nut crops, Vegetable crops, Field crops, Rangeland and Pasture management, Soil management and conservation, Irrigation practices, Marketing of agricultural commodities. Degrees and Licenses include B.S. Crop Ecology, AFM, ARA, CPAg, Certified General Appraiser California License # AG 001999

- Economic & Planning Systems: EPS is a land economics consulting firm experienced in the full spectrum of services related to real estate development market analysis, public/private partnerships, and the financing of government services and public infrastructure.

The City hired these two consultants in order to develop an Agricultural Mitigation Program that would be feasible both in terms of the needs of the agricultural industry and local economic conditions.

2. LAFCO encourages cities with potential LAFCO applications involving or impacting agricultural lands to adopt citywide agricultural mitigation policies and programs that are consistent with these policies.

The City of Morgan Hill has adopted a Citywide Agricultural Mitigation Policy and Ordinance.

3. When a LAFCO proposal impacts or involves a loss of prime agricultural lands, LAFCO encourages property owners, cities and agricultural conservation agencies to work together as early in the process as possible to initiate and execute agricultural mitigation plans, in a manner that is consistent with these policies.

The City of Morgan Hill has spent 7 years developing its Agricultural Mitigation Program and has coordinated with property owners, agricultural conservation agencies and LAFCO and made significant changes to its Program based upon input received from LAFCO staff as well as other agencies, while developing a Program that the City believes to be technically and economically feasible and in alignment with local community values which favor preservation of open space in close proximity to Morgan Hill.

4. LAFCO will work with agricultural entities, the County, cities and other stakeholders to develop a program and public education materials to improve the community's understanding of the importance of agriculture in creating sustainable communities within Santa Clara County.

City of Morgan Hill staff, City Council members and Planning Commissioners attended the Agricultural Preservation summit hosted by LAFCO and have made use of other educational materials available related to the preservation of agricultural lands. In addition to hiring Gregory House of House Agricultural Consultants, considered one of the foremost experts in this field in California, the City of Morgan Hill hosted a community forum on agricultural preservation at which local farming industry and preservation agencies participated and conducted a General Plan Advisory Committee (GPAC) forum on agricultural preservation with several panelists who have expertise in this field, including: Joseph Deviney Santa Clara County Agricultural Commissioner; Sibella Kraus, President of SAGE (Sustainable Agriculture Education); Kathryn Lyddan, Brentwood Agricultural Land Trust Executive Director; Amie MacPhee, found of Cultivate: and Mark Anthony Madeiros, Associate Director of Veggielution. (More information on the GPAC workshop is available at: http://morganhill2035.org/wp-content/uploads/2014/03/01_Cover-Memo-GPAC8.pdf)

5. LAFCO will review and revise these policies as necessary.
The LAFCO Policies were adopted in 2007, but have not been updated since then.

LAFCO Definition of Prime Farmland

LAFCO policies identify five ways in which land can be identified as prime farmland. The City of Morgan Hill considered various definitions for use in its Agricultural Lands Preservation Program, including the methodologies used by LAFCO, and after considerable deliberation elected to use criteria established by the California Department of Conservation rather than the criteria developed by Santa Clara County LAFCO staff. This decision was made with the goal of using criteria that would allow affected farmlands to be readily identified in advance of the Program's adoption, to use a classification system that would be readily understandable to representatives of both the agricultural industry and conservation groups, to be consistent with accepted CEQA standards for identification of impacts, to reduce the likelihood of case-by-case argument that a property should not be subject to mitigation, and to broaden the scope of lands for which mitigation to include categories other than "prime". (See attached documentation for more background on the process that lead to this decision.)

The City of Morgan Hill thus elected to use the 2010 California Department of Conservation 2010 Farmland Mapping and Monitoring Program (FMMP) Farmlands of Importance maps (available online at: http://www.conservation.ca.gov/dlrp/fmmp) as the basis for its Agricultural Lands Preservation Program. The Morgan Hill Agricultural Mitigation Program requires mitigation for all lands identified on the 2010 (FMMP) Map as either Prime Farmland, Farmland of Statewide Importance, Farmland of Local Importance or Unique Farmland.

The Santa Clara County LAFCO definition of "Prime Agricultural Land" reads as follows.

6. "Prime agricultural land" as defined in the Cortese Knox Hertzberg Act means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

1. ***Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.***
2. ***Land that qualifies for rating 80 through 100 Storie Index Rating.***
3. ***Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.***
4. ***Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars ($400) per acre.***
5. ***Land that has returned from the production of unprocessed agricultural***

plant products an annual gross value of not less than four hundred dollars ($400) per acre for three of the previous five calendar years.

While the State Department of Conservation classifications for Prime Farmland and other farmland types technically differ from the criteria developed by Santa Clara County LAFCO staff, they are based on the same characteristics considered most important to viable use of land for agriculture (e.g., soil quality, and irrigation status). Review of the current areas proposed for USA expansion indicates that the Hordness property would be fully subject to a mitigation requirement under either set of criteria, while most of the SRL District would be subject to mitigation under either criteria, with the exception that an area identified by the State as Grazing Land would not be subject under the City's requirements, but subject under the LAFCO criteria, and conversely a roughly equivalent area identified as Unique Farmland under the State's criteria would be subject to mitigation under the City's ordinance, but not under the LAFCO criteria.

Almost all of the undeveloped land area included within the current USA expansion application has been identified as subject to mitigation pursuant to the City's Agricultural Lands Preservation Program and the Preservation Program anticipates its development as a key mechanism (through either direct recordation of off-setting easements or payment of in-lieu fees) for the preservation of agricultural land within the City's identified Agricultural Lands Priority Preservation Area.

If the SRL or Hordness properties remain in the County, they would not at this time be subject to any agricultural land mitigation requirements, beyond those that might be identified through a CEQA process.

Within the SRL Project Area, the following acreages would be subject to the City's Mitigation Requirement:

SRL Area Farmland Subject to Mitigation Requirements

Farmland Type	Area (Acres)
Prime Farmland	160.2
Farmland of Statewide Importance	11.4
Unique Farmland	13.4
Farmland of Local Importance	-
Total	184.9

Within the Monterey-South-Hordness-City of Morgan Hill project area, the entire Hordness property (7.38 acres) would be subject to the City's mitigation requirements as it is mapped as a mix of Prime Farmland and Farmland of Statewide Importance.

LAFCO Mitigation Recommendations

The Santa Clara County LAFCO Agricultural Mitigation Policies identify "Mitigation Recommendations" for the development of agricultural lands. The City of Morgan Hill's Agricultural Lands Mitigation Ordinance conforms to these recommendations.

> ***7. Proposals involving the conversion of prime agricultural lands should provide one of the following mitigations at a not less than 1:1 ratio (1 acre preserved for every acre converted) along with the payment of funds as determined by the city / agricultural conservation entity (whichever applies) to cover the costs of program administration, land management, monitoring, enforcement and maintenance of agriculture on the mitigation lands:***
>
> ***a. The acquisition and transfer of ownership of agricultural land to an agricultural conservation entity for permanent protection of the agricultural land.***
>
> ***b. The acquisition and transfer of agricultural conservation easements to an agricultural conservation entity for permanent protection of the agricultural land.***
>
> ***c. The payment of in-lieu fees to an agricultural conservation entity that are sufficient to fully fund*:***
>
> ***1. The cost of acquisition of agricultural lands or agricultural conservation easements for permanent protection, and***
>
> ***2. The cost of administering, managing, monitoring and enforcing the agricultural lands or agricultural conservation easements, as well as the costs of maintaining agriculture on the mitigation lands.***
>
> **** with provisions for adjustment of in-lieu fees to reflect potential changes in land values at the time of actual payment***

The City's Agricultural Lands Preservation Program and Agricultural Lands Mitigation Ordinance incorporate all of the recommendations included in LAFCO Policy #7. The City's Agricultural Preservation Ordinance establishes a 1:1 mitigation ratio as recommended by LAFCO, includes a requirement for funding of program administration and anticipates that the City will identify a third party agricultural conservation entity to manage acquisition and to be a party to conservation easement obtained through implementation of the Ordinance. The City has had preliminary conversations with organizations interested in acting as the third party entity and will be conducting an RFP or similar process to select this entity. Per the City's ordinance, the City would also be a party to the conservation easements and may take on the role of acquisition until a third party entity is identified. The City's Ordinance also includes an in-lieu fee which the City would collect and transfer to the third party, including a portion intended to cover administration costs. The City's Agricultural Lands Preservation Program includes provisions to adjust the in-lieu fee as necessary to address changes in property values.

8. Agricultural lands or conservation easements acquired and transferred to an agricultural conservation entity should be located in Santa Clara County and be lands deemed acceptable to the city and entity.

The City's Agricultural Lands Preservation Program and Agricultural Lands Mitigation Ordinance incorporate all of the recommendations included in LAFCO Policy #8. The City of Morgan Hill's Ordinance requires that mitigation be located within Santa Clara County. The City further gives strong preference to the establishment of conservation easements within the Morgan Hill Sphere of Influence and specifically within a Priority Agricultural Preservation Area identified within the Program. The City has identified other criteria (e.g., minimum easement size of 10 acres, etc.) that are required for conservation easements acceptable to the City.

The City's adopted ordinance includes the following provision:

> 18.85.110 Agricultural Priority Area Dedications inside the Morgan Hill Sphere of Influence (SOI) will be strongly encouraged within the Southeast Quadrant (SEQ) as the first priority. The City has identified an Agricultural Priority Area within the SEQ as the City's first priority for conservation. The City's secondary priority is the preservation of other rural County Agricultural Lands within the Morgan Hill SOI. Dedications outside the SOI are less desirable and must be inside Santa Clara County as described under 'Eligible Mitigation Lands' above. The Agricultural Priority Area encompasses approximately 650 acres of land.

9. The agricultural mitigation should result in preservation of land that would be:

a. Prime agricultural land of substantially similar quality and character as measured by the Average Storie Index rating and the Land Capability Classification rating, and

b. Located within cities' spheres of influence in an area planned/envisioned for agriculture, and

c. That would preferably promote the definition and creation of a permanent urban/agricultural edge.

As discussed above, the City of Morgan Hill has determined that it would be beneficial to use the State Department of Conservation's system for identification of farmlands and to expand the mitigation requirements to include certain non-prime as well as prime farmlands as they have been identified by the State. With this distinction, the City's Lands Preservation Program and Agricultural Lands Mitigation Ordinance would otherwise fully align with LAFCO policy #9.

The City requires that conservation easements be established on a "like for like or better " basis (e.g., development of Prime Farmlands must be mitigated with easements placed upon other Prime Farmlands; development of Farmlands of Statewide Importance must be mitigated with easements placed on either Prime Farmlands or Farmlands of Statewide Importance, etc.).

The City of Morgan Hill strongly encourages the establishment of easements within its Sphere of Influence and specifically within a Priority Agricultural Conservation Area within the City's Southeast Quadrant (SEQ). The SEQ area was identified as the priority area for conservation because it has the greatest potential of lands within the Morgan Hill Sphere of Influence to support long-term agriculture. As part of the City's Agricultural Preservation Program, the City has adopted an Agriculture General Plan Land Use designation and policies intended to promote agriculture within the SEQ. The preservation of agricultural lands within the SEQ would provide a greenbelt buffer to the south of Morgan Hill between Morgan Hill and San Martin to complement the greenbelt already established to the north of Morgan Hill, separating Morgan Hill for the developed part of San Jose.

> ***10. Because urban/non-agricultural uses affect adjacent agricultural practices and introduce development pressures on adjacent agricultural lands, LAFCO encourages cities with LAFCO proposals impacting agricultural lands to adopt measures to protect adjoining agricultural lands, to prevent their premature conversion to other uses, and to minimize potential conflicts between the proposed urban development and adjacent agricultural uses. Examples of such measures include, but are not limited to:***
>
> ***a. Establishment of an agricultural buffer on the land proposed for development. The buffer's size, location and allowed uses must be sufficient to minimize conflicts between the adjacent urban and agricultural uses.***
>
> ***b. Adoption of protections such as a Right to Farm Ordinance, to ensure that the new urban residents shall recognize the rights of adjacent property owners conducting agricultural operations and practices in compliance with established standards.***
>
> ***c. Development of programs to promote the continued viability of surrounding agricultural land.***

The City's Agricultural Preservation Program follows the intent of this LAFCO recommendation. The proposed SRL District would be adjacent to the City's Priority Agricultural Conservation Area and would establish an appropriate buffer of land uses compatible with ongoing agricultural activity. The City has included policies within its General Plan to promote agricultural activity and is developing further policies, including a TDR program that would establish a funding source for investment in infrastructure to support agricultural activity, and reinforcement of the continued use of the City's RDCS to fund agricultural conservation easements.

LAFCO Agricultural Conservation Entity Qualifications

The LAFCO Agricultural Conservation Policy includes one policy related to the selection of a third-party entity to conduct the establishment of conservation easements

> ***11. The agricultural conservation entity should be a city or a public or non-profit agency. LAFCO encourages consideration of agricultural conservation entities that:***

a. Are committed to preserving local agriculture and have a clear mission along with strategic goals or programs for promoting agriculture in the areas that would be preserved through mitigation,
b. Have the legal and technical ability to hold and administer agricultural lands and agricultural conservation easements and in-lieu fees for the purposes of conserving and maintaining lands in agricultural production and preferably have an established record for doing so, and
c. Have adopted written standards, policies and practices (such as the Land Trust Alliance's "Standards and Practices") for holding and administering agricultural lands, agricultural conservation easements and in-lieu fees and are operating in compliance with those standards.

The City of Morgan Hill has not yet identified a third party entity, but anticipates that the selected entity would align with these policies as feasible (e.g., if the City receives a proposal from an entity that meets these criteria). The City of Morgan Hill also thinks that it is important that the third party entity include leadership with a good understanding of agricultural practices. The City's Agricultural Preservation Program includes the following description of a qualifying third party entity that follows the guidance provided by LAFCO:

Qualifying Entity

A government or nonprofit entity operating in Morgan Hill and/or the surrounding portions of Santa Clara County for the purpose of conserving and protecting land in its natural, rural or agricultural condition. The City favors the use of a local government or non-profit agricultural conservation entity, a statewide government or non-profit agricultural conservation entity or entities, or the regional branch of a nationally recognized non-profit agricultural conservation entity as the easement holder. The Qualifying Entity should have appropriate representation and/or participation from the farming community. The City will consider the following criteria when considering the non-profit agricultural conservation entity for these purposes, and when monitoring the performance of Qualifying Entities over time:

1. Whether the entity is based locally, is statewide, or is a regional branch of a national organization whose principal purpose is holding and administering Agricultural Conservation Easements for the purposes of conserving and maintaining lands in agricultural production;
2. Whether the entity has a long-term proven and established record for holding and administering easements for the purposes of conserving and maintaining lands in agricultural production;
3. Whether the entity has a history of holding and administering easements in Santa Clara County for the foregoing purposes;
4. Whether the entity has adopted the Land Trust Alliance's "Standards and Practices" and is operating in compliance with those Standards and Practices; and
5. Any other information that the City of Morgan Hill finds relevant under the circumstances.

Timing and Fulfillment of Mitigation

The LAFCO Agricultural Mitigation Policy includes several policies addressing the implementation of the City's Agricultural Lands Preservation Program. The City's adopted Program and Ordinance generally align with these policies as well as discussed below.

> ***12. LAFCO prefers that agricultural mitigation be in place at the time of LAFCO approval or as soon as possible after LAFCO approval. The mitigation (as detailed in the Plan for Mitigation) should be fulfilled no later than at the time of city's approval of the final map, or issuance of a grading permit or building permit, whichever occurs first.***

The City's adopted Ordinance requires that mitigation be in place prior to any land disturbance activity (e.g., issuance of a grading permit or building permit).

> ***13. Cities should provide LAFCO with information on how the city will ensure that the agricultural mitigation is provided at the appropriate time.***

The City has provided LAFCO with copies of the City's Agricultural Lands Preservation Program and adopted Agricultural Lands Mitigation Ordinance which demonstrate that the City will provide the mitigation at the appropriate time. Both the Program and Ordinance include a "stay ahead" provision that requires that mitigation be in place at a 1:1 ratio ahead of or concurrent with development activity.

> ***14. Cities should provide LAFCO with a report on the status of agricultural mitigation fulfillment every year following LAFCO approval of the proposal until the agricultural mitigation commitments are fulfilled.***

The City or third party entity can provide these reports as desired.

> ***15. The agricultural conservation entity should report annually to LAFCO on the use of the in-lieu fees until the fees have been fully expended.***

The City or third party entity can provide these reports as desired.

Plan for Mitigation

The final element of the Santa Clara County LAFCO Agricultural Mitigation Policies is a "Plan for Mitigation" that should be submitted at the time of application to LAFCO. Such a Plan is intended to provide LAFCO with assurances that mitigation will be implemented following action by LAFCO and also detail as to how it will be implemented. When the City of Morgan Hill asked if LAFCO could provide an example of such a form for the City's use, it was explained that

no such form exists as of yet because the nobody has attempted to provide one since the LAFCO policies were adopted.

The City of Morgan Hill fulfills this requirement by having adopted a Program and an Ordinance that would govern and be binding upon any land brought into the City of Morgan Hill as a result of LAFCO action. While redundant with the City's ordinance, the City is in the process of developing a form which could then be signed by the property owners affected by the current LAFCO application and then potentially provided to LAFCO to provide such agreements to LAFCO as requested by LAFCO staff. Since LAFCO does not provide a standard form for such agreements, so the City of Morgan Hill City Attorney is drafting a form intended to fulfill the LAFCO policy consistent with the City's adopted ordinance. It should be noted however that this is an unprecedented approach, as other land/development mitigation requirements (e.g., the Santa Clara County Habitat Plan or school impact fee requirements) are generally assumed to be in effect and property owners are not required to record a commitment against their property that they will abide by the applicable ordinance/policy requirements.

> ***16. A plan for agricultural mitigation that is consistent with these policies should be submitted at the time that a proposal impacting agricultural lands is filed with LAFCO. The plan for mitigation should include all of the following:***
>
> > ***a. An agreement between the property owner, city and agricultural conservation entity (if such an entity is involved) that commits the property owner(s) to provide the mitigation for the loss of prime agricultural lands and establishes the specifics of the mitigation. Upon LAFCO approval of the proposal, the agreement should be recorded with the County Recorder's office against the property to be developed. The agreement should specify:***
> >
> > > ***1. The type of mitigation that will be provided in order to mitigate for conversion of agricultural lands. (purchase of fee title or easement or payment of in-lieu fees)***
> > >
> > > ***2. The agricultural conservation entity that will be involved in holding the lands, easements, or in-lieu fees.***
> > >
> > > ***3. The acreage that would be preserved through mitigation and /or the amount of in-lieu fees that would be paid (with provisions to adjust fees to reflect land values at time of payment) along with the methodology adopted by the entity for calculating the in-lieu fees.***
> > >
> > > ***4. The location of the mitigation lands, when possible.***
> > >
> > > ***5. Information on the specific measures adopted by the city as encouraged in Policy #10 (mitigation for impacts to adjacent agricultural lands)***
> > >
> > > ***6. The time-frame within which the mitigation will be fulfilled, which should be no later than at the time of city's approval of the final map, or issuance of the grading permit or building permit, whichever occurs first.***

7. The mitigation agreement is to be contingent on LAFCO approval of the proposal.

b. Applicant should provide all other supporting documents and information to demonstrate compliance with these policies.

As discussed above, the City's adopted ordinance regulates each of the seven items addressed above as follows:

1. The City allows either recordation of an easement (minimum 10 acres) directly by the developer or payment of an in-lieu fee. The City anticipates that in most cases the property owner will elect to pay the in-lieu fee, but would like to maintain the flexibility to allow either approach at the time of development.
2. The City will take on this role. Once the City has identified a third party entity, both the City and the third party entity can be party to the conservation easements.
3. A minimum of 1 acre of conservation area is required for each acre of development. Eventual development of the areas included in the City's 2015 LAFCO application would thus result in the conservation of at least 192 acres of corresponding farmland.
4. The City's priority area for conservation is within the City's Southeast Quadrant.
5. The City is proposing to establish an SRL District adjacent to the City's priority agricultural land area in order to provide compatible land uses.
6. Mitigation will occur at issuance of a grading or building permit, whichever comes first.
7. The City's mitigation requirement would only apply if the LAFCO approves the requested USA expansion, which would allow annexation of the land. If LAFCO does not approve the expansion, the land would remain in the County and not be subject to mitigation requirements.

Provision of City Services

The City of Morgan Hill has adequate capacity to fully provide services to the areas proposed for incorporation into the City's Urban Service Area.

The City of Morgan Hill included within its 2015 LAFCO application a description of how the City would provide services for the areas which would be added to the City's Urban Service Area (USA). This report was based upon data available to the City related to build-out of its current General Plan and/or the CEQA analysis prepared for the SEQ area plan. Analysis for both the current General Plan and the original SEQ project unequivocally concluded that the City has adequate capacity within its existing services or the ready ability to expand services as necessary to accommodate the projected demand for those projects. As the current USA expansion request would affect an area considerably smaller in scale than that addressed in either analysis, it is reasonable to conclude that the City has adequate service capacity to address the proposed USA expansion if it has, as demonstrated, the ability to provide services for build-out of its General Plan.

In summary, the analysis provided indicates that the City has capacity for the following services as follows:

- **Water Supply** - the City currently has adequate water supply resources for the proposed expansion. The City would gain additional water supply sources with annexation of the properties. Proposed urban development of lands currently in use for agriculture would reduce the water usage for those properties, resulting in a net increase to the City's water supply.

- **Wastewater** - the City currently has adequate capacity to treat wastewater that would be generated by the properties within the proposed USA expansion area. New infrastructure will be needed within the SRL district to convey wastewater from those properties to the wastewater system. The City has policies and impact fees in place that will cover the costs of that new infrastructure and help to fund the long-term expansion of its wastewater treatment capacity. The City is in the process of expanding its wastewater treatment capacity as needed to accommodate the build-out of its General Plan.

- **Police** - While the City's Police Department already provides service to the project area through mutual aid agreements, the Department has identified the need to increase staffing levels to provide service for the proposed USA expansion as planned

development occurs. As indicated in the Fiscal Reports provided with the City's 2015 LAFCO application, the proposed development would provide sufficient revenue to the City to fully fund the expansion of police services and other City services as necessary. The existing Police Headquarters building is adequate in size to support the expansion of police services.

- **Fire** - The City of Morgan Hill contracts with CalFire to act as the City's Fire Department. CalFire is currently providing fire service to the project area and would continue to do so upon annexation. CalFire monitors calls for fire service to determine if they are for properties within the City or within the County and the City of Morgan Hill pays for services based in part upon that data. CalFire has indicated that they have adequate capacity at their existing facilities to provide service to the project areas once the proposed development is implemented. As indicated in the Fiscal Reports provided with the City's 2015 LAFCO application, the proposed development would provide sufficient revenue to the City to fully fund the City paying an increased fee to CalFire for services in the project area.

- **Schools** - The proposed SRL District would not generate new students. The Morgan Hill Unified School District (MHUSD) has adequate capacity to accommodate the projected number of students that could be generated by proposed development of the Monterey-South-Hordness-City of Morgan Hill area and is in the process of developing an additional school site that would provide more capacity for the District to meet long-term growth needs. MHUSD is also participating in the City's General Plan update and RDCS update to coordinate planning for the City's future growth.

- **Libraries** - Library services within Morgan Hill are provided by the County library system at a library facility located centrally within Morgan Hill. The County does not have specific level of service standards, but based on available standards for library size per population, the current library is sufficient to provide services for the proposed USA expansion areas. The City and County are working together on a planned expansion of the library to meet the City's future needs.

- **Parks and Recreation** - The proposed SRL District would complement the City's existing sports, recreation and leisure opportunities for its residents by providing additional recreation facilities. As discussed in the Fiscal Reports provided as part of the Morgan Hill 2015 LAFCO application, new revenue and impact fees from the proposed

development would fully support increases to the City's service delivery to address the new uses.

Water Supply

The City provides water service to over 13,300 metered customers inside and outside the City limits. About 85 percent of customers are residential (single and multi-family) and are responsible for approximately 70 percent of total water consumption. Commercial, industrial, government, and institutional users account for the remaining customers and usage.

The City of Morgan Hill receives its water from groundwater wells that feed an interconnected grid of pipelines to deliver water to homes and businesses in the community. The sources (and percentages) of groundwater recharge are local rainfall (40 percent), local reservoirs (34 percent), and imported water (26 percent). Imported water for replenishing groundwater is provided by the Santa Clara Valley Water District (SCVWD). The SCVWD manages groundwater in Santa Clara County, including the Santa Clara sub-basin (Coyote Valley subarea) and the Llagas sub-basin; the sources of Morgan Hill's groundwater.

The SCVWD and the City depend on regional, State, and federal water agencies to supply additional water to replenish the groundwater. Imported water originates from natural runoff and releases from statewide reservoirs and is pumped out of the Sacramento San Joaquin Delta by the State Water Project (SWP) and the federal Central Valley Project (CVP). The SCVWD manages water recharge by releasing water captured and stored in local reservoirs, and water imported from the Delta, to creeks and recharge ponds.

The City's water system facilities include 17 groundwater wells, 13 potable water storage tanks, 10 booster stations, and over 185 miles of pressurized pipes ranging from 2 inches through 24 inches in diameter. The wells have a total pumping capacity of approximately 16 to 18 million gallons per day (mgd). Carollo Engineers prepared a Water System Master Plan for the City in 2002 to identify deficiencies in the existing supply and distribution system, and recommended a Capital Improvement Program to meet future growth needs. The study projects the total City Maximum Daily Demand to be approximately 19.2 mgd in the year 2020. The Master Plan recommends constructing new wells and storage facilities (some of which have already been built) to meet the increased water demand. The City has developed a capital improvement project schedule to implement the recommendations of the Master Plan

As detailed in the table below, demand for water supply would significantly decrease within the SRL project area with redevelopment as existing agricultural uses require much more water than would the proposed SRL uses. The water supply source would likely not change as the existing agricultural activities receive their water supply from groundwater sources that would remain in place and available for use after the USA expansion, but transfer to City of Morgan Hill jurisdiction. For this reason, the City would not anticipate any negative impact to the City's overall water supply if the USA expansion proceeds and local groundwater resources may benefit by the projected decrease in demand.

This conclusion is reflected in the Water Supply Analysis prepared for the Southeast Quadrant Area Land Use Plan. As shown in Table 4 of the EIR Water Supply Analysis, with the annexation proposed at that time of a significantly larger portion of the SEQ, including retention of irrigated agricultural lands within the City's Urban Service Area and the development of lower intensity residential uses which would also be expected to generate water demand for landscaping, etc., the analysis concluded that the project would result in a net decrease in demand for water supply (reduction of 170 acre-feet/year). The EIR further analyzes the City's long-term water supply capacity and found that with conservation programs, the City would have an adequate supply to build out its' current General Plan. (It is worth noting that the City's water conservation efforts have been successful over the past year and that the City of Morgan Hill leads the County in the percentage reduction in water use that has been achieved.)

Water Conservation Results – July 2015

The City Of Morgan Hill achieved 42 percent reduction in water consumption in July 2015 compared to the same time period in 2013[1] (July is the month of greatest water use in Morgan Hill). This satisfies the SWRCB-mandated 28 percent reduction target applicable to Morgan Hill, based on the City's 136.50 gallons per capita per day – residential (R-GPCD) water use average rate -- calculated for July through September 2014. The base R-GPCD rate is used by SWRCB to place water agencies into one of nine tiers of reduction targets.

The City of Morgan Hill Comprehensive Water Report[2] shows the R-GPCD rate decreased throughout the last half of 2014, reaching a low of about 60 R-GPCD in December 2014/January 2015. The rate in July 2015 is 94.2 R-GPCD.

2010 Urban Water Management Plan (UWMP)

The 2010 UWMP is the document the City uses to quantify water supply and water demands and set conservation goals through the UWMP planning horizon year of 2030.

Water suppliers must submit an UWMP to DWR in accordance with California Water Code requirements. The purpose of the UWMP is to implement and maintain the reliability of urban water supplies, ensure that future beneficial use can be complemented by sufficient water supply, continue to promote policies and programs that benefit water conservation, and provide a means for response during water supply shortages and drought conditions.

The City of Morgan Hill prepared the 2010 UWMP in compliance with State mandates and in accordance with water best management practices (BMPs) which addresses the following goals:

- Quantify and compare water supply and water demands through the planning horizon year of 2030.

[1] http://projects.scpr.org/applications/monthly-water-use/city-of-morgan-hill/, accessed September 23, 2015.
[2] City of Morgan Hill Comprehensive Water Report, 2015, part of City Council Staff Report, for April 1, 2015 meeting, http://www.morgan-hill.ca.gov/DocumentCenter/View/15899, accessed September 8, 2015.

- Address the requirements of the Water Conservation Act of 2009 (SB x7-7).
- Provide a local perspective on current and proposed water conservation programs.
- Review current conservation programs and efforts.
- Evaluate potential conservation methods and identify improvements.
- Provide a general framework for the development of mechanisms for coping with short-term and long-term deficiencies in regional and/or local water supplies.
- Serve as a flexible plan that can be updated periodically to reflect changes in regional and local trends (at least once every five years, in accordance with Sections 10621 and 10644 of AB 797).
- Coordinate with the Santa Clara Valley Water District.

The water demand projections for the 2010 UWMP were developed with an end-use model that 1) establishes base-year water demand at the end-use level (e.g., toilets, showers) and calibrates the model to initial conditions; and 2) forecasts future water demand based on future demands of existing water service accounts and future growth in the number of water service accounts.

In 2010 the City used 6.778 acre-feet per year (AFY) of water, all of it pumped from the Llagas sub-basin and the Coyote sub-area of the Santa Clara sub-basin. The UWMP projects water demand would increase from 6,778 AFY in 2010 to 9,637 AFY in 2030. This forecast includes an anticipated 20 percent reduction in per capita water use by 2020[3] and a projected 33 percent increase in the total number of water service accounts (from 12,132 in 2010 to 16,087 in 2030, see tables 3.2.3 and 3.2.6 in the 2010 UWMP).

The City of Morgan Hill obtains all of its water supply from groundwater. About 25 percent of its supply is extracted from the Coyote Valley sub-area of the Santa Clara sub-basin; about 75 percent is extracted from the Llagas sub-basin. The maximum capacity of the City's 17 wells was 18,054 AFY in 2010;[4] however, only a fraction of this capacity is utilized. Since the basins are not adjudicated, the maximum supply available to the City is its maximum pumping capacity.

SCVWD manages the groundwater basins, including the groundwater recharge program to replenish the basins. The District provides about 26 percent of recharge with imported raw water and about 34 percent via releases from local reservoir storage. Rainfall percolation accounts for the remaining 40 percent of replenishment.

The UWMP demonstrates that supply available to the City far exceeds demand during normal, dry and multiple-dry hydrologic years. Tables 4.15-1, 4.15-2 and 4.15-3 above, which are derived from the UWMP, show supply exceeding demand by at least 6,000 AFY (or greater than 38 percent) under all scenarios. However, continued pumping at rates that exceed the total

[3] The 20x2020 Water Conservation Plan (20x2020 Plan) calls for California to reduce its per capita use 20 percent, from the 192 gallons per capita daily (GPCD) in 2009 to 154 GPCD in 2020.

[4] City of Morgan Hill 2010 UWMP.

groundwater recharge can be harmful to the basins (i.e., subsidence, etc.). For this reason, especially during single-dry and multiple-dry years, the SCVWD and the City of Morgan Hill (a member agency of the SCVWD) are committed to additional focus on monitoring groundwater levels and implementing water conservation strategies before water levels become dangerously low.

Morgan Hill 2035 General Plan Update

The City of Morgan Hill is currently in the process of a comprehensive General Plan update. As part of the update process, the City prepared a Preferred Land Use Plan based upon a theoretical population of 68,057 to use as the basis of environmental analysis for the General Plan update EIR. The General Plan update EIR is not yet available, but some information for that EIR is available now.

In accordance with the Water Conservation Act of 2009 [SB X7-7], the daily per capita interim (2015) urban water use target for Morgan Hill is 179 R-GPCD.[5] This target rate, which is to be reported in the 2015 update to the UWMP, likely overestimates water use in the future because it doesn't account for the conservation achievements demonstrated during the current drought that show per capita use less than 100 R-GPCD. Nevertheless, assuming conservatively that the interim rate of 179 R-GPCD applied up through the horizon year (2035), the total water demand at buildout of the Plan would be 12,182,203 gallon per day (rounded to 12 MGD); or 13,655 AFY. The projected demand for two USA Expansion Areas is 118,334 gallons per day, a relatively insignificant proportion of the analyzed build out of the City's General Plan. This demand is significantly less than the available supply of 15,946 AFY predicted to be available to the City from 2010 through 2030 by the 2010 UWMP. As discussed above and in the 2010 UWMP, water demands will be met by available supply including during multiple dry years. By extension, this supply also is anticipated to be available in 2035. Thus, according to the UWMP, annual supply will exceed annual demand through buildout.

The City's total operational summer supply capacity of its groundwater supply wells was estimated at 10,736 gallons per minute (gpm), while the City's "firm" supply capacity was estimated at 9,309 gpm, or 13.4 million gallons per day (MGD).[6] The firm supply capacity is determined by excluding the capacity of the largest well (in this case, the Diana #2 well, at 1,427 gpm) from the total, to account for possible equipment malfunction or other operational emergencies.[7] In 2012, the City's water supply capacity requirement was estimated at 14.2 MGD, which exceeded the firm supply capacity of 13.4 MGD, as determined with the assumptions identified above (i.e., excluding the capacity of the largest well and using summer "operational" capacities for the remaining wells). Thus, in 2013 the City was planning the

[5] City of Morgan Hill 2010 UWMP, page 3-5.

[6] City of Morgan Hill, 2013, Transportation and Public Infrastructure Existing Conditions White Paper, page 6-22.

[7] The operational capacity (and the firm capacity), as determined in the City of Morgan Hill's 2013 Transportation and Public Infrastructure White Paper, excludes the capacity of one of the 17 City wells (Burnett well; 900 gpm) which was designated for fire protection only.

construction of new supply wells to mitigate the firm operational capacity. However, the City's operational supply capacity requirement of 14.2 MGD, as reported in the 2013 Transportation and Public Infrastructure White Paper, would be met by the total summer operational supply capacity for all wells (15.46 MGD; i.e., including the Diana #2 well).

SRL District Area Water Supply Infrastructure

The existing water system in the vicinity of the SRL Area includes the following:

- 12-inch pipes in Tennant Avenue west of Condit Road,
- 12-inch and 10-inch pipes in Condit Road from Tennant Avenue to East Dunne Avenue,
- 8-inch pipes in Hill Road west of San Pedro Avenue,
- 8-inch and 10-inch parallel pipes in East Dunne Avenue from Hill Road to Condit Road,
- 16-inch pipes in Barrett Avenue west of Condit Road, and
- 10-inch pipe in San Pedro Avenue approximately 1,000 feet east of Murphy Avenue.

Two Capital Improvement Program projects were identified in the City's Water Master Plan to improve system pressures and water service to future growth areas.

- New 16-inch water main in Barrett Avenue and Murphy Avenue. A portion of this project was completed in 2009-2010. A 16-inch water main was constructed in Barrett Avenue from Juan Hernandez Drive, across Highway 101 (US 101), and ended at Condit Road.
- New 12-inch water main in San Pedro Avenue and Hill Road east of Murphy Avenue. The City is also evaluating and implementing other CIP projects identified in the Water Master Plan throughout the City.

These projects include new and replacement water pipes, new wells and storage tanks, and rehabilitation of existing wells, tanks and booster pumps.

The City has begun the process to create a new General Plan for growth through 2035. The process will involve updating the City's utility master plans and identifying infrastructure needed to serve future growth areas. The SEQ Area will be included in these studies and will contribute to the build out of the necessary infrastructure as a condition of development and through payment of development impact fees.

Groundwater Sources

Local groundwater serves as the City of Morgan Hill's sole water supply source. The groundwater basin underlying the City is part of the Santa Clara Valley groundwater basin and is managed by the Santa Clara Valley Water District (SCVWD). The Santa Clara Valley groundwater basin is divided into three interconnected sub-basins consisting of the Santa Clara Valley Sub-basin, the Coyote Sub-basin to the north, and the Llagas Sub-basin to the south. Aside from three wells known as the Boy's Ranch Wells, all wells serving the City are known to pull from the Llagas Groundwater Sub-basin. It is unconfirmed as to whether the three Boy's Ranch Wells pull from the Coyote Valley Sub-basin, the Llagas Sub-basin, or both. The Coyote Valley Sub-

basin surface area is approximately 15 square miles. SCVWD estimates its operational storage capacity to be between 23,000 and 33,000 acre-feet, with the long-term natural groundwater recharge yield at 2,600 acre-feet per year and the multiple dry year recharge yield at 2,400 acre-feet per year. The entire Llagas Sub-basin area is approximately 74 square miles. SCVWD has estimated the storage capacity of the sub-basin to be between 150,000 and 165,000 acre-feet, with both the longterm natural groundwater recharge yield and the multiple dry year recharge yield at 19,000 acre-feet per year. Additional recharge is accomplished through 18 major recharge ponds SCVWD operates and maintains.

Wastewater

The analysis in this section is based in part of information provided in the following reports:

- City of Morgan Hill Sewer System Master Plan, prepared by Carollo Engineers, January 2002.
- Wastewater Flow Projections, South County Regional Wastewater Authority, Cities of Gilroy and Morgan Hill, prepared by MWH and AKEL Engineering Group, dated August 2011.

The City of Morgan Hill provides wastewater collection, while treatment of wastewater is provided by the South County Regional Wastewater Authority. Wastewater from Morgan Hill is collected in the City's sewer collection system and treated at the South County Regional Wastewater Authority (SCRWA) Wastewater Treatment Plant (Facility). The City of Morgan Hill Sewer Operations Division oversees the wastewater collection system within the city limits. This includes the planning, design, maintenance, and repair of all sanitary sewer mains and sewer lift stations within the City. The City's collection system consists of approximately 165 miles of 6-inch through 30-inch diameter sewers, and includes 14 sewage lift stations and associated force mains. The system also consists of trunk sewers, which are generally 12-inches in diameter and larger, that convey the collected wastewater flows through a main sewer trunk that continues south to the Wastewater Treatment Facility.

Unlike with demand for water supply, demand for sewer service will increase with development of the SRL properties. The current mix of agricultural, residential and institutional (religious assembly) uses generate a minimal amount of sewer demand which is addressed through residential scale septic systems. Agricultural water use does not generate direct discharge into wastewater systems as water is generally used only for irrigation. Conversion of the SRL lands to the planned uses, even with a decrease in water consumption, would result in a forecast net increase of approximately 92,000 gallons per day. Including the Monterey area USA expansion, the forecast increase is a total of 118,334 gallons per day. Planned expansion of the collection system, described below, would be adequate to connect this volume of water into the City's system and to convey it to the wastewater treatment plant. As uses develop within the SRL, actual demand will be monitored and the system may be adapted if specific uses would vary significantly from the forecast demand. As discussed in the SEQ project EIR, adequate

treatment capacity for treatment either exists or is planned to address the increased demand from development of the SRL project area, as well as for build-out of the City's General Plan.

Collection System

The City of Morgan Hill's wastewater collection system includes the following facilities in the vicinity of the SEQ Area:

- 15-inch and 18-inch pipes in Barrett Avenue west of Condit Road,
- 10-inch pipes in Barrett Avenue from Condit Road to Hill Road,
- 8-inch pipes in Murphy Avenue from Barrett Avenue to San Pedro Avenue, and
- 8-inch pipes in San Pedro Avenue from Murphy Avenue to approximately 1,100 feet west
- An 18-inch sewer pipe was recently constructed in Barrett Avenue from Railroad Avenue to US 101, and a 15-inch pipe across US 101 ending at Condit Road. As Phase 2 of the project, a 10-inch sewer in Barrett Avenue was replaced with a 15-inch pipe from Condit Road to Hill Road.

Wastewater Treatment

The South County Regional Wastewater Authority, a joint powers authority comprised of the City of Morgan Hill and the City of Gilroy, operates the wastewater treatment plant, which treats, recycles, and disposes of wastewater from the two cities. The wastewater treatment plant was built in 1990 and provides secondary treatment consisting of influent screening, aerated grit removal, nitrification, dentrification, oxidation ditches, and secondary clarification.

The SCRWA facility is subject to the permit conditions under Waste Discharge Requirements (WDR) Order No. R3-2010-0009 and National Pollutant Discharge Elimination System (NPDES) No. CA0049964 by the Regional Water Quality Control Board (RWQCB), Central Coast Region.[8] The Facility is permitted to treat up to 8.5 MGD of wastewater, average dry weather flow (ADWF).

The SCRWA facility discharges wastewater to the Pajaro River basin. RWQCB Resolution No. R3-2015-0004, adopted on July 31, 2015, amended the Water Quality Control Plan for the Central Coast Basin to adopt Total Maximum Daily Loads (TMDLs) for nitrogen compounds and orthophosphate in streams of the Pajaro River basin. The SCRWA facility is one of the dischargers responsible for allocation of the Waste Load Allocations (WLAs) established for nitrate compounds and orthophosphates.

[8] The existing permit (R3-2010-0009 technically has an expiration date of March 18, 2015. An application (ROWD) to renew the existing permit was submitted several months prior to the expiration date. The RWQCB has not yet responded with the new permit. However, the current permit provisions and authority are extended until the RWQCB acts on the application for the new permit. Personal communication with Mr. Thom Vincent, SCRWA plant Project Manager (CH2M), September 17, 2015.

The SCRWA treats wastewater from the cities of Gilroy and Morgan Hill. Historically, approximately 40 to 45 percent of the flow to the SCRWA is from Morgan Hill and 55 to 60 percent is from Gilroy. For the past few years the total volume of wastewater treated at the plant has held steady around 6.2 MGD ADWF. Of that, approximately 2.5 to 2.8 MGD would be attributed to Morgan Hill, against a current available capacity of 3.6 MGD. With the proposed USA expansion forecast to add 118,334 gallons per day, it would not have a significant impact upon the City's current treatment capacity.

The SCRWA is a joint powers authority of the cities of Gilroy and Morgan Hill. Formed in 1992, the SCRWA serves both cities and treats approximately 2.2 to 2.4 billion gallons of wastewater and produces 700 to 720 million gallons of recycled wastewater each year for use in landscaping, agricultural, industrial and other applications. Administration of the plant is primarily by the City of Gilroy. The SCRWA daily operations are provided under a third party contract with CH2M.

The wastewater treatment plant currently has an average dry weather capacity of approximately 8.5 million gallons per day (mgd) with approximately 3.6 mgd of treatment capacity available for the City of Morgan Hill (42 percent). The City recorded an average dry weather flow rate of 3.9 mgd in 2008. The Sewer System Master Plan projects the City will produce an average dry weather flow rate of 5.2 mgd by the year 2020. An independent study by South County Regional Wastewater Authority estimated the average dry weather flow for the City of Morgan Hill to be between 4.0 mgd and 4.5 mgd by the year 2020. The study projected the total wastewater treatment plant flow between 9.1 mgd and 9.7 mgd by the year 2020 and between 10.7 mgd and 11.6 mgd by the year 2030.

In 2010, wastewater flow projections for the SCRWA facility indicated it will exceed the current capacity of 8.5 MGD in 2019 or 2021, depending on growth assumptions and the method of analysis.[9] The 10-year average per capita flow rate in 2010 was 78 gallons per capita per day. The average dry weather flow (ADWF) within the Urban Growth Boundary (UGB) is estimated to be 10.0 MGD in 2030. If anticipated additional water conservation is taken into account, the UGB ADWF is reduced to 9.6 MGD.

A subsequent analysis[10] of flow projections in 2012 extended the time to reach capacity by approximately 6 to 12 months, due to unaccounted for lower precipitation and/or water conservation in the subsequent years. However, the flow is still expected to exceed current capacity in about 2020 or 2021.

The City of Morgan Hill has an allocation of 3.56 MGD (of the total 8.5 MGD). The latest projections in November 2013, based on the City's existing General Plan, show this allocation is

[9] SCRWA, 2011, *Wastewater Flow Projections*, prepared by MWH and AKEL Engineering Group, August.

[10] SCRWA Board Agenda, December 3, 2013. Technical memorandum – SCRWA Wastewater Flow Projections (2012), http://www.cityofgilroy.org/CityOfGilroy_Files/city_hall/meetings/52fd58ad_12-4-13%20SCRWA%20packet.pdf, accessed September 23, 2015.

projected to be reached by about 2023. The City of Gilroy's allocation (4.94 MGD) is projected to be reached a little earlier, in about 2019. Flow projections are ongoing and have changed over the past years, depending on changing per capita flow rates and other variables in the projection calculations.

It is the goal of SCRWA to build, maintain, and operate infrastructure required to support the treatment facility and to continue to provide high quality wastewater treatment and reclamation services professionally and competitively to preserve the environment and ensure the health, safety, and economic vitality of the Gilroy-Morgan Hill region. To achieve this goal, SCRWA prepared a Capital Improvements Strategic Plan to identify the projects necessary to maintain permit compliance; improve redundancy, efficiency and reliability; and expand future treatment capacity in accordance with both cities' General Plans. Consideration of these "drivers" helped to further prioritize the planned improvements. The most recent flow projection analysis refines the timing of the next long-term capacity increase for the plant to an expected construction completion in 2022. The capital improvement budget (CIB) for FY 2016 – 2021 adopted for the SCRWA in May 2015,[11] and associated exhibits, show the timeline for designing, planning and constructing capital improvements to increase plant capacity. The CIB timeline is based on the latest flow projections in 2015. Expansion design is slated to begin in 2016; a Capacity Study is slated to begin in 2018; and construction of expansion is slated to begin 2019. Various improvement projects (e.g., redundancy, efficiency, reliability) are shown ongoing from 2012 through 2017. CEQA impact evaluation is shown as extending through 2017.

Like Morgan Hill, Gilroy is in the process of creating a new General Plan charting its long-term growth, with an expected completion date in mid-2016. SCRWA plans to evaluate the potential growth factors resulting from both the Morgan Hill and Gilroy General Plan updates in considering long-term expansion needs at the SCRWA beyond the 2022 planned expansion. The next major expansion after 2022 is currently anticipated to be in the mid-2030s.[12]

Capacity Expansion

South County Regional Wastewater Authority will be designing for a 3.25 mgd expansion project between 2011 and 2017, with construction taking place from 2017 through 2019. The increase will bring the total plant capacity to 11.75 mgd, with 4.92 mgd assigned to Morgan Hill. The City has projected the wastewater treatment plant expansion will provide sufficient capacity to accommodate City growth through 2030, with an estimated future population of 54,000. This increase would easily accommodate the forecast increase of 118,334 gallons per day for the USA expansion area.

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[11] Memo to SCRWA Board, from T. Haughlund, Authority Manager, May 6, 2015, http://www.cityofgilroy.org/cityofgilroy_files/city_hall/finance/fy16fy17/6-SCRWAFinalPacket.pdf, accessed September 23, 2015.

[12] SCRWA Biennial Budget Transmittal - FY 16 & FY 17, April 1, 2015, http://www.cityofgilroy.org/cityofgilroy_files/city_hall/finance/fy16fy17/6-SCRWAFinalPacket.pdf, accessed September 23, 2015.

The following tables summarize projected demand for water supply and sewer services for the SRL and Monterey-South-Hordness-City of Morgan Hill districts land uses, taking into consideration both existing land uses that would come under the City's Urban Service Area boundary and anticipated uses should the lands be annexed and redeveloped consistent with the City's General Plan. Water consumption and discharge rates (e.g., water supply and sewage demand) are conservatively assumed to be equivalent although with irrigation of landscaping, actual sewage demand is typically lower than supply demand. Water demand rates used for the table are standardized City of Morgan Hill rates used to size infrastructure for new development and to calculate impact fees, and are based upon historic usage data.

Table: Projected Water Supply and Sewer Demand - SRL District

	Development		Water Suply (gpd)		Sewer Demand (gpd)	
	Baseline (Year 0)	Build-out (Year 10)	Baseline[1] (Year 0)	Build-out (Year 10)	Baseline[2] (Year 0)	Build-out (Year 10)
Land Use						
Housing (Units)	**14**	**0**	**3,500**	**0**	**3,500**	**0**
Single Family Residential	14	0	3,500	0	3,500	0
Non-Residential (Square Feet)	**0**	**366,105**	**0**	**17,551**	**0**	**17,551**
Retail	0	175,000	0	7,525	0	7,525
Restaurant	0	6,000	0	4,416	0	4,416
Office	0	20,000	0	760	0	760
Indoor Sports	0	100,000	0	3,600	0	3,600
Gas Station	0	2,500	0	1,250	0	1,250
Other Non-Residential (Rooms)	**0**	**240**	**0**	**19,752**	**0**	**19,752**
Hotel	0	240	0	19,752	0	19,752
Other Non-Residential (Students)	**0**	**600**	**0**	**15,000**	**0**	15,000
High School	0	600	0	15,000	0	15,000
Other Non-Residential (Acres)						
Sports Fields[3]	**0**	**138**	**531,216**	**43,367**	**0**	**43,367**
Agriculture	144	0	531,216	0	0	0
TOTAL (gallons per day)			534,716	95,670	3,500	95,670

[1] Existing wells will remain in place under City jurisdiction; new water supply connections will not be provided until needed for redevelopment. Planned new infrastructure is identified in the project EIR

[2] Existing septic systems will remain in place under City jurisdiction; new sewer connections will not be provided until needed for redevelopment. Planned new infrastructure is identified in the project EIR

[3] Assumes 25% of ball fields will be artificial turf based

As discussed in the project EIR, the City's Water Supply and Sewer Treatment Capacity are adequate to serve the proposed development. Specific infrastructure improvements needed to serve the project are described in Section 3-14

Table: Projected Water Supply and Sewer Demand - Monterey-South-Hordness-City of Morgan Hill

	Development		Water Suply (gpd)		Sewer Demand (gpd)	
	Baseline (Year 0)	Build-out (Year 10)	Baseline[1] (Year 0)	Build-out (Year 10)	Baseline[2] (Year 0)	Build-out (Year 10)
Land Use						
Housing (Units)	**14**	**0**	**2,250**	**0**	**2,250**	**0**
Single Family Residential	9	9	2,250	0	2,250	0
Multi-Family Residential	0	123	-	30,750	-	30,750
Non-Residential (Square Feet)	**0**	**366,105**	**3,631**	**10,664**	**3,631**	**10,664**
Non-Retail Commercial	9,564	126,594	383	5,064	383	5,064
Public Facilities / Church	11,600	20,000	3,248	5,600	3,248	5,600
Non-Residential (Students)						
Public Facilities / School	400	600	8,000	12,000	8,000	12,000
TOTAL (gallons per day)			13,881	22,664	13,881	22,664

[1] Existing wells will remain in place under City jurisdiction; new water supply connections will not be provided until needed for redevelopment.

[2] Existing septic systems will remain in place under City jurisdiction; new sewer connections will not be provided until needed for redevelopment. Local serving infrastructure is already in place in the project area.

Fiscal Support

In Morgan Hill, the fiscal resources needed to operate the City's water enterprise are paid for by the revenues generated from customer charges. On November 16, 2011, the City Council approved a resolution revising the monthly water system fees for the next five years beginning in January 2012. The Council approved water rate increases of 16.50 percent in January 2012, and an increase of 6.25 percent annually from January 2013 through January 2016.

Public Safety

Police

Police service is provided to the site by the City of Morgan Hill Police Department (MHPD). The headquarters of the Morgan Hill Police Department is located at 16200 Vineyard Boulevard. The department currently employs 39 sworn officer positions and 20.5 non-sworn support positions. Although MHPD does not have an adopted ratio of officers to population, with 39 sworn officers serving a population of approximately 43,100 residents, MHPD provides 1 officer

for every 1,105 residents.[13] Staff are assigned to one of three divisions: Field Operations; Special Operations; and Support Services:

- **Field Operations:** The Field Operations Division is under the leadership of the Field Operations Captain. The Field Operations Division consists of 24 sworn patrol officers. There are two traffic officers, including one K-9 officer, and the Reserve Unit, which are paid part-time employees. The non-sworn component of the Division consists of three Multi-Service Officers, and the Police Explorer Program for youths. Patrol officers in this division work with community members to identify and resolve problems of crime and disorder either through formal Community Oriented Policing projects, or by directed patrol and targeted proactive enforcement. Within the Field Operations Division, certain trained officers participate as Field Training Officers, bicycle officers, motorcycle officers, a K-9 handler, as well as assuming other duties.
- **Special Operations:** The Special Operations Division is under the leadership of the Special Operations Captain. The Special Operations Division consists of nine sworn officers and one part-time graffiti abatement officer. The Special Operations Division Sergeant supervises one crimes against persons detective, one domestic violence detective, one street crimes detective, one school resource/juvenile crimes officer, one property crimes detective, and three task force officers, in addition to the part-time graffiti abatement officer.[14]
- **Support Services:** The Support Services Division provides vital service to both police officers and the public. The division consists of the Records Unit, Communications Center, Information Technology, and Property/Evidence Services. The Division includes Public Safety Dispatchers, a Property/Evidence Technician, and Police Service Cadets.

The MHFD and MHPD are currently developing a Public Safety Master Plan addressing planned growth of the community through the build-out of the Morgan Hill 2035 General Plan, including an element specific to Police Service. The Police Service Element of the Public Safety Master Plan will address current and future staffing levels and performance standards.[15] With the recent move of the Police Department to its new facility on Vineyard Boulevard, MHPD does not have any additional facility needs.

[13] Swing, David. Police Chief, Morgan Hill Police Department. Personal communication with Alexis Mena, PlaceWorks. August 20, 2015.

[14] Morgan Hill Police Department, http://www.morgan-hill.ca.gov/186/Special-Operations, accessed on August 26, 2015.

[15] City of Morgan Hill, FY 15-16 Operating and CIP Budget, pages 217 to 218.

Calls for Service

The Police Department's goal is to respond to Priority One calls within 5 minutes and Priority Two calls within 8 minutes.[16] In 2014, the MHPD received 11,539 911 calls and 25,788 non-emergency calls.[17] The MHPD made approximately 36 arrests per officer in 2014.[18]

Impact Fees

The City currently imposes a police impact fee of $747 per single-family dwelling unit, $722 per multi-family dwelling unit, $1,624 per acre for commercial development, and $2,274 per acre for industrial development.[19]

Santa Clara County Sheriff's Office

The Santa Clara County Sheriff's Office also provides police protection services to unincorporated areas of Santa Clara County and the communities of Cupertino, Los Altos Hills, and Saratoga.[20] The Sheriff's Office has 1,725 employees, of which 1,299 are sworn officers. Apart from the Sheriff, the Sheriff's Office has an Undersheriff, two Assistant Sheriffs, 14 captains, 24 lieutenants, 117 sergeants, and 1,142 deputies.[21]

The Morgan Hill SOI is served by the South County Sub-Station in San Martin at 80 West Highland Avenue.[22] The South County Sub-Station patrols the unincorporated communities of San Martin, Rucker, and Uvas Canyon, as well as the Morgan Hill and Gilroy SOIs.[23] The South County Sub-Station detectives provide investigative services for the southern county area. Detectives pursue cases generated from reports by patrol deputies, except for those dealing with homicide or narcotics.[24]

The Sheriff's Office reports that existing staff and equipment levels are sufficient to meet current demands for service.[25]

SRL District

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[16] City of Morgan Hill, Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan Draft EIR, page 3.12-4.

[17] Swing, David. Police Chief, Morgan Hill Police Department. Personal communication with Alexis Mena, PlaceWorks. August 20, 2015.

[18] Morgan Hill Police Department, 2014 Annual Report, page 4.

[19] City of Morgan Hill, 2015, Fee Schedule.

[20] Santa Clara County Sheriff, https://www.sccgov.org/sites/sheriff/Pages/sheriff.aspx, accessed on September 8, 2015.

[21] Santa Clara County Sheriff's Office, https://www.sccgov.org/sites/sheriff/Pages/overview.aspx, accessed on September 8, 2015.

[22] Sergeant Jensen, James. Public Information Officer, Santa Clara County Sheriff's Office. Personal communication with Alexis Mena, PlaceWorks. September 2, 2015.

[23] Santa Clara County Sheriff's Office, Enforcement Operations, https://www.sccgov.org/sites/sheriff/Pages/eo.aspx, accessed on September 8, 2015.

[24] Santa Clara County Sheriff's Office, Investigative Services Division, https://www.sccgov.org/sites/sheriff/Pages/investigations.aspx, accessed on September 8, 2015.

[25] Sergeant Jensen, James. Public Information Officer, Santa Clara County Sheriff's Office. Personal communication with Alexis Mena, PlaceWorks. September 2, 2015.

The MHPD anticipates significant increases in service costs associated with development within the Sport-Recreation-Leisure District. The MHPD anticipates an increase in the number of calls for service based on an increased number of large events that would draw in large number of people from outside the Morgan Hill community. The Department's prior experience indicates that large events are closely related to increases in vehicle break-ins and interpersonal altercations of various kinds. In response to an increased number of large events being held in Morgan Hill, the MHPD is taking a more proactive approach of posting officers on-site at large events, rather than simply responding when a call for service is placed. According to Margarita Balagso, Police Analyst, the MHPD would need to hire two additional sworn officers, one multi-service officer, a part time records specialist, and a public safety dispatcher in order to adequately respond to increased demand generated by the proposed project. New equipment costs would be offset by impact fees, as described above, while ongoing costs would be offset by increased revenue to the City that would come as a result of annexation and development of SRL uses, including commercial uses, within the SRL District.

The City has been gradually increasing police staffing levels as it recovers from the recent economic downturn. As development occurs within the SRL project area or elsewhere within the City, the City anticipates further increases in the size of its police force. The City would be able to accommodate this increase in police staffing within its existing police headquarters building, which is only being partially utilized at present.

As reported in the SRL District Fiscal Analysis, the total annual cost associated with expanding MHPD staffing for the SRL District would equal approximately $699,300. The cost associated with purchasing and replacing necessary equipment would equal around $42,300, which would be incurred every 3-7 years. As a result, the increased annual cost associated with providing law enforcement services to the project area would be zero in the Base Year, $707,720 in Year 5, Year 10, and ongoing. The Fiscal Analysis indicates that new revenue from development of the SRL area would cover these costs.

Fire

The Morgan Hill Fire Department (MHFD) provides fire protection and emergency services for residential, commercial and wildland firefighting; for medical emergencies; automobile and technical rescue; and other hazardous conditions. The MHFD serves a population of approximately 41,000 in a 13-square-mile service area.[26] The MHFD operates two fire stations: the El Toro Fire Station, located at 18300 Old Monterey Road, and the Dunne Hill Fire Station, located at 2100 E. Dunne Avenue. Additionally, CAL FIRE operates a fire station within the Morgan Hill City limits at 15670 Monterey Street. The City shares personnel through an agreement with the South Santa Clara County Fire District (SSCCFD) at this station but the City does not own any of the equipment at this location. The fire station locations are shown on Figure 4.13-1 (excerpted from the administrative draft of the General Plan update EIR). As

[26] Morgan Hill Fire Department, 2014 Annual Report, page 4.

depicted on the Figure, the Dunne Hill Fire Station is located within close proximity of the SRL district and is well positioned to provide service to this area.

MHFD utilizes the closest engine concept to respond to calls within the City's jurisdiction. In order to make this possible, Morgan Hill Fire works closely with surrounding fire agencies through Auto Aid Agreements. Morgan Hill Fire currently has reciprocal Auto-Aid agreements with the SSCCFD, Gilroy City Fire, and San Jose City Fire.[27] The SSCCFD participates in automatic aid agreements with the MHFD and with the Gilroy, Pajaro Valley, Hollister, and San Jose Fire Departments.[28] The City of Morgan Hill and the South Santa Clara County Fire District (SSCCFD) have entered into a "boundary drop" and resource sharing agreement which increased resource availability and response efficiency for both agencies.[29] The SSCCFD service area includes 260 square miles in the unincorporated areas around Gilroy, San Martin, and Morgan Hill.[30]

MHFD currently has a staff of 24 employees.[31] Daily staffing is three persons per engine company – including one Company Officer, one Engineer (FAE), and one Engineer Paramedic (FAE-P) – for a total of nine line personnel per day, as well as one Battalion Chief that shares coverage with SSCCFD. A Fire Marshal and an EMS/Training Captain are on duty during staff hours. El Toro Fire Station is equipped with one Type 1 Engine and one 105-foot ladder truck. The Dunne Hill Fire Station is equipped with one Type 1 engine and one Type 6 Engine. The SSCCFD Station on Monterey Street is equipped with one Type 1 Engine and one water tender.[32] The SSCCFD contracts for personnel and administration with CAL FIRE.[33]

MHFD works closely with the local ambulance provider, Santa Clara County Emergency Medical Services Agency (EMSA), and adjoining fire departments to provide rapid Advance Life Support response.[34] The City's Building Department provides one non-uniformed, part-time employee to check plans and inspect new construction for the MHFD. These functions are supplemented by fire prevention personnel during periods of heavy demand, on projects of significance, and when the part-time employees are off duty or in training. Fire Prevention activities include but are not limited to: routine/annual fire inspections and the business self-inspection program, fire pre-planning and mapping, brush abatement, and Development Review.[35]

The MHFD is not currently experiencing any deficiencies in staff, facilities, or equipment, but existing stations are not sufficient to meet future demands as projected under the existing

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[27] Morgan Hill Fire Department, 2014 Annual Report, page 6.
[28] South Santa Clara County Fire District, http://www.ssccfd.com/about/, accessed on August 25, 2015.
[29] Morgan Hill Fire Department, 2014 Annual Report, page 4.
[30] South Santa Clara County Fire District, 2013 Annual Report, page 5.
[31] Morgan Hill Fire Department, 2014 Annual Report, page 4.
[32] Witmer, Derek. Fire Chief, Morgan Hill Fire Department/South Santa Clara County Fire District. Personal communication with Alexis Mena, PlaceWorks. August 24, 2015.
[33] South Santa Clara County Fire District, http://www.ssccfd.com/about/, accessed on August 25, 2015.
[34] Morgan Hill Fire Department, 2014 Annual Report, page 10.
[35] Morgan Hill Fire Department, 2014 Annual Report, page 20.

General Plan.[36] In Fiscal Year 2015-2016 the MHFD and Morgan Hill Police Department (MHPD) are developing a Public Safety Master Plan that is intended to ensure that the City has adequately planned for the construction and maintenance of public safety facilities. The cost of the Master Plan is anticipated to be $100,000 and will be split among the MHFD, MHPD, and South Santa Clara County Fire District (South County). The Master Plan will include three elements specific to Fire, Police, and Emergency Medical Services:

- The Fire Protection Element will address the need for timing and location of future fire stations, methods for providing preferred levels of service, and fire prevention programs.
- The Police Service Element will address current and future police staffing levels and performance standards.
- The Emergency Medical Element will address paramedic response and its relationship to fire protection responders.[37]

The MHFD is considering hiring an architectural firm in Fiscal Year 2015-2016 to design a new fire station based on the forthcoming Master Plan. Equipment and staffing for a new station would be determined based on the Master Plan and implemented in a phased approach.[38] The MHFD has indicated that a new fire station would be needed to meet future needs of the City, and has already allocated funds in the Fiscal Year 2015-2016 budget to begin the Master Plan process that will guide development of the new station, including an appropriate location. In addition, MHFD may need to consider changing or increasing staffing and/or equipment at existing stations in order to adequately serve new development allowed under the proposed Morgan Hill 2035 General Plan.[39]

Average Response Times

In general, the response time for fire calls meets the current standard of eight minutes 95 percent of the time; although it is expected that most responses will be approximately five minutes 90 percent of the time.[40]

Impact Fees

The City currently imposes a fire impact fee of $115 per single-family dwelling unit, $109 per multi-family dwelling unit, and $1,510 per acre for commercial and industrial development.[41]

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[36] Witmer, Derek. Fire Chief, Morgan Hill Fire Department/South Santa Clara County Fire District. Personal communication with Alexis Mena, PlaceWorks. August 24, 2015.

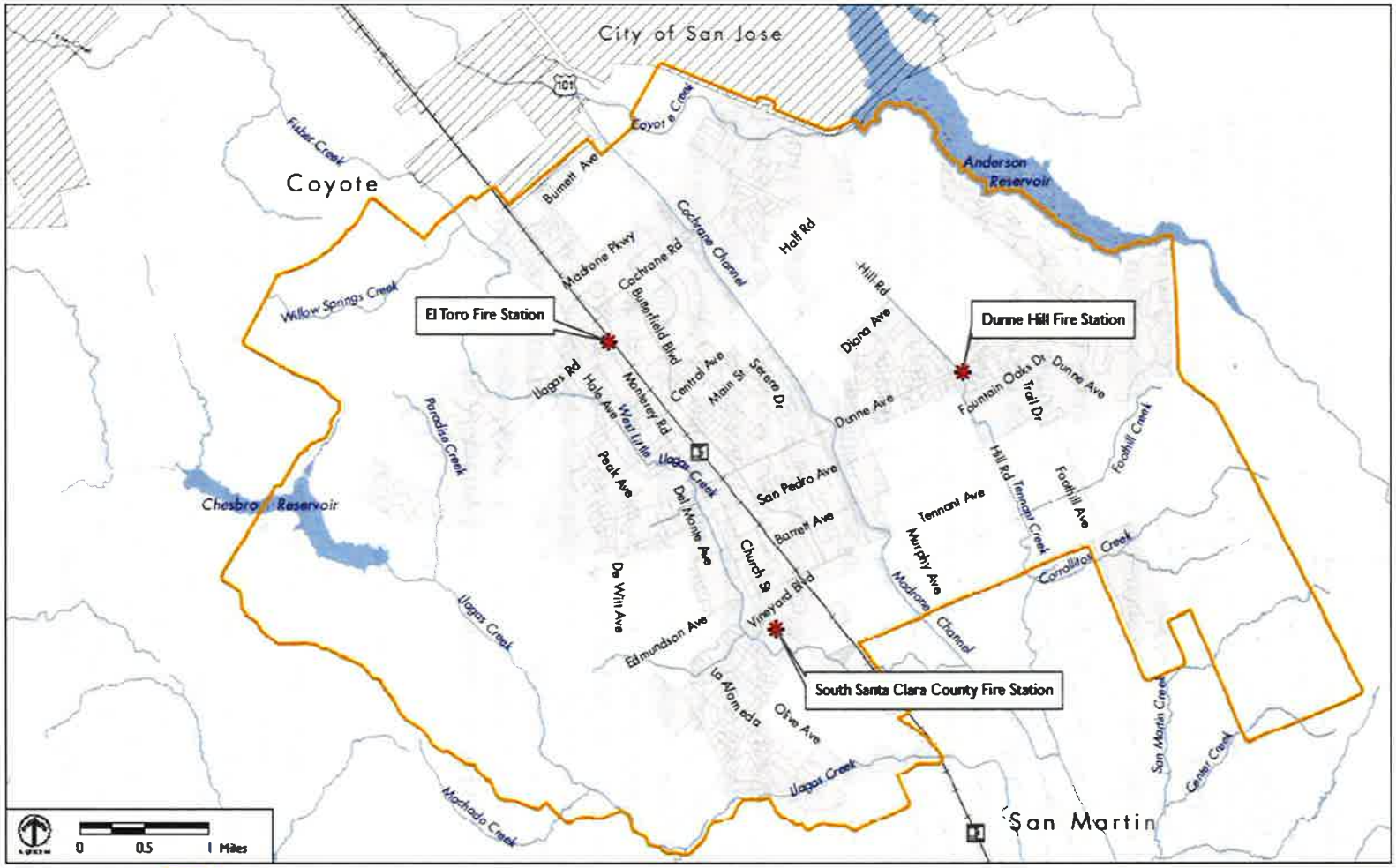
[37] City of Morgan Hill, FY 15-16 Operating and CIP Budget, pages 217 to 218.

[38] Witmer, Derek. Fire Chief, Morgan Hill Fire Department/South Santa Clara County Fire District. Personal communication with Alexis Mena, PlaceWorks. August 24, 2015.

[39] Witmer, Derek. Fire Chief, Morgan Hill Fire Department/South Santa Clara County Fire District. Personal communication with Ricky Caperton, PlaceWorks. April 15, 2014.

[40] Witmer, Derek. Fire Chief, Morgan Hill Fire Department/South Santa Clara County Fire District. Personal communication with Alexis Mena, PlaceWorks. August 24, 2015.

[41] City of Morgan Hill, 2015, Fee Schedule.



Sources: PlaceWorks and City of Morgan Hill, 2015.

Figure 4.13-1

Schools

The City of Morgan Hill is served by the Morgan Hill Unified School District (MHUSD). The MHUSD has ten elementary schools, two middle schools, and three high schools serving more than 8,000 students within Morgan Hill and its vicinity. Table 4.13-1 shows each school type and its current capacity and enrollment, as well as its remaining capacity. As shown in the table below, four of the schools in the MHUSD – Barrett Elementary School, Jackson Academy of Math and Music, Paradise Valley Elementary Schools, and Ann Sobrato High School – are currently operating over capacity. However, as a whole across all of its schools, the MHUSD currently has capacity for 117 elementary school students, 607 middle school students, and 621 high school students.

Due to the nature of uses in the SEQ USA Amendment Area, schools are not required to serve this area.

Unlike the SRL District, the Monterey-South-Hordness-City of Morgan Hill area includes a vacant, residentially designated site (west of the mushroom farm), that could be expected to develop with residential uses that would generate students. The project applicant, Don Hordness, has in the past communicated an intent to pursue a senior housing project on this site, but as not specific project is on file, this report considers the potential of new students being generated on this property. The schools that would serve the Monterey-South-Hordness-City of Morgan Hill area are San Martin/Gwinn Elementary School, located at 100 North Street in San Martin, roughly 1.6 miles southeast of the site; Lewis H. Britton Middle School, located at 80 West Central Avenue, roughly two miles northwest of the site; and Ann Sobrato High School, located at 401 Burnett Avenue, roughly 4.3 miles north of the site. The Oakwood School, a private K-12 school, is located in the project area.

MHUSD uses the same generation rates for both single- and multi-family housing units based on the characteristics of existing Morgan Hill households. Using the Morgan Hill Unified School District's student generation rate of 0.4102 students per new housing unit, the number of students anticipated to be generated by the 'Monterey-South of Watsonville' project would be approximately 50 students. Per the District's stated current capacity, this growth could be accommodated within the existing overall capacity of the MHUSD system. It would however require modifications of the school district boundaries, but no new facilities would be needed to serve the Monterey-South-Hordness-City of Morgan Hill area.

The School District converted San Martin/Gwinn Elementary School to a K-8 school and, as a result, is short on capacity at that particular facility to accommodate the growth within the Monterey-South-Hordness area which otherwise would be directed to the San Martin/Gwinn school. The School District is in the process of developing a new elementary school at Peete Road in Morgan Hill and has recently entered into an agreement to accept dedication of 9 acres for the school site from a private property owner. Per Kirsten Perez of the Morgan Hill Unified School District, once the new school is opened the District would need to adjust attendance

boundaries and could at that time address the need to accommodate any new students coming out of the Monterey-South-Hordness project area.

New residential development within the Monterey-South-Hordness-City of Morgan Hill area would be subject to the City's Residential Development Control System (RDCS) and as such would be subject to evaluation for school capacity by the City in consultation with the MHUSD, and would take several years to implement. Through that process, the City would work with MHUSD to monitor new residential development within Morgan Hill and plan for any changes to school enrollment boundaries as necessary.

TABLE CURRENT ENROLLMENT AND CAPACITY FOR MORGAN HILL UNIFIED SCHOOL DISTRICT

	District Facility Capacity	2014-2015 Enrollment	Remaining Capacity
Elementary Schools	**4,776**	**4,659**	**117**
Barrett Elementary School	549	574	(25)
El Toro Elementary School	539	478	61
Jackson Academy of Math and Music	559	596	(37)
Los Paseos Elementary School	592	589	3
Nordstrom Elementary School	674	638	36
Paradise Valley Elementary School	592	662	(70)
San Martin/Gwinn Elementary School	616	517	99
Walsh Elementary School	655	605	50
Middle Schools	**1,711**	**1,104**	**607**
Britton Middle School	986	625	361
Martin Murphy Middle School	725	479	246
High Schools	**3,267**	**2,646**	**621**
Ann Sobrato High School	1,450	1,452	(2)
Central High School (Continuation)	425	142	283
Live Oak High School	1,392	1,052	340
Total	**9,759**	**8,409**	**1,350**

Source: SchoolWorks, 2015, Morgan Hill Unified School District Demographic Study 2015.

School Impact Fees

The MHUSD collects a fee of $3.36 per square foot for residential construction and $0.54 per square foot for commercial and industrial construction.[42] School impact fees of $3.36 per square foot for residential construction and $0.54 per square foot for commercial and industrial construction collected for individual projects allowed by the proposed General Plan would mitigate the impact to the MHUSD facilities. Under Section 65995 of the California Government Code, the payment of impact fees is deemed to fully mitigate the impacts of new development on school facilities, regardless of whether the fees are adequate to fully fund the expansion or construction of needed facilities.

Library Facilities

The Morgan Hill Library is a member of the Santa Clara County Library District. The Santa Clara County Library District (SCCLD) governs and administers seven community libraries, one branch library, two bookmobiles, the Home Service Library, and the 24-7 online library for all library users. The SCCLD serves all unincorporated communities of Santa Clara County, as well as nine Santa Clara County cities, including Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Milpitas, Monte Sereno, Morgan Hill, and Saratoga. As one of the SCCLD's member cities, Morgan Hill has a community library located on 680 West Main Avenue.[43]

The Morgan Hill Library is an approximately 28,000 square foot building that lends books, media, and digital content to all age groups, and provides educational and entertainment programs and events for children, teens, adults, and families. It also offers free internet-enabled public computers, offers access to database and reference and research service, and provides self-service copy machines for residents. Equipped with a children's space, the library is well known for having story times for families, especially for families with babies, toddlers, and preschool children.

The SCCLD does not use a particular service standard for new development and the SCCLD does not collect impact fees from new development. Generally, as new development occurs, a City will hire a library architect to consider service population, activity and programming needs, and space needs. The California State Library publishes comparative data for similarly-sized public libraries. Based on the available data, the existing Morgan Hill Library facility is within the range of normal building square footage, collections, seating, and program space and has more than the average number of public computers.[44]

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[42] Espinosa, Anessa. Director of Facilities/Maintenance, Morgan Hill Unified School District. Personal communication with Alexis Mena, PlaceWorks. August 26, 2015.

[43] Santa Clara County Library District, http://www.sccl.org/Locations/Morgan-Hill, accessed on September 1, 2015.

[44] Frost, Carol. Deputy County Librarian, Santa Clara County Library District. Personal communication with Alexis Mena, PlaceWorks, August 25, 2015.

As the SCCLD does not use a particular service standard for new development that could be used to assess potential impacts from new development, analysis for the Morgan Hill 2035 General Plan update is using comparative data from the California State Library to determine whether the projected population increase would result in the Morgan Hill Library's current or planned facilities would no longer provide facilities consistent with average facilities. According to the California State Library data, the average library size for a City of Morgan Hill's current size is 23,371 square feet. The Morgan Hill Library is 28,000 square feet and therefore exceeds this average. The small amount of population growth could occur with the proposed USA expansion would not cause the Library to exceed these typical ratios. As existing residents within the USA expansion area are already receiving services from the County library system, annexation of these residents into Morgan Hill would have no effect upon service levels at the Morgan Hill library. Based on projected growth that would be allowed by the proposed Morgan Hill 2035 General Plan, the SCCLD has indicated that further study would be needed to determine the current and future needs and whether additional facility expansion would be needed to maintain adequate services.[45]

The City of Morgan Hill has set aside money from developer fees to expand the Morgan Hill Library. The current fund balance is approximately $900,000.[46] The SCCLD has laid out a phased expansion and tenant improvement plan that could ultimately increase the size of the Morgan Hill Library by 10,600 square feet to address the City's growing population as supported by the Morgan Hill 2035 General Plan update. . The City has allocated $320,000 in Fiscal Year 2015/2016 for further development of the plan.[47] The Friends of the Morgan Hill Library have hired an architect and performed a series of interviews with staff and the Friends of the Library to identify desired areas of improvement to provide better service.[48]

Santa Clara County Library Strategic Plan, 2008

The Santa Clara County Library Strategic Plan seeks to create clarity and focus on how the Santa Clara County Library should invest its resources on the wants, preferences, and needs of current users and also expand the user base. Research studies by individual community libraries informed the wants, preferences, and needs referenced above. In order to accomplish this, the Strategic Plan identifies a vision for the future as well as goals and policies intended to achieve that desired outcome. The goals and objectives are intended to improve the libraries' existing services and do not apply to future development in Morgan Hill.

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[45] Frost, Carol. Deputy County Librarian, Santa Clara County Library District. Personal communication with Alexis Mena, PlaceWorks, August 25, 2015.

[46] Frost, Carol. Deputy County Librarian, Santa Clara County Library District. Personal communication with Alexis Mena, PlaceWorks, August 25, 2015.

[47] City of Morgan Hill, FY 2015-16 Budget, http://www.morgan-hill.ca.gov/DocumentCenter/View/16618, page C34, accessed on September 1, 2015

[48] Frost, Carol. Deputy County Librarian, Santa Clara County Library District. Personal communication with Alexis Mena, PlaceWorks, August 25, 2015.

Parks and Recreational Facilities

The proposed SRL District USA expansion is intended to facilitate the development of a mixture of public and private recreation facilities that would significantly increase access to these types of facilities for Morgan Hill residents. The Monterey-South-Hordness-City of Morgan Hill area USA expansion would add a small number of existing residents ,an existing church, an existing school, underutilized commercial sites and a vacant parcel planned for residential development into the City of Morgan Hill. These new uses would generate some increased demand for parks and residential facilities within Morgan Hill.

The City of Morgan Hill currently has approximately 147 acres of developed public parklands,[49] which consist of open space, community parks, neighborhood parks, school parks, mini parks, and community recreational centers. Additionally, there are approximately 323 acres of undeveloped public lands, most of which are within open space areas. The City owns and operates special use facilities for recreational purposes. These facilities include the Morgan Hill Aquatics Center, Community and Cultural Center, the Centennial Recreation Center, the 40 acre Outdoor Sports Center, and skateboard/bicycle motocross park. The Community Center provides various rooms for events, meetings, classes, a children's pavilion, and an outdoor amphitheater. Many sports leagues and teams use MHUSD facilities after school hours and on weekends. These facilities include 12 baseball/softball fields, two football fields, two tracks, and four swimming pools. Morgan Hill residents also utilize county and state parks.

The City has future plans for new or expanded facilities that would increase the City's parks and recreation inventory by 39.5 acres. Planned parks and recreational facilities include:[50]

- Ball fields: 26 acres purchased in 2015; timing of development not yet determined. (Proposed for location within the SRL District).
- Parking and facilities expansion adjacent to the Outdoor Sports Center and Aquatics Center: 10 acres.
- Downtown parks and trails: 3.5 acres.
- Neighborhood Park adjacent to new school site: 3 acres
- Extension of West Little Llagas Creek Trail: On Santa Clara Valley Water District property and will not be counted toward the City's parkland inventory.
- Butterfield Boulevard Linear Park Extension: Will not significantly increase City's parkland inventory acreage.
- El Toro Trail: On City-owned property and would not be added to the City's parkland inventory.

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[49] City of Morgan Hill, 2010, Development Impact Fee Study, page 31.

[50] Ghione, Chris. Community Services Director, City of Morgan Hill. Personal communication with Alexis Mena. September 10, 2015.

- Citywide open space acquisitions: Acreage not yet determined.
- Inclusive playground: Part of the Community Park and will not increase the City's parkland inventory.

City has structured its recreation-related user fees and charges to cover almost the entire cost of the recreation program. The City would monitor demand and expand its recreational program there was an increase in demand. As discussed in the fiscal analyses, revenue from the new development of the USA expansion areas would cover the costs of any increases to its recreational program.

General Plan Level of Service Standard

The City's General Plan has a parks and recreation goal to provide useful, accessible and high quality park, recreation and trail facilities programs. Morgan Hill's current recommended standard for parkland is five acres per 1,000 population.[51] Per the City's Parks, Facilities, and Recreation Programming Master Plan, when calculating parkland per thousand residents the City includes City parks, special use facilities, trails, and schools with a joint-use agreement for City use, as well as 10 percent of recreational open space and fifty percent of parks within home owners associations (HOAs).[52] HOA parks provide an advantage in that the City is not responsible for their maintenance. However, some HOA parks are available only for HOA use and are not available to the greater community.[53] HOAs provide approximately 46 acres of parkland.[54] Based on these calculation criteria, there is a total of approximately 208 acres of parkland,[55] which equates to 5 acres per thousand residents based on a 2015 population of 41,779.[56] Therefore, the City is currently meeting its standard of 5 acres per thousand residents.

Impact Fees

New residential development would be required to pay park impact fees to generate revenue to fund the park facilities needed to serve new development.[57] The City collects a fee of $5,241 per single-family dwelling unit involving a subdivision, $3,811 per single-family dwelling unit not involving a subdivision, $5,050 per multi-family dwelling unit involving a subdivision, and $3,675 per multi-family dwelling unit not involving a subdivision.[58]

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[51] City of Morgan Hill, 2000, Parks, Facilities & Recreation Programming Master Plan.

[52] City of Morgan Hill, 2000, Parks, Facilities & Recreation Programming Master Plan, page 33.

[53] City of Morgan Hill, 2000, Parks, Facilities & Recreation Programming Master Plan, page 48.

[54] City of Morgan Hill, 2010, Development Impact Fee Study, page 32.

[55] 60.79 acres of park facilities + 62.21 acres of special use facilities + 20.77 acres of trails + 6.58 acres of school facilities + 32 acres (10 percent of 320 acres) of recreational open space + 25.65 acres (50 percent of 45.98 acres + 10 percent of 26.59 acres) = 208.0 acres

[56] State of California, Department of Finance, 2015. *E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011-2015, with 2010 Benchmark.*

[57] City of Morgan Hill, 2010, Development Impact Fee Study, page 30.

[58] City of Morgan Hill, 2015, Fee Schedule.

Vacant Industrial Land Inventory

The City does not have vacant industrial land that could be converted to SRL use and meet the City's goals for agricultural preservation and jobs-housing balance

LAFCO staff has requested that the City provide clarification of its current supply of vacant industrial land, noting that the City's Zoning Ordinance could allow the development of commercial uses within the City's industrial districts, thereby providing an alternative to development of the SRL District. This however would however contradict two critical City goals.

Development of the SRL District is a key component of the City's Agricultural Lands Preservation Program in that it would directly result in the establishment of conservation easements at a 1:1 ratio within the City's Sphere of Influence, while conversion of existing industrial land would not provide a mechanism for preservation of agricultural lands.

Secondly, the City's supply of vacant industrial lands is needed to support the City's jobs-housing balance. The City has recently allowed the conversion of some industrial lands to residential use in order to allow new housing growth without outward expansion and is contemplating additional industrial conversion to residential as part of the General Plan update. With these conversions, the City is projecting a further shift in its jobs-housing balance which already favors residential use. Conversion of additional industrial lands would further undermine the City's jobs-housing balance, causing negative fiscal and environmental impacts to the City.

The City provided an updated map of its vacant industrial and commercial land inventory as part of its LAFCO application:
http://ca-morganhill2.civicplus.com/DocumentCenter/View/17066

The City also provided a copy of an industrial land absorption study that was prepared in May of 2015 in support of the City Council's deliberations at that of a General Plan Amendment to convert an industrial property to residential use. (http://www.morgan-hill.ca.gov/DocumentCenter/View/16910) The study included a table that described what the City's industrial land supply would be if the Amendment were approved. Per LAFCO request, the following is an updated version of that table that reflects the City Council's action in May to approve the industrial conversion General Plan amendment.

The industrial land absorption study takes into consideration that Morgan Hill has four industrial land areas, each with different characteristics. Some industrial areas support office/R&D type development while others are more focused on heavy industrial or

manufacturing uses, or have a mix of quasi-commercial/industrial uses. The majority of the City's industrial land supply is located outside of its current USA boundary.

The findings of the study were presented in a series of tables that addressed different possible scenarios. The following table is a simplified version of these tables, updated to reflect the General Plan change made by the City Council in May 2015. As prepared by the City's consultant, the table assumes that existing supply will be 75% utilized before any new construction would occur. The Years of Supply for each Sub Area reflect the supply in that Sub Area for the overall range of annual demand, while the Total City Limits reflects the amount of supply if demand is spread evenly across all industrial lands.

TABLE: City of Morgan Hill: Projected Industrial Land Supply

Supply Projection	Sub Area 1	Sub Area 2	Sub Area 3	Sub Area 4	Total City Limits
Acres of Vacant Land	29	32	43	87	247
Maximum Building Area (FAR 0.30)	378,972	418,176	561,924	1,136,916	3,227,796
% of Total Capacity	12%	13%	17%	35%	100%
Average Annual Demand (Low Est.)	44,700	44,700	44,700	44,700	44,700
Average Annual Demand (High Est.)	111,400	111,400	111,400	111,400	111,400
Absorption Capacity of Existing Industrial Buildings	204,938	204,938	204,938	204,938	204,938
Years of Supply (Low)	13	14	17	30	77
Years of Supply (High)	5	6	7	12	31

The table is based upon demand data from recent years during which the City has experienced a minimum amount of new industrial construction and does not reflect the level of new construction that would be necessary in order for the City to maintain its current Jobs-Housing balance, or to achieve the lower ratio of jobs to housing anticipated in the General Plan (e.g., build-out of the City's General Plan would result in a lower Jobs-Housing ratio than the current condition).

Because Morgan Hill is already a commuter community for the Silicon Valley, further reducing the Jobs-Housing balance implies higher levels of traffic on Highway 101 as a higher percentage of Morgan Hill residents will be employed outside of the City. In addition to having negative fiscal impacts for Morgan Hill, a lower Jobs-Housing balance would thus also have negative impacts upon the environment and quality of life.

Despite the City's desire to maintain an industrial job base, the City evaluated the possibility of locating Sports - Recreation - Leisure facilities on industrial lands within its existing City limits and concluded that it would not be feasible to do so. The vacant land available is often split up into smaller parcels or configured in such a way as to make it difficult for them to be developed with ball fields and other recreational facilities. Existing industrial lands also do not have the freeway accessibility that helps to serve such facilities. Finally, the owners of these industrial lands are largely uninterested in allowing the development of SRL uses on their properties as evidenced by the fact that only one such property was identified through the City's recent RFP process for the development of a City softball/baseball complex and that site was determined to have inadequate dimensions to support the complex.

The City's 2014 Economic Development Report, which included an analysis of the City's industrial supply and absorption rate, was previously provided to LAFCO as part of the City's application.

Vacant Commercial Land Absorption Rates

The City has a limited amount of data available on commercial absorption rates. A map of vacant commercial lands was included in the initial LAFCO application. As shown in the attached tables, commercial and industrial land absorption rates have varied significantly over the past five years in Morgan Hill. The commercial office net absorption rate for the most recent year with complete data, 2014, was 47,506 square feet. A market report prepared by Cassidy Turley in 2013 indicates that the City has an 11% absorption rate for retail development.

The City has recently commissioned a study of hotel demand, which indicates that the City has unmet demand for new hotel construction:

file:///C:/Users/acrabtree/Downloads/HAA%20Hotel%20Market%20Research%20-%20Phase%20I%20Analysis%20%E2%80%93%20Morgan%20Hill%20CA%20without%20QA.pdf

This is evidenced by recent development activity, including entitlements for a new LaQuinta hotel, now under construction, and a new Hilton Garden Inn, which has received General Plan and Zoning approval, and is now in the Site Review permit stage.

Property Specific Information

The following information is provided in response to questions from LAFCO staff regarding specific properties within the SRL Area.

City Ball Fields Site

The purchase agreement that the City negotiated with the property seller included a purchase back option for 3.6 acres at the seller's request. As the buyer of the property the City cannot and does not guarantee annexation or subdivision approval by LAFCO or the County. The City is can fulfill its agreement to submit the application for subdivision with the sellers support. Should approval not be obtained the City doesn't assume any liability for the seller.

Puliafico Property

Per the attached legal descriptions, the Puliafico property consists of a total of seven existing parcels. Because these seven parcels share three APN#s (and thus three tax parcels), using APN based map gives the appearance of only three parcels when there are seven now existing.

The legal descriptions also identify the large number of property owners associated with those parcels, which creates pressure for their sale as estate lots.

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Tuesday, February 02, 2016 11:48 PM
To: Noel, Dunia
Cc: Palacherla, Neelima; Steve Rymer
Subject: RE: SEQ EIR Addendum
Attachments: SE Quad Ball Fields Addendum C Morgan Hill 7-14-15.pdf; City of MH Reso 15-181 - Purchase of Ballfields.pdf

Dunia and Neelima,

I will bring paper copies of the SEQ DEIR and Final EIR for you to tomorrow's LAFCO meeting. I've attached copies of the Ballfields purchase Reso and Initial Study. Council action was on 7-15-15. This is the only addendum that we've prepared to the SEQ EIR.

Neelima left a voice mail asking for clarification of the Water Supply Assessment (WSA) information that we've provided. I'm not sure what the concern is, but here is a quick summary of the information:

1. Citywide Agricultural Lands Preservation Program and Southeast Quadrant Land Use Plan – EIR (including WSA) addressed the potential impacts of the proposed SRL District along with the proposed clustering of residential development within the SEQ on the Chiala properties and concluded that the project would not result in any significant impacts in terms of water supply. The application submitted to LAFCO includes a subset (e.g., scaled down version) of the original project with a portion of the SRL area and excluding the Chiala clustering. This information was provided as part of the City's application.
2. Service Plan – included a summary of available water supply services based on the project EIR, concluding that the City would have adequate water supply for the proposed USA expansion.
3. Supplemental Analysis – provided at Neelima's request, included a quantified analysis of the amount of water demand for the proposed USA expansion area near-term (e.g., City providing service to existing uses) and long-term (e.g., upon implementation of the City's General Plan) for the area included within the current USA application. The analysis concluded that the existing uses depend upon local ground water sources that would come under City jurisdiction as part of the proposed USA expansion, thereby resulting in no net change in demand or supply for the near term (e.g., the existing uses would continue to use the same water sources under the City's jurisdiction rather than the County's) and that with implementation of the City's General Plan, the demand for water would decrease as recreational/commercial uses replace the more water intensive agricultural uses. This would result in a net increase in the City's water supply as the City would retain the existing groundwater sources within the USA expansion area, but with a reduced demand for the water from those sources. The supplemental information also included information extracted from the City's current General Plan update analysis, which concluded that the City would have adequate water supply for build-out of its proposed General Plan in the entirety, which would include build-out of the SRL District.

We will provide some supplemental information for you either at the end of this week or early next week. Please let me know if you are still looking for any additional information from us.

Thank you,

Andrew

From: Noel, Dunia [mailto:Dunia.Noel@ceo.sccgov.org]
Sent: Friday, January 29, 2016 2:58 PM
To: Andrew Crabtree

Cc: Palacherla, Neelima
Subject: SEQ EIR Addendum

Hi Andrew,
I'm preparing a brief summary of the City's various CEQA Documents and City Council Actions approving those CEQA documents. Could you please provide the date of the City Council meeting where the Addendum to the SEQ EIR was approved by the City Council and provide the City Council Resolution? Also, can you confirm that this is the only Addendum to the SEQ EIR that directly relates to properties included in the City's application. Lastly, can you provide me with the City Resolution showing that the Addendum to the MND for Monterey-City of Morgan Hill was approved by the City Council. Thanks.
-Dunia Noel

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Thursday, November 05, 2015 9:59 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: EIR Addendum

Neelima,
My memory is that we prepared the addendum when the City was purchasing the ball field site as the CEQA action for that purchase, confirming that the City's purchase for the intended purpose of developing ball fields is in fact consistent with the uses contemplated by the SEQ. This is standard practice for us.
Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Thursday, November 05, 2015 6:42 PM
To: Andrew Crabtree
Subject: EIR Addendum

Andrew,
I came upon an addendum to the EIR for baseball/ softball fields (Jacoby Property). Could you tell me why an addendum to the EIR was required? What does the proposed project entail that is not included in the original EIR? Thanks.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Friday, December 04, 2015 3:55 PM
To: Palacherla, Neelima
Subject: Emailing: Agricultural Mitigation Working Paper - Morgan Hill 2008, Morgan Hill Urban Limit Line Study Technical Memorandum #4
Attachments: Agricultural Mitigation Working Paper - Morgan Hill 2008.pdf; Morgan Hill Urban Limit Line Study Technical Memorandum #4.pdf

<<Agricultural Mitigation Working Paper - Morgan Hill 2008.pdf>> Ne <<Morgan Hill Urban Limit Line Study Technical Memorandum #4.pdf>> elima,

To follow up on our discussion yesterday regarding the definition of farmland, please consider the two attached documents which informed the City's development of its Agricultural Lands Preservation Program.

Thank you,

Andrew

CITY OF MORGAN HILL

Agricultural Mitigation Working Paper

January, 2008

Agricultural Mitigation Working Paper

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Agricultural Mitigation Report Summary

In November of 2006, the City Council considered a LAFCo proposal to adopt a set of policies that would require mitigation for the loss of all agricultural lands that are proposed to be added to any city's Urban Service Area or city limits. The majority of City Council members opposed the proposed policies as they believe that the mitigation for the significant loss of agricultural lands is an issue that is appropriately addressed by cities than LAFCo. As a result, the City Council directed staff to develop a set of City-wide policies that would address the conversion of agricultural and open space lands.

This report represents the first step towards development of a City-wide program for the mitigation for the significant loss of agricultural land. The report addresses five major issues relating to agricultural mitigation. The report includes preliminary findings and recommendations for three of these issues. The issues, findings and recommendations are intended to provide a basis for discussion of the issues associated with each. The five issues and preliminary recommendations, in the form of questions and answers or comments are summarized below.

1. What land should be evaluated to determine if its conversion to urban use would be considered environmentally significant?

   CEQA Guidelines and environmental litigation suggest it is prudent to use a conservative approach when determining which lands to evaluate for agricultural significance. Evaluation of all lands identified on the Important Farmlands Map as Prime Farmland, Unique Farmlands and Farmland of Statewide Significance is recommended. Evaluation of these lands would be consistent with Guidelines recommendations and include almost all land on the valley floor.

2. What method should be used to determine if the loss of agricultural land is significant?

   Use of the Land Evaluation and Site Assessment (LESA) model developed by the State is recommended as it provides an objective, quantifiable assessment of the impact of the loss of agricultural land. However, amendment of the model as described in Section 3C of this report or in some other manner is recommended in order to better respond to local conditions.

3. If a loss of agricultural land is found to be significant, what type of mitigation is acceptable?

   Purchase of conservation easements is the recommended form of mitigation. Additionally, given the small amount of mitigation that will typically be required of a project, payment of an in lieu fee to the City or an agency with the responsibility to manage an agricultural mitigation program will be necessary. Self-, on-site mitigation for large properties in areas identified for preservation may also be also acceptable.

4. If mitigation is required, where should it be provided?

   Section 6D of this report identifies four alternative locations for the preservation of agricultural land. Two of the alternatives emphasize preservation in the Southeast Quadrant area where it can also help to create a buffer between Morgan Hill and San Martin. The third alternative focuses on preservation of significant historical agricultural operations within the City's sphere. The fourth recognizes the difficulty of preservation within the sphere of influence and allows preservation in the Gilroy Preservation Areas.

   No specific recommendation is offered for areas of preservation. However, it needs to be recognized that if conservation easements are the preferred form of mitigation, they can only be obtained from willing sellers. Therefore identifying and prioritizing multiple sites or areas may be necessary to implement the program.

5. Is full mitigation economically feasible?

   Mitigation for the significant loss of agricultural land at a ratio of one acre of mitigation land for each acre of land developed would result in a development cost of $10,000 to $30,000 per acre or more. Development costs in Morgan Hill are currently among the highest in the area. The addition of this cost to affected projects may be economically infeasible. An assessment of the feasible level of mitigation may need to be made in order to determine the amount of preservation that can be achieved by implementation of the approved program.

Comments received on the issues, findings and recommendations of this report will assist staff in the further refinement of alternatives and recommendations for an agricultural mitigation program for the City and a possible General Plan amendment addressing an appropriate location for the Urban Limit Line in the Southeast Quadrant area. Consideration of recommendations for the mitigation plan and General Plan amendment are tentatively scheduled for consideration by the Planning Commission and City Council in spring of 2008.

Agricultural Mitigation Working Paper

1. Introduction

In November of 2006, the City Council considered a LAFCo proposal to adopt a set of policies that would require mitigation for the loss of all agricultural lands that are proposed to be added to any city's Urban Service Area or city limits. The majority of City Council members opposed the proposed policies as they believe that the mitigation for the significant loss of agricultural lands is an issue that is appropriately addressed by cities rather than LAFCo. As a result, the City Council directed staff to develop a set of City-wide policies that would address the conversion of agricultural and open space lands.

This report describes the legal requirements for agricultural land preservation under the California Environmental Quality Act (CEQA) and alternative approaches the City may use to satisfy its obligations under that Act. The alternatives address the types of land that may be subject to evaluation and the forms that evaluation may take. In addition, the report identifies alternative locations for mitigation for the significant loss of agricultural land and opportunities that agricultural mitigation may have to assist the City in creation of a greenbelt in the Southeast Quadrant between the City and San Martin. The cost of mitigation for the significant loss of agricultural land is also identified and the feasibility of full mitigation discussed. The report provides a number of recommendations regarding these components of an agricultural mitigation program for consideration.

It is the intent of this report to provide an informational basis for discussion of some of the major issues associated with agricultural mitigation and alternatives available to the City to address them. Preliminary recommendations have been provided for the mechanics of a mitigation program. Those recommendations are subject to modification based on the input received on this report. No specific recommendations are offered regarding the appropriate location for preservation of agricultural land. Public comment on this and other aspects of the report are encouraged.

Comments received on the issues, findings and recommendations of this report will assist staff in the further refinement of alternatives and recommendations for an agricultural mitigation program for the City and a possible General Plan amendment addressing an appropriate location for the Urban Limit Line in the Southeast Quadrant area. Consideration of recommendations for the mitigation plan and General Plan amendment are tentatively scheduled for consideration by the Planning Commission and City Council in spring of 2008.

2. CEQA Requirements

A. California Environmental Quality Act

CEQA includes a finding that the conversion of agricultural lands to urban uses threatens the long-term health of the state's agricultural industry and that CEQA should play an important role in the preservation of agricultural land. To that end, CEQA requires the City to evaluate all projects to determine their effect on agricultural lands. If approval of a project would result in the loss of agricultural land and that loss is found to be significant, feasible mitigation for the loss must be provided. However, CEQA does not define any quantitative threshold at which the loss of agricultural resources would be potentially significant and warrant mitigation. Instead, the CEQA Guidelines state that an iron-clad definition of significant effect is not always possible because the significance of an activity may vary with the setting. The Guidelines recommend the use of established standards, careful judgment on the part of the public agency involved, and views held by members of the public as expressed in the record before the lead agency (Section 15064(b)).

Appendix G of the CEQA Guidelines, the Environmental Checklist Form, contains sample or recommended questions for a variety of environmental aspects which are intended to provide guidance in determining if a proposed project may have a significant impact on the environment. These questions were developed to provide lead agencies with a better idea of what consequences are generally considered a significant environmental impact. The Checklist Form includes the three following threshold questions regarding agricultural resources:

1. Would the proposed project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?
2. Would the proposed project conflict with existing zoning for agricultural use or a Williamson Act contract?
3. Would the proposed project involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?

In addition to the sample questions, Appendix G notes that lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (LESA), prepared by the California Department of Conservation, for assessing impacts on agricultural and farmland. The LESA Model is described in detail in Section 3B of this report.

B. Land Subject to Evaluation for Agricultural Significance

CEQA does not specify what types of land must be evaluated to determine their agricultural significance. However, as indicated above, Section G of the CEQA Guidelines suggests the impact on Prime Farmland, Unique Farmland, or Farmland of Statewide Importance be evaluated. This recommendation is based on a provision of the Public Resources Code that addresses CEQA and reads as follows:

> 21060.1. (a) "Agricultural land" means prime farmland, farmland of statewide importance, or unique farmland, as defined by the United States Department of Agriculture land inventory and monitoring criteria, as modified for California.

These agricultural lands are shown on the Important Farmlands Map produced by the State Department of Conservation. This map was first published in 1986 and has been updated periodically since that time. The most recent map of Santa Clara County was updated in 2006. The purpose of this mapping, as described by the Department, is "to provide consistent and impartial data to decision makers for use in assessing present status, reviewing trends, and planning for the future of California's agricultural land resources." In addition to the three classifications mentioned above, the Important Farmlands Map also includes a classification for Farmland of Local Importance. Farmland of Local Importance includes small orchards and vineyards and land cultivated as dry cropland for grains and hay.

The Important Farmlands Mapping system is based upon the physical and chemical characteristics of the soil, similar to the Land Capability Classification (LCC) system and the Storie Index, both of which are described later in this Section of the report. The Important Farmlands Mapping System also assesses the use of the property and availability of irrigation. Land identified as Prime Farmland, Farmland of Statewide Importance or Unique Farmland must have been used for irrigated crop production at some time during the last four years. Lands defined as Prime Farmlands generally consist of soils identified as Class 1 or 2 by the LCC system. Lands defined as Farmlands of Statewide Importance generally consist of soils identified as Class 3 by the LCC system. As a result, even though the Important Farmlands Mapping system excludes lands that have not been irrigated within the last four years, the system identifies most of the vacant land within the City's sphere of influence that is located on the valley floor as needing evaluation to determine the significance of its loss to development.

In addition to the Public Resources Code and CEQA Guidelines, the Government Code provides a number of definitions of agricultural land and prime agricultural land that may assist in determining the types of land that should be subject to CEQA evaluation. The Knox, Cortese, Hertzberg Local Government Act (that identifies the duties and responsibilities of LAFCOs) includes definitions for agricultural land and prime agricultural land. Also the Williamson Act, which allows farmers to contract with local agencies to lower property taxes in exchange for development rights, contains a definition for prime agricultural land.

Government Code Section 56016 (part of the LAFCO regulations) defines agricultural land as follows:

> 56016. "Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

Section 56064 (also part of the LAFCO regulations) defines prime agricultural land as follows:

> 56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:
> (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service Land Capability Classification system, whether or not land is actually irrigated, provided that irrigation is feasible.
> (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
> (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.
> (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars ($400) per acre.
> (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars ($400) per acre for three of the previous five calendar years.

The definition of prime agricultural land under the Williamson Act is very similar to the Knox Cortese definition with the only differences being that the Williamson Act definition includes class I and II lands without the qualifications addressing irrigation in sub-section (a), and the minimum production value of products is $200 per acre in sub-sections (d) and (e). None of these differences would have a material effect on the acreage defined as prime agricultural land in Morgan Hill. The text of the Williamson Act definition for prime agricultural lands reads as follows:

> 51201 (c): "Prime agricultural land" means any of the following:
> (1) All land that qualifies for rating as class I or class II in the Natural Resource Conservation Service land use capability classifications.
> (2) Land which qualifies for rating 80 through 100 in the Storie Index Rating.
> (3) Land which supports livestock used for the production of food and fiber and which has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture.

(4) Land planted with fruit- or nut-bearing trees, vines, bushes or crops which have a nonbearing period of less than five years and which will normally return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than two hundred dollars ($200) per acre.

(5) Land which has returned from the production of unprocessed agricultural plant products an annual gross value of not less than two hundred dollars ($200) per acre for three of the previous five years.

The Land Capability Classification system shows, in a general way, the suitability of soils for most kinds of field crops. Crops that require special management are excluded. The soils are grouped according to their limitations for field crops, the risk of damage if they are used for crops, and the way they respond to management. Lands are rated for their suitability both with and without irrigation. In the LCC system, soils are generally grouped in classes. Classes are designated by the numbers 1 through 8. The numbers indicate progressively greater limitations and narrower choices for practical use. Soil Classes 1 and 2 have few or moderate limitations that reduce the choice of plants that may be grown on them. Much of the valley floor contains soils that are rated Class 1, 2 or 3.

The Revised Storie Index for California is a soil rating based on soil properties that govern a soil's potential for cultivated agriculture. The Storie Index assesses the productivity of a soil from the following four factors:

1. Soil characteristics, including their depth and perviousness to root growth
2. Soil texture, including the ease of tillage and capacity for water retention
3. Slope of the land
4. Other conditions not related to any of the first three factors

A score ranging from 0 to 100 percent is determined for each of the factors, and the scores are then multiplied together to derive an index rating. An index rating of 80 to 100 is considered to be "excellent" and a rating of 60 to 80 is considered to be "good."

3. Approaches to CEQA Compliance

As indicated above, CEQA does not establish a specific technique that must be used to evaluate the significance of the loss of agricultural land or the type of mitigation that is required should a significant loss be identified. There are a variety of alternative approaches available and have been applied by agencies throughout the State. Following is a description of a number of those alternatives for consideration.

A. Mitigation for the Loss of All Prime Agricultural Lands - Santa Clara County LAFCO Approach

The Santa Clara County LAFCO has adopted an agricultural mitigation policy for use in evaluation of all applications that come before it. Although not mandatory, the policy recommends the provision of agricultural mitigation for the loss of all prime agricultural land. The policy uses the Knox Cortese definition of prime agricultural land described in Section 2B of this report. The policy does not, however, use the Knox Cortese definition of agricultural land (also, described in Section 2B) that requires the property to be used for agricultural purposes in order to be so defined. As an alternative, LAFCO's policy indicates that agricultural land includes "uses that currently or at any point in time relate to producing crops, growing fruit / nut trees, grazing cattle, supporting an agricultural industry or other uses that would not exclude the use of the land for agriculture and that would be compatible with agriculture, including land left undeveloped or fallow."

The policy does not include a process for determining if the loss of agricultural land is significant, but rather assumes that the loss of all agricultural land that meets its definition, regardless of size or other characteristics is significant. Also, whereas CEQA requires the provision of feasible mitigation, the LAFCO policy assumes that all mitigation is feasible and must be provided.

Acceptable mitigation under the LAFCO policy involves one of the following three alternatives:

1. Purchase of agricultural land and its transfer to an agricultural conservation entity for permanent protection.
2. Purchase of agricultural conservation easements on agricultural land that precludes its future development and transfer of the easements to an agricultural conservation entity.
3. Payment of an in-lieu fee to an agricultural conservation entity in an amount sufficient to fund acquisition of fee title or conservation easements for an amount of agricultural and equivalent to that being converted to another use.

In addition, payment is recommended that would cover the costs of program administration and management of the land to be protected. A copy of the LAFCO Agricultural Mitigation Policies is attached to this report as Appendix A.

Estimated effects of use of this approach: There are between 1,400 and 1,800 acres of undeveloped and underdeveloped land within the City's Urban Growth Boundary that is also on the valley floor. This includes land both within the city limits and land outside the city limits that is planned for urbanization over the next 20 to 25 years. All but approximately 300 acres of that land consists of Class 1 or 2 soils and would require mitigation under LAFCO's full mitigation alternative.

B. Use of LESA Model to Determine Significant Loss of Agricultural Land - City of Gilroy Approach

As discussed above, the CEQA Guidelines recommend using the Land Evaluation and Site Assessment (LESA) model for determining the significance of the loss of agricultural lands. The LESA model is a quantitative system based on six factors. Two of the factors address soil characteristics by utilizing the LCC system and Important Farmlands Maps. The other four factors address site characteristics including the size of the site, water availability to it, the amount of land within one quarter mile of the site that is in agricultural use, and the amount of "protected" land that is within one quarter mile of the site. For a given project, each of these factors is separately rated on a 100 point scale. The scoring of each factor is then weighted and combined, resulting in a single numeric score for a given project, with a maximum attainable score of 100 points. Following is a summary of the criteria and their relative scoring weight.

Land Evaluation (LE) Factors
Land Capability Classification 25%
Storie Index 25%
Land Evaluation Subtotal 50%

Site Assessment (SE) Factors
Project Size 15%
Water Resource Availability 15%
Surrounding Agricultural Lands 15%
Surrounding Protected Resource Lands 5%
Site Assessment Subtotal 50%

Total LESA Factor Weighting 100%

Agricultural sites are considered to be significant if the numeric score for the combined Land Evaluation factors is at least 20 points and the numeric score for the combined Site Assessment factors is also at least 20 points. If the combined score for either the Land Evaluation factors or the Site Assessment factors is less than 20, conversion of the site is not considered a significant loss of agricultural land. Following are the LESA criteria for the significant loss of agricultural lands.

0 to 39 Points:	Not Considered Significant
40 to 59 Points:	Considered Significant only if LE and SA sub-scores are each greater than or equal to 20 points
60 to 79 Points:	Considered Significant unless either LE or SA sub-score is less than 20 points
80 to 100 Points:	Considered Significant

According to representatives of the State Department of Conservation, the LESA Model is the only quantitative approach to evaluation of the significance of the loss of agricultural land currently in use in the State. A copy of the State LESA Model Instruction Manual is attached to this report as Appendix B.

The benefits of the LESA model are that it considers factors relating to the viability of agriculture on a site in addition to the soils it contains. The standard numeric rating system for the site factors, however, tends to create a "stair step" evaluation under which slight variations in site characteristics can have a significant effect on the outcome of the evaluation. For example, if 44 percent of the land within one quarter mile of a site is in agricultural use, a score of 10 points would be assigned to that factor. If 45 percent of the land is in agricultural use, a score of 20 points would be assigned. In addition, in the Morgan Hill area, the "stair step" generally results in sites of less than 20 acres in size not being considered significant and sites larger than 20 acres being considered significant. The State emphasizes that the LESA model is flexible and that agencies may alter the model to meet local needs and conditions.

The City of Gilroy and a number of other cities throughout the State use the LESA model to determine the significance of the loss agricultural lands. A copy of the Gilroy Agricultural Mitigation Program is attached to this report as Appendix C.

Estimated effects of use of this approach: There are between 1,200 and 1,500 acres of undeveloped and underdeveloped land within the UGB that are in groupings of parcels of 10 acres or more in size and are located on the valley floor. This includes land both within the city limits and land outside the city limits that is planned for urbanization over the next 20 to 25 years.

It is difficult to predict the effects of implementing the LESA model in Morgan Hill, because the size of the site is critical to the determination of agricultural significance. As described above, development of agricultural sites of less than 20 acres in size will generally not be considered to result in a significant loss of agricultural land. Most individual undeveloped parcels in the Morgan Hill area are less than 20 acres in size. Therefore development of a single parcel (or its inclusion within the City's Urban Service Area) would not be found to result in a significant loss of agricultural land. However, if several parcels are jointly developed as a single project and the acreage is 20 acres or more, it is likely that the agricultural loss would be found to be significant. As a result, the effect of implementing the LESA model would range from a requirement to mitigate for very few acres to as many as 1,200.

C. Use of LESA Model in Modified Form to Determine Significant Loss of Agricultural Land

If the LESA model is to be used in the CEQA process for Morgan Hill, amendments to the model to address local factors and reduce the impact of the "stair stepping" in the State model may be appropriate. Specifically, amendment to each of the four factors in the LESA model that address characteristics of a site and its surroundings: site size, availability of water, nearby agricultural lands, and nearby protected lands may be warranted to address circumstances specific to the Morgan Hill area. One set of possible amendments is described below.

Site Size: The LESA model assigns 15 percent of the overall score to this factor. Scoring of sites with Class 1 and 2 soils is different than scoring for sites with Class 3 or higher soils. No points are awarded to sites that are smaller than 10 acres in size. For Class 1 and 2 soils, ten-acre sites receive 30 points with points incrementally increasing to a maximum of 100 points for sites 80 acres or larger in size. For Class 3 and higher soils, ten-acre sites receive 10 points with points incrementally increasing to a maximum of 100 points for sites 160 acres or larger in size. The weighted values of these points are 4.5 points and 15 points, respectively. Amendment to this factor in a manner that would adjust the scoring to use smaller increments of change in the size of the site and begin the scoring at 1 point instead of 10 points would provide for a more continuous adjustment of scoring based on the size of a project. Table 1, on page 11 shows the current and possible amendments to the scoring of this factor.

Water Availability: The LESA model assigns 15 percent of the overall score to this factor. The criteria used in this factor focus on the sources of the water used for agricultural production (i.e. irrigation district, riparian, ground water), the percentage of the site that receives water from any of these sources, and the general availability of these water sources. Availability is evaluated in terms of the water supply and cost of supplying the water to the site. In the Morgan Hill area, all agriculture uses groundwater. According to Water District representatives, ground water is generally available throughout the valley and has few restrictions to its use. The major factor is the existence of a well to pump the groundwater or cost to construct a well. Amendment to this factor to use the Important Farmlands Map to determine the availability of water to a site may be more appropriate for conditions in the Morgan Hill area. As mentioned above, the Important Farmlands Map shows agricultural lands that have been irrigated within the past four to six years. Sites that have been irrigated (and presumably would continue to have water available for future agricultural use) would have the potential to be assigned 100 points, with a weighted value of 15 points.

Nearby Agricultural Lands: The LESA model assigns 15 percent of the overall score to this factor. The factor scoring is determined by the amount of land in agricultural use within one quarter mile of the site. No points are awarded to sites where less than 40 percent of the land within one quarter mile is in agricultural use. Where 40 percent of the land is in agricultural use, 10 points are assigned and where 100 percent of the land is in agricultural use, 100 points are assigned. The weighted values of these points are 1.5

points and 15 points, respectively. The LESA model is intended to be used to evaluate the significance of the loss of agricultural land when it is proposed for development or to be included within the City's Urban Service Area. In either instance, the site will be within the city limits or on the fringe of the community and is not likely to have a significant amount of agricultural use within one quarter mile of it. Modification to this factor to reduce the minimum percentage of agricultural use within one quarter mile that would qualify for points from 40 to 25 percent would be more reflective of circumstances in the Morgan Hill area. In addition, adjustment to the factor to use smaller increments of change in the percentage of agricultural use and scoring begin at 1 point instead of instead of 10 points may be appropriate. Table 2, on page 12 shows the current and possible amendments to the scoring for this factor.

Nearby Protected Land: The LESA model assigns 5 percent of the overall score to this factor. Scoring is dependent on the amount of land within one quarter mile of a site that is "protected" resource land. Protected land includes land that is under Williamson Act contract and publicly owned parks and other lands preserved for resource protection. The scoring system for this factor is the same as for Nearby Agricultural Lands. No points are awarded to sites where less than 40 percent of the land within one quarter mile is protected. Where 40 percent of the land is protected, 10 points are assigned and where 100 percent of the land is protected, 100 points are assigned. The weighted values of these points are 0.5 points and 5 points, respectively.

There is little protected land on the valley floor within the Morgan Hill area. Over the long term, implementation of an agricultural mitigation program may add to the currently limited supply. However, within the next 10 to 20 years the amount of land that may be protected within the City's sphere of influence would be limited. As a result, it is unlikely the protected lands factor would contribute points to a site's overall score. Replacement of this factor with one that assigns points for the adjacency of agricultural use may be more relevant in the Morgan Hill area. Such a replacement factor could award points based on the percentage of the perimeter of a site that is adjacent to land that is in agricultural use. This would complement the factor that evaluates the amount of agricultural land in the vicinity of a site by recognizing the additional significance of the loss of agricultural land that is adjacent to a project site. Consistent with the possible revisions to the Nearby Agricultural Lands factor, this factor could use the same minimum 25 percentage of agricultural use adjacent to the site to qualify for points. In addition, this factor could use smaller increments of change in the percentage of agricultural use, as suggested for the Nearby Agricultural Lands factor. Table 2 also shows the current and possible amendments to the scoring for this factor.

Table 1
Parcel Size and Soil Classification

Acreage	Class 1 & 2 Soils		Class 3 & 4 Soils	
	Current Scoring	Proposed Scoring	Current Scoring	Proposed Scoring
160			100	100
155			90	97
150			90	93
145			90	90
140			90	87
135			90	83
130			90	80
125			90	77
120			90	73
115			80	70
110			80	67
105			80	63
100			80	60
95			80	57
90			80	53
85			80	50
80	100	100	80	47
75	90	93	70	43
70	90	86	70	40
65	90	79	70	37
60	90	71	70	33
55	80	64	60	30
50	80	57	60	27
45	80	50	60	23
40	80	43	60	20
35	50	36	30	17
30	50	29	30	13
25	50	21	30	10
20	50	14	30	7
15	30	7	10	3
10	30	1	10	1
5	0	0	0	0
0				

Table 2
Possible Amendment to LESA Scoring Criteria for Nearby and Adjacent Agricultural Land

%	Current Scoring	Proposed Scoring
100	100	100
95		93
90	100	86
85		80
80	90	73
75		67
70	70	60
65		53
60	50	47
55		40
50	30	33
45		27
40	10	20
35		13
30		7
25		1
20		
15		
10		
5		
0		

Estimated Effects of Using Modified LESA Model: Staff has generally applied the possible revisions to the LESA model to areas within the City's Urban Growth Boundary (UGB) in order to determine the effects of the revisions. There are between 1,200 and 1,500 acres of undeveloped and underdeveloped land within the UGB that are in groupings of parcels of 10 acres or more in size and are located on the valley floor. This includes land both within the city limits and land outside the city limits that is planned for urbanization over the next 20 to 25 years. Conversion of approximately 60 percent (700 to 900 acres) of that land to urban use could be determined by the revised LESA model to require mitigation. This percentage is a function of the sizes of sites proposed for urban land use, annexation, development, etc. If most sites subject to CEQA evaluation are ten acres or less in size, the percentage requiring mitigation would be lower. Approximately 50 to 60 percent of the acreage anticipated to require mitigation is designated for residential use in the City's General Plan. The remaining 40 to 50 percent is planned for commercial or industrial uses. Most of the land that would require mitigation is located on the east side of Highway 101 and located south of Tennant Ave./Edmondson Ave. on the west side of Highway 101. Figure 1, on page 14 shows the general locations of these areas. The estimated effect of use of the modified LESA model is based on the amount of undeveloped and underdeveloped land currently planned for urbanization. Over time,

as that amount of land develops and (presumably) the City expands its urban limits, the amount of land requiring mitigation would also increase.

D. Case by Case Mitigation for the Loss of Prime Agricultural Land – Current Morgan Hill Approach

Many agencies have not adopted specific standards for evaluation of the significance of the loss of prime agricultural land and the types of mitigation that may be required. These agencies typically address the conversion of agricultural land on a case-by-case basis using the CEQA Guidelines Environmental Checklist Form (Appendix G of the Guidelines). As described in Section 2A of this report, this Checklist includes three recommended questions to be asked to assist in determining the significance of the loss of agricultural land. Those questions address the classification of the soils under the LCC system, zoning of the land or the existence of a Williamson Act contract on it, and other possible changes that could result in conversion of farmland. This approach does not incorporate use of the LESA model, although some CEQA documents may use the model.

Positive responses to any of these questions would indicate that the loss of the agricultural land may be significant. Under these circumstances, agencies typically consider a variety of circumstances associated with the specific property and its intended use to determine if the loss is actually significant.

The benefits of this approach are that it is flexible and allows for an indeterminate number of factors to be considered in the process. The disadvantages of the process are that it can be, and often is, subjective allowing for inconsistent findings for similar properties and a greater potential for legal challenge.

Estimated Effects of Using Case-by-Case Approach: The effect of evaluating the loss of agricultural lands on a case-by-case basis is not possible to reasonably estimate.

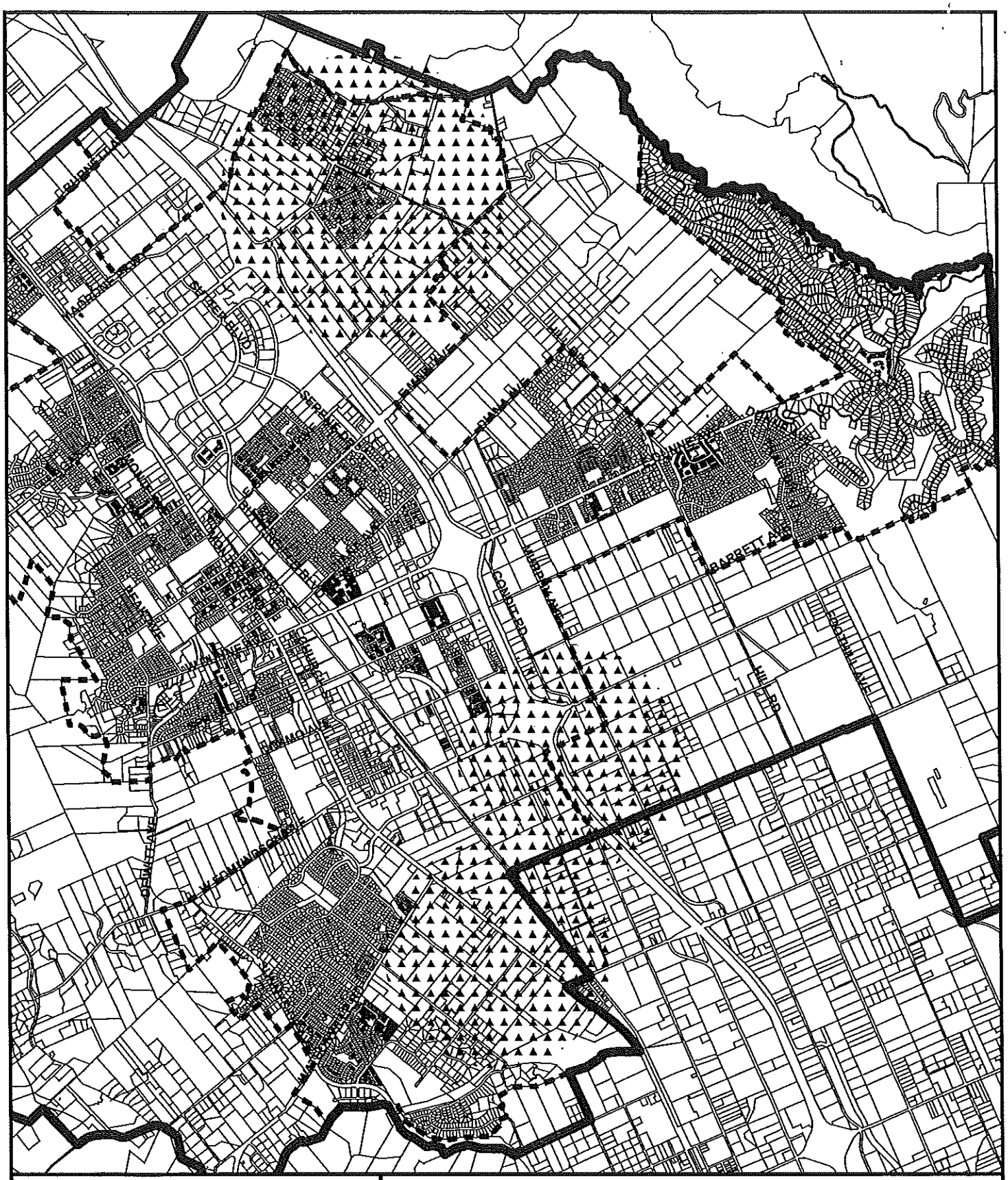

Figure 1:
General Areas of Probable Mitigation within the UGB Using Modified LESA Model

This map was produced by the City of Morgan Hill Community Development Department. The data was collected from a variety of reliable sources. However, the City of Morgan Hill makes no representation as to its accuracy and disclaims any liability to persons who may rely upon it.

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4. Forms of Mitigation and Mitigation Areas

A. Forms of Mitigation

Mitigation for the loss of agricultural land typically takes the form of preservation of other agricultural land of equal or higher quality. Preservation of other agricultural land requires that the land be kept in agricultural use or available for agricultural use in perpetuity. Although no standards have been established for the level of mitigation that should be required for the significant loss of agricultural land, most existing programs require one acre of land be preserved for each acre of land developed. Some agencies, including the City of San Jose does not recognize the protection of existing agricultural land as adequate mitigation under CEQA because the net result of such actions would still be a net loss of farmland acreage. This is described further in Section 5F of this report.

Preservation of existing agricultural lands as mitigation for the conversion of other agricultural lands typically takes one of three forms including the following:

1. purchase of mitigation property in fee simple ownership,
2. purchase of a conservation easement over the property which prohibits its use for purposes that would prevent agricultural uses, and
3. payment of an in lieu fee for acquisition of property or easements at a future date.

The most common form of mitigation is the payment of a fee commensurate with the easement acquisition and related administrative costs. The purchase of easements is normally less costly than the purchase of land in fee simple ownership because ownership of the property does not change and the current owner is typically entitled to continue the current use (presumably agricultural production) on the property. Also, the purchase of conservation easements does not require the on-going management costs that are associated with fee simple ownership. Payment of a fee in lieu of purchasing conservation easements is typically preferred because the amount of mitigation required of individual projects is generally insufficient to purchase an easement of an adequate size for a viable farming unit.

CEQA indicates that only mitigation that is considered **feasible** to implement be required of a project. The CEQA Guidelines Section 15364 define feasible as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors." Should it be determined that full mitigation for the significant loss of agricultural land is not feasible for any of the stated reasons, only mitigation at a lesser level that is feasible can be required. This topic is described further in Section 5F of this report.

B. Mitigation Areas

There are no standards or requirements for the location of mitigation areas. However, most existing programs promote mitigation as near to the land to be converted to urban

use as reasonably practicable. This Section of the report identifies General Plan support for agricultural preservation and possible areas where mitigation could be provided inside the Morgan Hill sphere of influence and in other areas in South County.

General Plan Policy Guidance for Agricultural Preservation:

Goal 3 of the Open Space and Conservation Element of the General Plan promotes the maintenance of a "viable agricultural industry" in the Morgan Hill area. Policy direction focuses on actions that are supportive of existing agricultural uses. Several of the policies specifically address the permanent preservation of agricultural lands; preservation that could be accomplished, at least in part, by implementation of an agricultural mitigation program. Those policies include the following:

3a. Support programs and techniques, including conservation easements and purchase of development rights to encourage the retention of agricultural activities and to minimize conflicts in the transition from agriculture to urban uses.

3k. Establish areas for the permanent preservation of agricultural lands and programs to accomplish that objective, such as exclusive agricultural zoning, transfer of development rights (TDR) programs, and right-to-farm legislation.

3l. Preserve some prime agricultural lands in South County (particularly within the prime agricultural areas east and south of Gilroy) for agricultural use through appropriate agricultural land preservation tools, such as exclusive agricultural zoning, transfer of development rights (TDR) programs, and fight-to-farm legislation.

A complete list of General Plan policies addressing agriculture in the Morgan Hill area are included as Appendix D.

Mitigation Within Morgan Hill Sphere of Influence and Outside the Urban Growth Boundary:

Within the City's sphere of influence, there are approximately 1,250 acres of agricultural land that are outside the City's Urban Growth Boundary consisting of parcels generally 10 acres in size or larger and not planned for urban uses. All of these parcels are zoned for agricultural use by the County. The acreage is located in three primary areas, the Southeast Quadrant (east of Hwy. 101, south of San Pedro Ave. and north of Maple Ave.), the Guglielmo Winery area (bounded by Condit Rd., Main Ave., Hill Rd. and Diana Ave.), and the Peebles Ave. area (west of Hwy. 101, south of Burnett Ave., and north of the city limits). These areas are shown on Figure 2, on page 18.

The Southeast Quadrant area contains approximately 1,000 acres of agricultural land. Most of this land is designated as Prime Farmland by the Important Farmlands Map and consists of Class 2 soils, as defined by the Land Capability Classification system. Much of the area is currently farmed. However, less than 10 percent of the land is under Williamson Act contracts. Figure 3, on page 19 shows properties within the sphere of influence that are currently under such contracts. Most of this land has been subdivided into 10-acre parcels. These relatively small parcel sizes and the proximity of the area to

the city limits have added a speculative value to these properties. Preservation of agricultural lands within the Southeast Quadrant could help to further the City's goals of establishment of a greenbelt around the urban areas of the City as well as preserving agricultural lands.

The Guglielmo Winery area contains approximately 150 acres of agricultural land. Most of this land is designated as Prime Farmland by the Important Farmlands Map and consists of Class 2 soils, as defined by the Land Capability Classification system. Half of this area is under Williamson Act contracts and is in vineyard use. Preservation of this area would not contribute to creation of a greenbelt as areas to the north and south are planned for urban development. However, this area could be considered a historically significant "cultural landscape" within the urban area and its preservation would retain a significant part of the City's agricultural heritage.

The Peebles Ave. area contains approximately 100 acres of agricultural land. Much of this land is designated as Unique Farmland by the Important Farmlands Map and consists of Class 2 and 3 soils. The Unique Farmland classification is reflective of the plant nurseries in the area. Approximately 10 percent of the area is under Williamson Act contracts.

Mitigation Within Morgan Hill Sphere of Influence and Inside the Urban Growth Boundary:

In addition to these areas that are outside of the Urban Growth Boundary, there are two areas within the Urban Growth Boundary and outside the city limits that are in active agricultural production and may be appropriate for agricultural mitigation. These areas, shown on Figure 2, have been assigned urban land use designations by the City's General Plan but are outside the city limits and Urban Service Area.

The Mariani Orchard is located on the north side of Half Road, north of Live Oak High School. The orchards cover approximately 55 acres of land. Most of the land is designated as Prime Farmland by the Important Farmlands Map and consists of Class 2 soils. The area is zoned for agricultural use by the County and is designated for low density residential development by the General Plan. None of the land is under Williamson Act contracts. As with the Guglielmo Winery area, this area could be considered a historically significant "cultural landscape" within the urban area and its preservation would retain a significant part of the City's agricultural heritage.

The other area within the Urban Growth Boundary is generally located in the south west portion of the City and is bounded by Monterey Road, Watsonville Road, Olive Ave. and Silveira Park. The area contains approximately 150 acres of land that is in agricultural production. Most of the land is designated as Prime Farmland or Farmland of Statewide Importance by the Important Farmlands Map and consists of Class 1, 2, and 3 soils. The area is zoned for agricultural use by the County and is designated for single family development at a variety of densities by the General Plan. None of the land is under Williamson Act contracts.

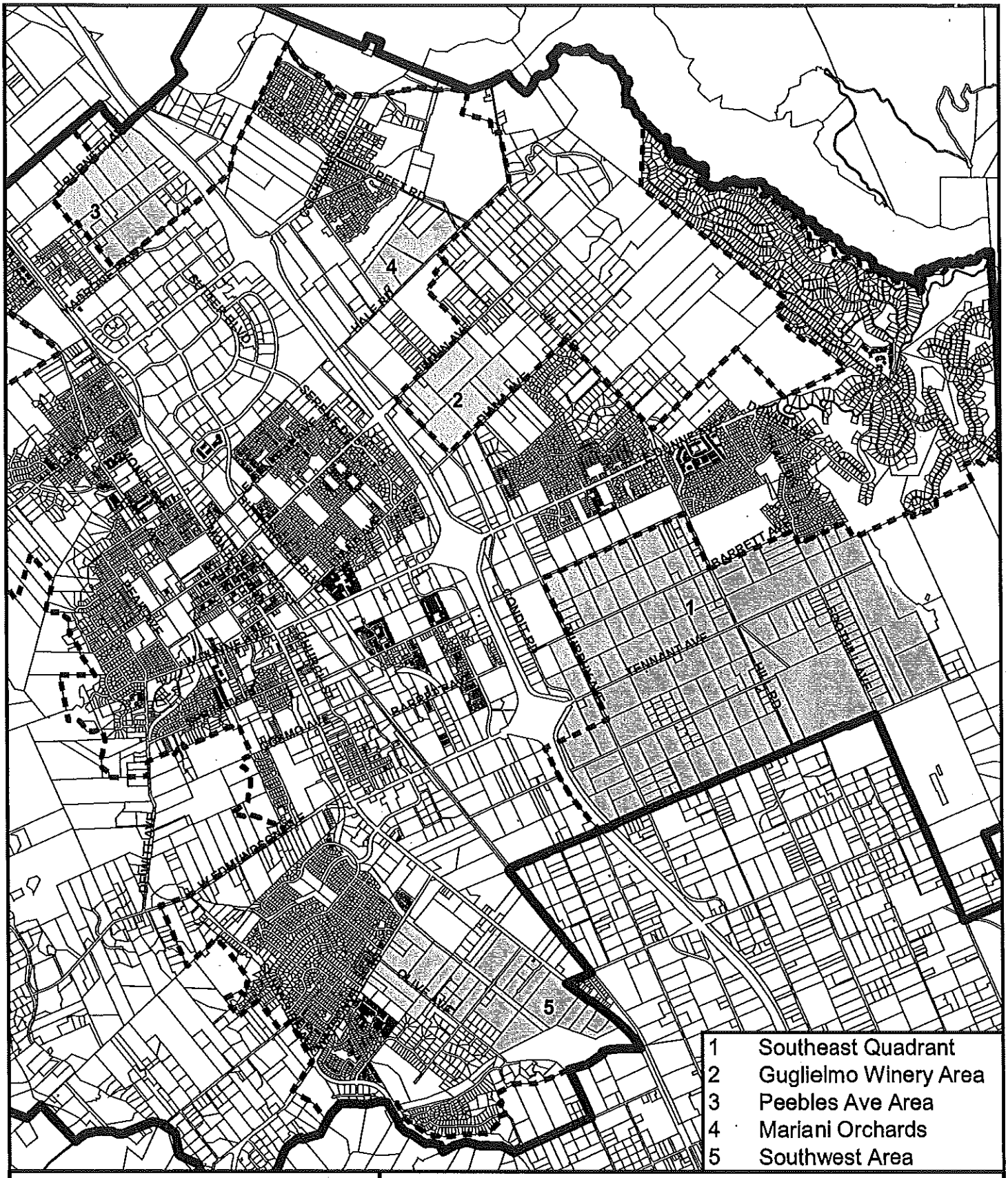

Figure 2:
Possible Mitigation Areas Inside Sphere of Influence

This map was produced by the City of Morgan Hill Community Development Department. The data was collected from a variety of reliable sources. However, the City of Morgan Hill makes no representation as to its accuracy and disclaims any liability to persons who may rely upon it.

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Figure 3:
Properties Under Williamson Act Contracts

This map was produced by the City of Morgan Hill Community Development Department. The data was collected from a variety of reliable sources. However, the City of Morgan Hill makes no representation as to its accuracy and disclaims any liability to persons who may rely upon it.

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Mitigation Outside Morgan Hill Sphere of Influence:

There are between 12,000 and 15,000 acres of agricultural lands in South County that are outside of Morgan Hill's sphere of influence. These lands are generally located south of Masten Ave. and east of Hwy. 101. (There are other agricultural lands that are located west of Hwy. 101 in the South County area. However, these lands are zoned for rural residential development and will presumably convert to that use in the future.) All of these agricultural lands are designated as Prime Farmlands and have Class 1, 2 or 3 soils and are designated for agricultural use by the County. These lands generally consist of large parcels and are actively farmed. These lands have been identified by the City of Gilroy as Preferred Preservation Areas for potential mitigation as part of that city's agricultural mitigation program. These lands are shown on Figure 4, on page 21.

C. **Amount of Mitigation Required**

There are between 1,200 and 1,500 acres of undeveloped or underdeveloped land that is located on the valley floor and within the City's Urban Growth Boundary that is grouped in areas of at least 10-acres in size. Potentially, all of this land would be subject to evaluation to determine if its development would result in a significant loss of agricultural land. Depending on the evaluation method used, potentially all of this land would be required to provide mitigation. More realistically, the conversion of between 500 and 1,000 acres of this land would be found to result in a significant loss of agriculture and require mitigation.

As indicated above, within the City's sphere of influence and outside the Urban Growth Boundary there are approximately 1,250 acres of agricultural land that are not planned for urban uses over the next 20 years. The purchase of conservation easements or fee simple title to property for agricultural mitigation requires willing sellers. It is unlikely that willing sellers could be found to satisfy this entire mitigation requirement within the sphere of influence. As a result, it will likely be necessary to provide mitigation elsewhere in South County, as well.

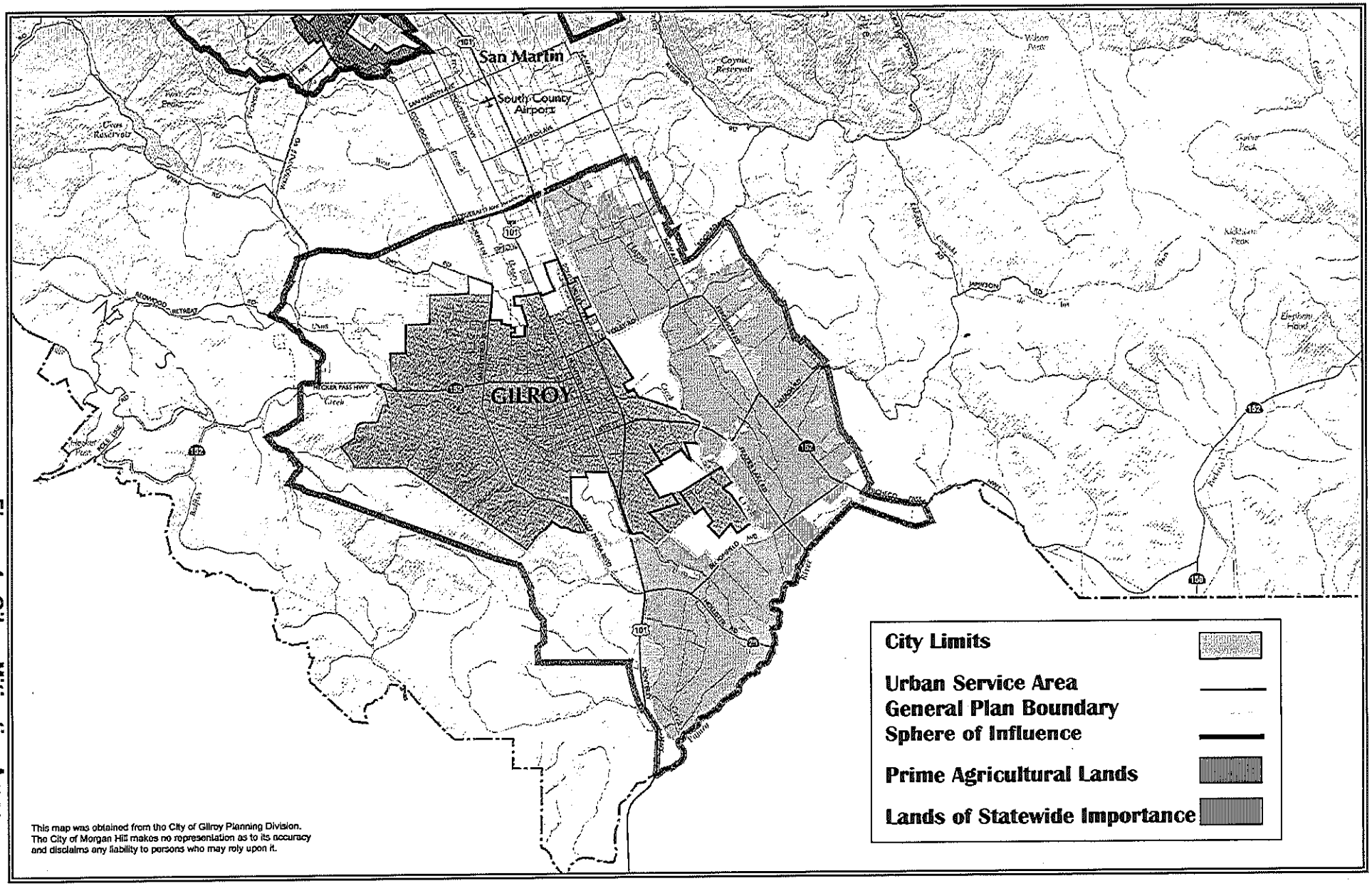

Figure 4. Gilroy Mitigation Areas

5. Cost of Mitigation

A. Mitigation Costs Inside Sphere of Influence

Economic and Planning Systems (EPS) assisted the City in preparation of the Urban Limit Line/Greenbelt Study by providing economic data regarding the feasibility of various aspects of that study. Its findings regarding the cost of preservation of open space and agriculture in the unincorporated portions of the City's sphere of influence include the following:

> "The active market for rural estates in the rural areas of the County, including the greenbelt area, along with land use policies that permit such use have created land values that are far above the resource use (agricultural) value of the land. These high values not only make investment in agriculture infeasible but increase the cost and thus reduce the effectiveness of the preservation techniques involving land or easement acquisition."

Additional analysis by EPS indicates the fee-simple value of this land ranges from $60,000 to $100,000 per acre. The value of conservation easements over this land is estimated to be $20,000 to $30,000 per acre or more. However, discussions with owners of some of the properties in these areas suggest that there may be little interest in sale of easements for agricultural mitigation.

In addition to the acquisition fee, mitigation typically includes the payment of a supplemental fee to cover the costs associated with acquisition negotiations and subsequent easement management. Easement acquisition costs typically range from $20,000 to $30,000 regardless of the easement size. Easement management is generally less costly unless legal action is necessary to enforce its provisions. The acquisition and management fee will need to be determined and included as part of any in-lieu fee that is collected.

B. Mitigation Costs Outside Sphere of Influence

As mentioned previously in this report, the other area within South County that may be appropriate for agricultural preservation is located east and south of Gilroy. This area has not been subject to the historic parcelization that occurred within Morgan Hill's sphere of influence and most of this land is held in large acreages. The Nature Conservancy has purchased conservation easements in the area south of Gilroy along the Pajaro River. All of the land purchased is zoned for agricultural use and most of it is located in the Pajaro River floodplain. The price paid for those easements ranged from $10,000 to $15,000 per acre, depending on location and soils quality.

C. Mitigation Costs Per Unit of Development

As identified previously in this report, approximately between 50 and 60 percent of the land that may require agricultural mitigation as a condition of development in Morgan

Hill is designated for residential and the remaining 40 to 50 percent is planned for commercial or industrial use. Most of this residential land is designated for development at one to three units per acre in that it is located on the edges of the urban area and the City's General Plan calls for transitioning to lower densities in these locations. Assuming a per acre mitigation cost that ranges from $10,000 to $30,000 per acre, the mitigation cost for residential development occurring at three units per acre would range from $3,300 to $10,000 per unit depending on the location of the mitigation land. Commercial and industrial land is assumed to develop with average land coverage of 30 percent or approximately 13,000 square feet of building area per acre. The mitigation for these development types would therefore range from approximately $1 to $2.50 per square foot of floor area or $10,000 to $30,000 per acre (assuming 13,000 s.f./acre).

D. Development Costs in Morgan Hill

Development in Morgan Hill is subject to a number of fees and other commitments. The City has adopted a series of impact fees that are intended to cover the costs that new development creates for City infrastructure. For example, new residential subdivisions result in additional traffic on City streets, resulting in the need for street widenings, traffic signals, etc. Currently, the City has impact fees to cover costs to the City's water system, sanitary sewer system, storm drainage system, parks, library, police and fire services. For a typical single family house, these combined fees total approximately $25,000. The fees for commercial and industrial development vary significantly depending on the amount of sewer usage and traffic generated. Generally, the impact fees paid by commercial uses range from $90,000 to more than $200,000 per acre and industrial uses range from $50,000 to $75,000 per acre.

For many years, the City has had a Residential Development Control System (currently Measure C). This system regulates the amount of residential development that can occur annually and establishes a competitive system to determine which residential projects would be allowed to develop. The competitive system awards points to projects based on a number of physical attributes and commitments to install infrastructure and pay fees beyond the level needed to support the project, itself. The commitments are not required by Code, but are typically offered by project developers to enhance their possibility of success in the competition. Examples of these commitments include such things as street widening or sidewalk construction beyond the geographic limits of the project, purchase of hillside open space easements and/or payment of park fees beyond that required by Code. Over the past four years, on average, successful project have made commitments with a total project cost of approximately $14,000 per house. In addition, almost all projects commit to selling a certain percentage of the units at below market prices to income-eligible persons. The cost of this commitment varies annually and is dependent on many factors. This cost is estimated to be approximately $30,000 per house.

E. Development Costs in Other Areas

In 2006, the Home Builders Association of Northern California published a study of comparative development costs for a number of South Bay cities, including Fremont,

Gilroy, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara and Sunnyvale. The study compared the costs of entitlement fees, construction fees, impact/capacity fees and development taxes for five different types of development projects. Two of those types of projects, a 50-unit single family residential project and a 100,000 square foot research and development industrial building, could potentially involve conversion of agricultural land.

The study indicates it should be used as a "starting point for determining the cost obligations that can be expected in different jurisdictions [and] it is not intended to be a definitive comparison." An example of the limitations of the study is that it did not address the $14,000 average financial commitment made by Measure C projects in Morgan Hill. Also, the study did not include the agricultural mitigation fee charged by the City of Gilroy. All of the cities included in the survey have below market rate housing programs. The percentage commitment varies from 10 to 20 percent. The cost associated with provision of these units is not included in the study. It is unknown if any of the cities included in the survey have adjusted any of the fees and/or costs since the study was published.

Adjusting for the omission of the average Measure C commitments and recognizing other shortcomings of the study, it may be possible, in a very general sense, to compare the cost of development in Morgan Hill with the other nearby cities. The purpose of this comparison is to evaluate the potential impact that an agricultural mitigation fee might have on the financial competitiveness of projects in Morgan Hill with other cities in the area.

As reported in the study, the development cost associated with a 50-home single family subdivision ranges from a high of $51,695 per unit in Gilroy to a low of $15,391 in Santa Clara. The cost in Morgan Hill is listed as $30,504, the fourth highest of the 8 cities in the survey. Adding the $14,000 average Measure C cost to would increase the Morgan Hill cost to $44,504. This would rank Morgan Hill as the second most expensive city.

The development cost associated with a 100,000 square foot research and development industrial building on a 4.5 acre site range from a high of $2,128,950 in Palo Alto to a low of $200,373 in Mountain View. The cost in Morgan Hill is listed as $840,399 ($186,755 / acre), the third highest of the 8 cities in the survey. (The difference between this amount and that identified in the prior Section of the report is that research and development uses generate significantly more traffic than other types of industrial uses and therefore a much higher traffic mitigation impact fee.) The Morgan Hill cost is approximately $21,000 less than Santa Clara, the second highest cost city and approximately $147,000 more than Gilroy, the fourth highest cost city.

The provision of mitigation for the significant loss of agricultural land could add between $3,000 and $10,000 to the cost of each house constructed on such lands and between $10,000 and $30,000 per acre to the cost of industrial development in Morgan Hill. Given the current level of city fees and other costs, the addition of agricultural mitigation would result in Morgan Hill costs being amongst the highest of the cities surveyed.

F. Feasibility of Full Mitigation

The California Environmental Quality Act requires that any environmental impacts of a project that are found to be significant be mitigated to a less than significant level unless it is found that such mitigation is not "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors" (Guidelines Section 15364). Under these circumstances, a Statement of Overriding Considerations may be adopted through the environmental impact report process. The Statement of Overriding Considerations must substantiate the benefits of a project outweigh the unavoidable adverse environmental effects that would result from its development.

Some agencies, including the City of San Jose, have found the significant loss of agricultural land to be economically infeasible to mitigate. That City's position is that preservation of existing agricultural land does not mitigate for the loss of other agricultural land because the proposed mitigation land is currently in agricultural use or could easily be used for that purpose. The City's position is that the only valid mitigation would involve converting non-agricultural land, such as land developed for urban use, to agricultural land. The cost of that conversion has been found by San Jose to be economically infeasible. As a result, for the Coyote Valley Specific Plan, San Jose has proposed adoption of a Statement of Overriding Considerations. Most agencies have not taken the position that mitigation for the loss of agricultural land can only be mitigated by the "creation" of other agricultural lands and require preservation of existing agricultural lands as described in this report.

The anticipated $10,000 to $30,000 or more per acre cost of mitigating for the significant loss of agricultural lands may be economically infeasible, given other current development costs described earlier in this report. Should the City find this to be the case, an environmental impact report would need to be prepared and a Statement of Overriding Considerations would need to be adopted. Under such circumstances, the City would need to require mitigation at a level that is found to be economically feasible.

6. Agricultural Mitigation Program Recommendations

Given the factors and considerations described in previous sections of this report, following are a set of possible recommendations for the structure of an agricultural mitigation program for Morgan Hill. These recommendations are offered as a means of encouraging dialogue and consideration of the issues associated with adoption of an agricultural mitigation program.

A. CEQA Evaluation Process

The application of various methods available for evaluating the significance of the loss of agricultural land described above would have significantly different results. The most stringent of the methods identified would require mitigation for the loss of virtually all agricultural land in Morgan Hill's sphere of influence, irrespective of its size, location or other factors that may affect its viability or significance for agricultural use. The Land Evaluation and Site Assessment model, adopted by the State, would generally find that the loss of properties/areas that are less than 20 acres in size are not significant. Use of the CEQA Guidelines Environmental Checklist Form provides the greatest flexibility to the City in evaluating the significance of the loss of agricultural land. It allows for the consideration of an unlimited number of factors in this regard. However, this approach tends to be subjective, allowing for the potential of inconsistent findings over time.

Staff supports the use of the LESA model as it provides an objective, quantifiable assessment of the impact of the loss of agricultural land. However, amendment of the model as described in Section 3C of this report or in some other manner is recommended to better respond to local conditions.

CEQA Guidelines and environmental litigation suggest it is prudent to use a conservative approach when determining which lands to evaluate for agricultural significance. Evaluation of all lands identified on the Important Farmlands Map as Prime Farmland, Unique Farmlands and Farmland of Statewide Significance would be consistent with Guidelines recommendations and include almost all land on the valley floor.

B. Mitigation Program

Of the three possible forms of mitigation, payment of an in lieu fee to the City or an agency with the responsibility to manage an agricultural mitigation program is generally considered the preferred alternative. This form is the easiest for the sponsors of projects that require mitigation as they do not have the burden of locating mitigation property and negotiating its purchase or easement recordation. Payment of a fee allows for a more comprehensive and coordinated approach to agricultural land preservation. However, there may be instances in which projects may be able to self-mitigate or provide mitigation on same property that is being proposed for development. This form of mitigation should also be encouraged.

Purchase of conservation easements is generally preferred over purchase of property in fee simple ownership, in that easements are typically less expensive than fee simple purchases and the costs of management are typically lower. However, while more expensive, the number of property owners willing to sell fee simple title to property is much greater than that of owners willing to sell conservation easements.

C. Mitigation Areas - General

The acreage of land that would be required for mitigation under the proposed program is dependent on the form of evaluation selected and could range from as few as several hundred acres to more than 1,000 acres. Within the City's sphere of influence there are approximately 1,500 acres of valley floor land that could be used for mitigation. Gilroy's Preserved Preservation Areas contain between 12,000 and 15,000 acres. Purchase of mitigation land or easements requires willing sellers. Given the possible extent of the land necessary for mitigation, acquisition of all the required land within the City's sphere of influence is not likely. As a result, it is recommended that the City plan for mitigation to be provided outside the sphere of influence, as well. The closest area to Morgan Hill where mitigation may be feasible and where there is adequate land available for that purpose is located east and south of Gilroy.

It needs to be recognized that preservation of agricultural land within the Morgan Hill sphere of influence may be more difficult than preservation in the Gilroy area for a number of reasons. Land costs in the Morgan Hill area are generally higher than those in the Gilroy area. Thus a given amount of money would preserve less land in Morgan Hill than Gilroy. Much of the agricultural land in the Morgan Hill area is relatively close to the city limits. This proximity has increased the expectation that annexation and development would be possible in the foreseeable future. This expectation limits the number of property owners willing to sell conservation easements that preclude property development. Much of the agricultural land in the Morgan Hill vicinity has been subdivided into parcels of approximately 10 acres in size. Individually, these small parcels are more difficult and less efficient to farm. Identifying willing sellers of several adjacent parcels in order to improve farming efficiencies may be difficult. Farming of small parcels is becoming more popular and viable for specialty crops. However, farming on small parcels typically requires housing on or near the site. Most of the 10-acre agricultural parcels in the Morgan Hill area are vacant. Pursuant to County zoning, one house would be allowed on each of these parcels. The trend in this area has been to develop large homes on these parcels which may be inconsistent with farmer housing needs.

All of the areas identified in Section 4B of the report have the potential to provide mitigation for the significant loss of agricultural land. The Peebles Ave. area is not however recommended for that purpose. The soils in the area are somewhat poorer than the other identified areas and the land is not rated as highly by the Important Farmlands map as the other areas for agricultural production. On-site mitigation by any of the agricultural operations in that area may be appropriate at such time as the area is added to the Urban Growth Boundary and planned for development.

D. Mitigation Areas – Specific Alternatives, Including SEQ Urban Limit Line Alternatives

In 2006, the City adopted the Urban Limit Line/Greenbelt Study and incorporated its recommendations into the General Plan. That Study identifies significant portions of the hillsides on east and west sides of valley as helping to establish a "greenbelt" around the Morgan Hill urban area. Valley floor properties that are identified as potential greenbelt areas include the Coyote Valley Greenbelt (within San Jose's sphere of influence), Coyote Creek Park and the James Boys Ranch at the north end of the City, and Silveira Park at the southern end. The Study did not identify any areas within the Southeast Quadrant (SEQ) as possible greenbelt areas pending completion of additional studies regarding the need for urbanization of that area. Those studies have been completed and the City has determined that industrial park urbanization of the area is not warranted in the foreseeable future. Feasibility studies are underway to determine the level of interest in sports/recreation/leisure and public facility uses for the area. Such uses would require only a portion of that area and the possibility exists to evaluate the potential to provide agricultural mitigation and create a greenbelt in the SEQ area that would separate Morgan Hill from San Martin.

Following are several alternatives that identify target areas and approaches for mitigation for the significant loss of agricultural land. Each of the alternatives focuses on a different objective, priority or approach to mitigation. Advantages and disadvantages of each alternative are identified. Any of the alternatives could be implemented independently or in conjunction with another alternative. Table 3 at the end of this Section provides a summary comparison of the major features of each alternative. Other alternatives are also possible.

Alternative 1 – Emphasize Greenbelt Creation Using Easements

Alternative 1, shown in Figure 5 on page 31, focuses agricultural preservation in the southern portion of the Southeast Quadrant where it can also serve as an open space buffer between Morgan Hill and San Martin. This alternative would designate approximately 400 acres of land for agricultural use in the City's general plan and exclude the area from the City's Urban Limit Line. The purchase of conservation easements within the City's sphere of influence would be limited to this area.

The advantages of Alternative 1 are that, if there are willing sellers of easements, it would help to create a greenbelt between Morgan Hill and San Martin and it would encourage preservation of agriculture in the Morgan Hill area.

The disadvantages of Alternative 1 are that less land could be preserved than if land were obtained in other parts of South County due to higher land prices in the Morgan Hill area. Also, this alternative may be difficult to implement due limited property owner interest in

sale of easements in this area. If willing sellers are limited in this area, more easements would be acquired outside of the Morgan Hill area.

Alternative 2 – Maximize Greenbelt Creation Using Fee Title Acquisition

Alternative 2, shown on Figure 6 on page 32, is similar to Alternative 1 in that it would focus preservation in the SEQ area, would designate land for agricultural use in the City's general plan and exclude the area from the Urban Limit Line. This alternative recognizes the potential difficulty in acquiring conservation easements within the City's sphere of influence and, instead, would promote acquisition of fee simple title to the properties and their subsequent lease for agricultural use. Approximately 275 acres are targeted in this alternative.

The advantages of Alternative 2 are that it would help to create a greenbelt between Morgan Hill and San Martin and it would encourage preservation of agriculture in the Morgan Hill area. Purchase of fee title to property would increase the likelihood of its success and could potentially eliminate the need to use mitigation revenues outside the Morgan Hill sphere of influence.

The disadvantages of Alternative 2 are that less land could be preserved than in other alternatives due to the higher cost of fee title acquisitions. Also, management of fee title properties would be more involved and costly than easements.

Alternative 3 – Promote Preservation of Prominent Agricultural Uses

Alternative 3, shown on Figure 7 on page 33, promotes preservation of four existing agricultural areas within the City's sphere of influence. The four areas, to a great extent, make up what is left of the historical agricultural landscape of Morgan Hill. The approximately 750 acres of land in this alternative would be eligible for purchase of conservation easements. None of the areas would be designated by the City's General Plan for agricultural use and the Urban Limit Line would be coterminous with the sphere of influence line in the Southeast Quadrant area.

The advantages of Alternative 3 are that it would promote retention of a variety of prominent agricultural areas in the Morgan Hill area. Many residents feel the interspersing of agricultural and suburban uses contributes to the City's appeal. Identification of a greater number of acres in multiple locations for easement acquisition could increase the potential for preservation in the Morgan Hill area.

The disadvantages of Alternative 3 are that less land could be preserved than in other parts of South County due to higher land prices in the Morgan Hill area and the alternative may be difficult to implement due limited interest in sale of easements in this area. This alternative would likely contribute less to the establishment of a greenbelt at the southern end of the City. Also, the identification of multiple areas for easement acquisition could lessen the visual impact that would result from preservation in a single area. This alternative could potentially preserve lands that are currently designated for

urban uses by the General Plan. This could necessitate the designation of other undesignated lands for urban uses.

Alternative 4 – Purchase of Easements Outside of Morgan Hill Sphere

Alternative 4, shown in Figure 4, does not identify any areas within the Morgan Hill sphere of influence for agricultural preservation. All mitigation would be provided in the agricultural areas east and south of Gilroy and designated by that city as Preferred Preservation Areas.

The advantages of Alternative 4 are that it would maximize the number of acres of agricultural land that could be preserved. It also would preserve land in an area where agriculture is more economically viable.

The disadvantages of Alternative 4 are that no agricultural land would be preserved in the Morgan Hill area and it would not aid the creation of a greenbelt at the southern end of the City.

The following table summarizes the various aspects of these four alternatives.

Table 3
Summary of Mitigation Alternatives

	Alternative 1	**Alternative 2**	**Alternative 3**	**Alternative 4**
Acreage Eligible for Preservation	400	275	750	12 – 15,000
Mitigation Emphasized in Morgan Hill Area	Yes	Yes	Yes	No
Easement or Fee Title	Easement	Fee Title	Easement	Easement
Designate Land for Agriculture in General Plan	Yes	Yes	No	No
Excluded from Urban Limit Line	Yes	Yes	No	No
Potential for Greenbelt Creation	High	Medium	Low	None
Likelihood of Implementation	Low	High	Medium	High

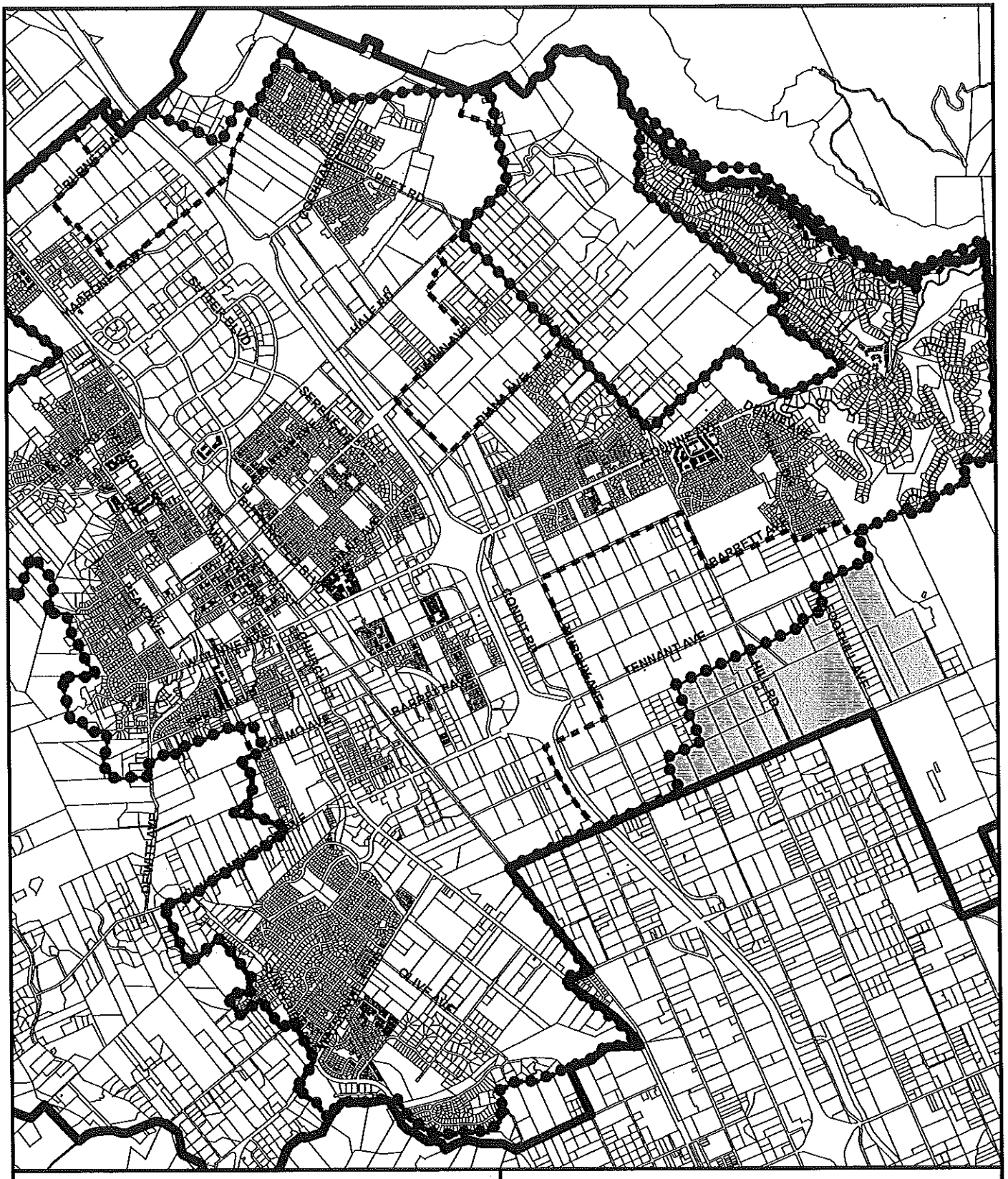

Figure 5:
Alternative 1 Mitigation Area

This map was produced by the City of Morgan Hill Community Development Department. The data was collected from a variety of reliable sources. However, the City of Morgan Hill makes no representation as to its accuracy and disclaims any liability to persons who may rely upon it.

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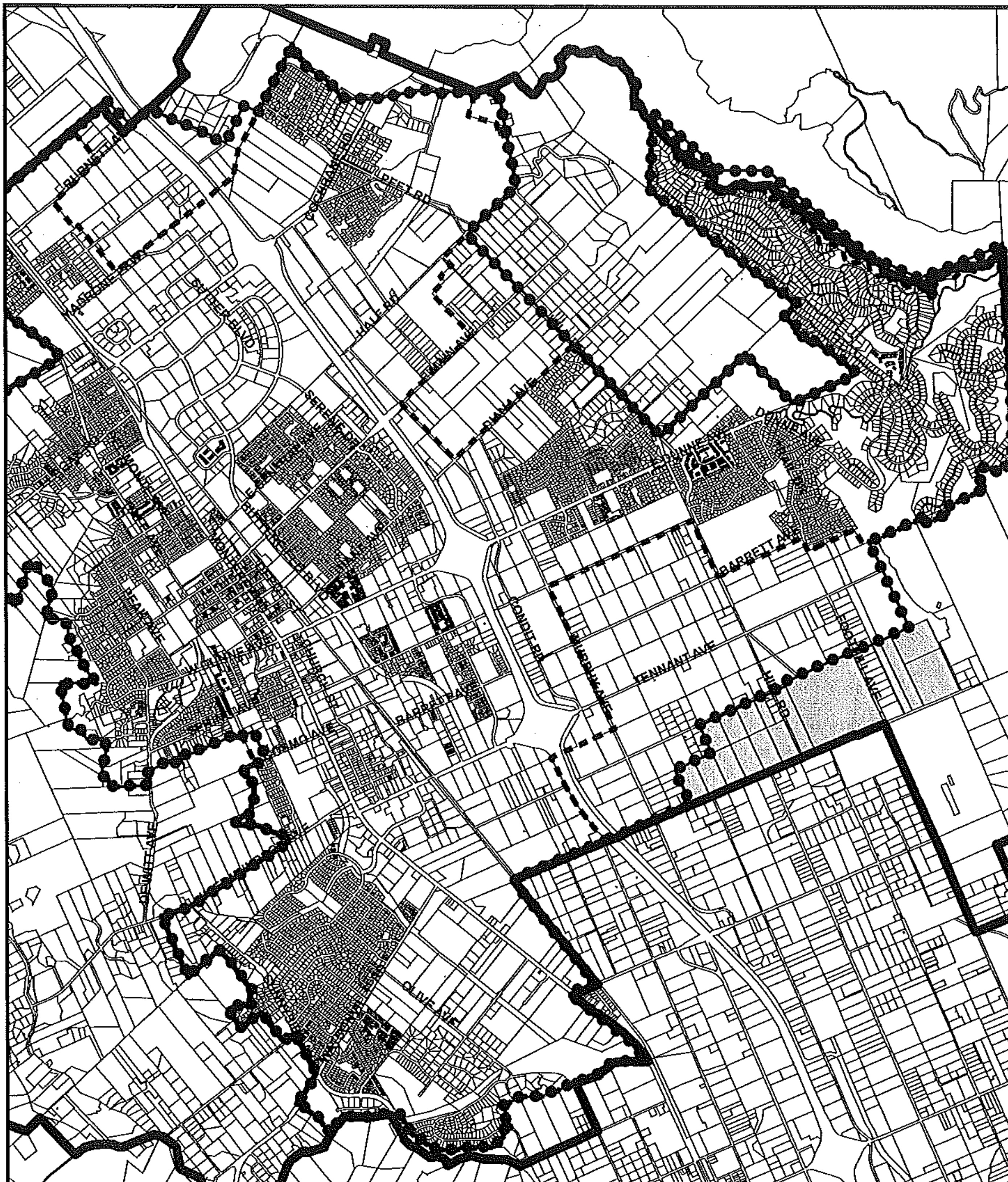

Figure 6:
Alternative 2 Mitigation Area

This map was produced by the City of Morgan Hill Community Development Department. The data was collected from a variety of reliable sources. However, the City of Morgan Hill makes no representation as to its accuracy and disclaims any liability to persons who may rely upon it.

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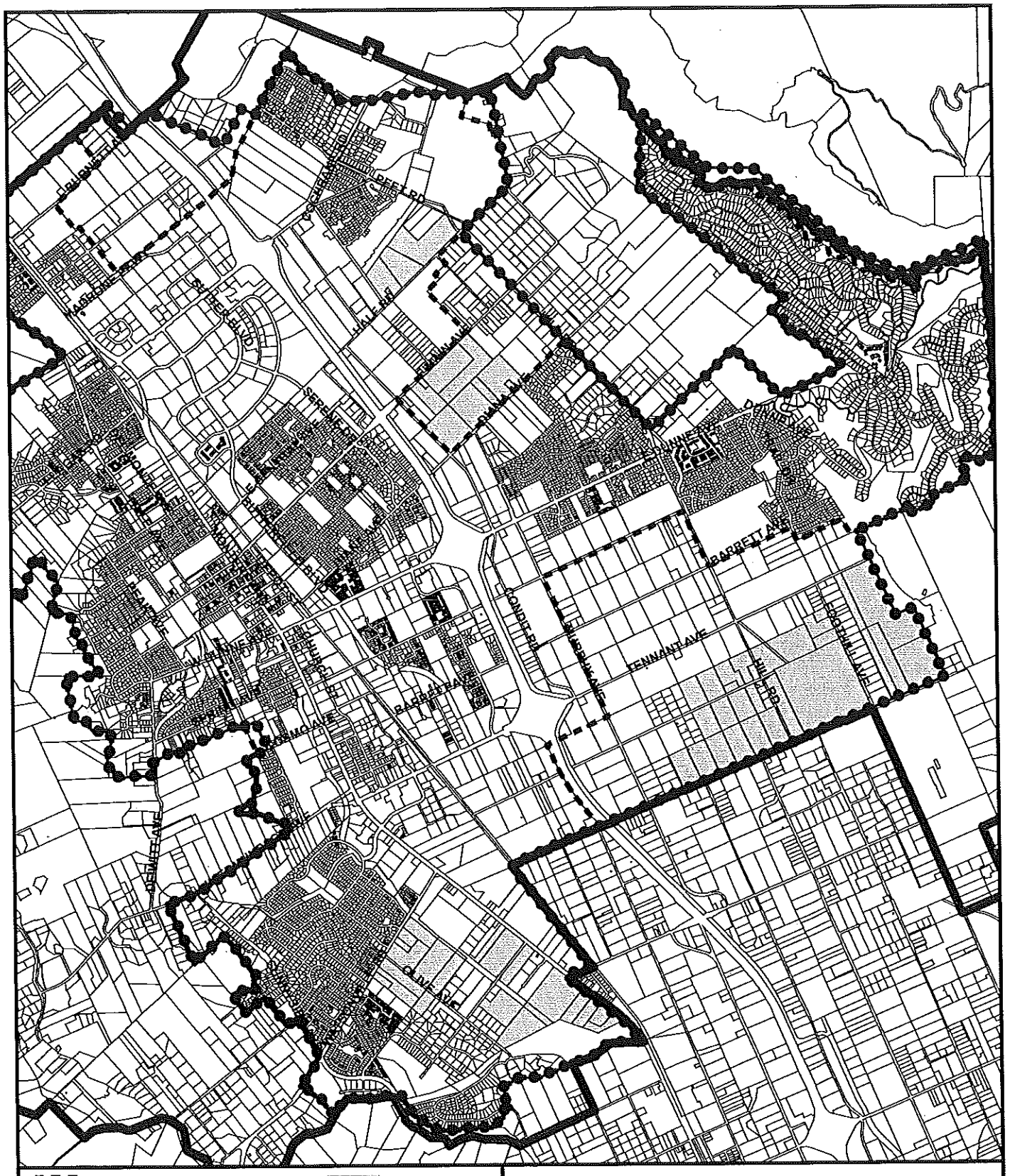

Figure 7:
Alternative 3 Mitigation Area

This map was produced by the City of Morgan Hill Community Development Department. The data was collected from a variety of reliable sources. However, the City of Morgan Hill makes no representation as to its accuracy and disclaims any liability to persons who may rely upon it.

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Economic &
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Real Estate Economics
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Public Finance
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MORGAN HILL URBAN LIMIT LINE STUDY
TECHNICAL MEMORANDUM #4

To: Morgan Hill ULL Advisory Committee Southeast Sub-committee

From: Walter Kieser, Managing Principal

Subject: Greenbelt Preservation Techniques, Morgan Hill Greenbelt Project; EPS #14023

Date: June 17, 2004

INTRODUCTION

This Technical Memorandum provides a brief overview of the techniques available to the City for preserving designated "greenbelt" areas, focusing upon the techniques that may be appropriate in the Southeast portion of the Sphere of Influence, as a basis for subsequent economic and financial feasibility analysis. As a part of establishing its Urban Limit Line, the City has committed to creating a greenbelt on its periphery. Land use potential and preservation of the open character of the Greenbelt, which lies predominantly within unincorporated Santa Clara County, has recently been a subject of discussion between the City, area residents and landowners, Santa Clara County representatives and various public interest groups, who have all participated in the City's Urban Limit Line Study.

It is assumed that the techniques selected to implement Morgan Hill's Greenbelt must be adopted and implemented in a manner that preserves the greenbelt areas consistent with the City's desired look and function of these lands. This policy is largely consistent with County land use policy, which indicates that the Greenbelt will remain in its current open space, agricultural uses, and rural residential uses without any substantial increase in allowable rural residential densities. A brief evaluation of the available techniques that can be applied is also provided. Given this evaluation, the most appropriate techniques to various portions of the Greenbelt are identified. This information is provided for discussion purposes. It is expected that following review by the respective participants in the planning process, a series of detailed questions will arise that will help direct subsequent staff and consultant efforts. Focused economic and financial feasibility analysis addressing these questions will be included in subsequent technical efforts.

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GREENBELT SETTING

The Morgan Hill Greenbelt lies just beyond Morgan Hill's proposed Urban Limit Line, as shown in **Figure 1**. This area, which is predominantly unincorporated, encompasses a range of land uses including hillside grazing or unused grassland areas, commercial agriculture, and rural residential uses. **Technical Memoranda 1, 2,** and **3** provide a detailed physical analysis of the Greenbelt Area, development demands and characteristics, and existing comprehensive plan policies (City and County General Plans) and other policy documents. The precise delineation of the Urban Limit Line in the Southeast Area remains to be resolved; the preservation techniques presented and evaluated in this Memorandum address that portion of the Area that will be in the Greenbelt. **Figure 2** is a map of the entire Southeast Area, showing key features such as the parcel pattern and existing zoning.

GREENBELT ISSUES

Developing a preservation strategy for the City's Greenbelt must respond to existing conditions and issues in the greenbelt area. The following issues characterize these existing conditions that will influence the selection and implementation of a preservation strategy. Regarding the selection of a preservation strategy it is important to recognize the diverse character of different portions of the proposed Greenbelt Area; it is not likely that a single technique will suffice. Rather, the preservation strategy will likely be a composite of a number of the techniques that are available.

1. Existing fragmented ownership pattern. Substantial portions of the designated greenbelt areas are subdivided into rural residential parcels and, especially in the Southeast area, parcels ten acres in size or smaller. This parcelization pattern has been established over the decades preceding current Santa Clara County minimum parcel size regulations. Rural residential areas are not, strictly speaking, a land use generally associated with greenbelts.

2. Inconsistency and instability of existing land use policy. The existing land use policy in the Greenbelt Area, comprising of land use and zoning restrictions and exclusion from urban services as established and maintained by Santa Clara County, will not assure that greenbelt objectives are met. On the contrary, current trends suggest that the continued decline of commercial agriculture and the alternative of residential use of existing large parcels will be contrary to Greenbelt objectives.

3. Agricultural viability. While the greenbelt area contains remnants of a once-vital commercial agriculture, this industry has diminished in the area and on many sites is no longer viable in the traditional sense, although nursery crop uses continue to operate successfully. Small remaining acreages, very high land values, limitations on water supply, lack of nearby support services (transportation, packing, etc.) and high cost of labor have all contributed to this situation. In order for agriculture to continue these problems will need to be resolved in one manner or another. Simply

restricting land uses or sizes of these parcels will not have the desired effect; a more active public- private program (e.g., the Brentwood Agricultural Enterprise Zone) will be needed to secure agriculture in the area.

4. High value of rural estate properties. The active market for rural estates in the rural areas of the County, including the greenbelt area, along with land use policies that permit such use have created land values that are far above the resource use (agricultural) value of the land. These high values not only make investment in agriculture infeasible but increase the cost and thus reduce the effectiveness of the preservation techniques involving land or easement acquisition.

5. Emerging regional initiatives. Greenbelts and regional open space have a regional scope and benefit and are often best pursued in a regional and multi-jurisdictional manner. Santa Clara County, in cooperation with the South County cities, has engaged in several sub-regional efforts over the years. The emergence of the Coyote Valley Specific Plan is separated from Morgan Hill by an area recognized as greenbelt by both Morgan Hill and San Jose. Given the mutual interests of the cities and the County a sub-regional solution to greenbelt implementation and open space preservation, perhaps involving the Open Space District, has been discussed and certainly should be pursued.

6. Coordination of inter-jurisdictional policy. The Greenbelt area lies largely in unincorporated territory that is under the land use jurisdiction of Santa Clara County while the Urban Limit Line and the related greenbelt are City policies. Thus, any implementation effort for Morgan Hill's Greenbelt Area must involve the County and the City in a cooperative effort. Past City/County land use cooperation within the City's Sphere of Influence can serve as a basis for this cooperation.

7. Annexation and urban services extension. It is assumed that the lands in the Greenbelt Area will remain unincorporated because State law provides that municipal annexations are expressly for the purpose of rational urban expansion. The implementation of the Greenbelt will need to reflect this statutory restriction as well as the policies and procedures of the Santa Clara Local Agency Formation Commission. Recently adopted legislation makes it more difficult for LAFCO to approve expansion into rural areas. Areas within the Greenbelt Area that are no longer needed for urban expansion may need to be deleted from the City's Sphere of Influence.

8. Open Space Values and Potential. As noted above and documented in **Technical Memorandum #1**, portions of the Greenbelt Area vary in their open space values and potential. Values include the inherent rationale for keeping the land in open use such as habitat preservation, scenic backdrop, commercial agriculture, or the existence of natural hazards. Potential for open space includes feasibility issues such as the existing level of protection, existing development patterns, and cost factors. While the Southeast area is indicated as having prime soils (a rationale for preservation) and has historically supported commercial agriculture, current land use patterns and parcelization present a number of challenges.

PRESERVATION TECHNIQUE OPTIONS

There are three general approaches to preserving greenbelt lands: 1) use of traditional (or innovative) land use regulations (exercise of the local government police power); 2) public acquisition of land (in fee interest or conservation easements); and 3) development incentive-based techniques such as transfer of development credits, impact fees, etc. The following section briefly describes these techniques.

LAND USE REGULATIONS

Land use regulations will in all cases have a key role to play in open space preservation. At a minimum, the General Plan will designate the greenbelt area and establish policy regarding appropriate land uses. Zoning, required by law to be consistent with General Plan policy, will typically establish large lot size minimums and other use restrictions in the greenbelt area. A number of innovative land use regulations techniques have been applied to enhance standard large lot size minimum policies and to create incentives for landowners to improve the area and develop in a manner consistent with greenbelt objectives.

Land Use Restrictions (General Plan and Zoning)

Local jurisdictions have the constitutional authority to regulate land use to protect the public health, safety, and welfare. These powers include establishing comprehensive land use plans (the general plan) and zoning, subdivision, and building regulations.

Land use regulations are often applied for the purpose of maintaining resource production (e.g., agriculture), open space, and natural resource values. Typically the comprehensive plan establishes policies for protection and continuation of these resources and values and limits land uses and densities to those consistent and compatible with these policies. Zoning restrictions typically implement these policies by establishing lot size minimums consistent with continued resource productivity and specifically limiting uses to those found to be compatible.

Currently, Santa Clara County designates the Greenbelt Area in open, agricultural, and rural residential uses. The Exclusive Agriculture (A) designation specifies A-20 zoning (20-acre minimum lot size). Residential and Agricultural (A1) lot size restrictions vary from 5 to 2.5 acres. Portions of the Greenbelt Area are also subject to combining districts of –p (scenic preservation) for properties within 1,000 feet of Highway 101 and –s (slope density) where the land area per dwelling unit must comply with an established formula that relates development density with the parcel slope and minimum parcel size.

While the County's land use policies have remained in place for the recent two decades, the key limitation of land use regulations is their fundamental instability; they can be changed by an action of the County Board of Supervisors or the City Council, respectively (general plan amendment or rezoning). In areas like the Morgan Hill Greenbelt areas where land values are high (in this area driven by the continuing strong

market for rural estate homes) and commercial agriculture is weak or declining, the pressure for such conversion will continue to be high and the ability to achieve greenbelt objectives increasingly compromised.

Cluster Development Provisions

Cluster development provisions are features of a general plan and zoning ordinance that maintain overall (low) residential density targets and related average parcel sizes but allow "clustering" of residential development on smaller lots, while leaving larger parcels free from development and restricted to open space and agricultural uses. Occasionally density bonuses are offered in these policies to provide a financial incentive to pursue the clustering.

The key limitation to clustering policy is its voluntary nature; no landowner can be compelled to take advantage of such a policy. There is also the issue of the land's capacity to tolerate the clustering given the need for on-site water supply (wells) and on-site sewage disposal (septic tanks). A further limitation is that Santa Clara County has no provision for clustering new uses on previously existing parcels that do not meet current development regulations.

Rural Residential Landscape Enhancement

A stable large lot rural residential development pattern can be consistent with greenbelt objectives if properly planned and developed. In these cases a set of special development standards and design guidelines established in the zoning ordinance, in combination with abatement of nuisance and incompatible uses and investment in appropriate public improvements including rural roadway enhancements and landscaping, would need to be applied by Santa Clara County.

The key limitation of landscape enhancement, while it may improve existing conditions and make the area more consistent with Greenbelt objectives, is that it may not achieve all of the Greenbelt objectives. Also, such an approach typically requires an active planning effort and public investment without a corresponding and proportional increase in development value.

PUBLIC ACQUISITION

A common technique for preserving greenbelt and other open space areas is to purchase the land in fee or as conservation easements from landowners. Boulder, Colorado has created an often-cited greenbelt through public acquisition of hillside and previously agricultural areas on its periphery.

Fee Acquisition (including purchase, exchanges and donations)

Fee acquisition is, simply stated, buying the land in the greenbelt at appraised market prices. This is a standard approach for public agencies when buying parkland and land for other public improvements and facilities.

Public acquisition assumes that public money from some source is available. At the present era of extremely difficult fiscal constraints on State government and local government few sources of funding are available. The funding that is available (e.g. Proposition 40) is heavily subscribed by very competitive projects. Local public support for additional general taxes or bonds, given other priorities, may also be limited. Past attempts to create Countywide an open space funding source have failed.

Conservation Easement

Conservation easements are interests in real property that restricts the underlying land to clearly delineated conservation objectives such as maintaining agriculture or natural habitat. The fee interest in the land remains in private hands. Easements are a very common method of achieving conservation objectives and are purchased by local and state government entities as well as conservation organizations. Obviously, for conservation easements to work there needs to be something valuable to conserve such high-value open space, commercial agriculture, or natural habitats.

The cost of easements often approach that of the fee interest and, similar to fee acquisition, require a source of public funding.

Mitigation Banking

As mitigation requirements have increased as state and federal agencies implement their endangered species and wetland statutes in developing areas, the need for suitable mitigation sites has emerged. Lands in a greenbelt, if having the appropriate physical and use characteristics, could be suitable for mitigation of loss of these values in developing areas. Mitigation banks are established by public agencies, nonprofit organizations and private companies.

Mitigation banking assumes that there is a need for mitigation either from state and federal agencies or local policy and that lands in the greenbelt are suitable sites for mitigation.

DEVELOPMENT INCENTIVE-BASED TECHNIQUES

Development incentive-based techniques are those that link new development potential to the preservation of particular open space areas, in effect "internalizing" the cost of preserving open space into the development process. Over the years much has been made of "transfer of development rights" (TDR) and other similar techniques, although the number of successfully operating programs in the United States is presently limited.

Inter-Project Development Potential Transfer

In the classical form of TDR development intensities are increased in a "receiving" area and limited or removed from a (typically remote) "sending" area. The receiving area is required to compensate the sending area for the development value transferred in one form or another. TDR programs are implemented through zoning provisions or other special local ordinances. A variation of TDR known as "land pooling" is accomplished by a private company that partners with land owners. A clustered pattern of

development is pursued, consistent with that allowed by the local land use authority, and the profits from development shared proportionately with all participating landowners.

TDR systems can be complex to establish and administer. They also assume that the scale of development is such that a "market" can be established and that related transactions will actually accumulate and achieve greenbelt objectives.

Project internal development transfer

Another form of development transfer is the "project internal" form where a large project would set aside areas with open space values as consideration for development approvals on a remainder portion of the site. Internal development transfers are a very common way of achieving open space objectives. This technique assumes that there are sites and potential development projects of a scale that make such a technique possible and effective.

Internal transfer of development is simple to administer; it is really just a feature of a normal master plan development application and does not typically involve public agencies in any way beyond the regulatory role, except possibly holding conservation easements on the open space areas.

Open Space/Greenbelt Impact Fee

The entire greenbelt can be assumed to be a sending area and the entire developing portion of a city the receiving area. Under this approach the TDR system becomes a development impact fee similar to other development impact fees for road improvements, parks, and utility connections. Impact fees are an effective and relatively straightforward way of obtaining funding for greenbelt acquisitions. Like other impact fees open space fees can influence development project economics in a variety of ways, especially when considered cumulatively.

A number of issues arise with impact fees, including the balance of funding made available and the timing and scale of the required acquisition program. Also, impact fees burden new development with the cost of achieving a greenbelt while it is the entire community that benefits from the greenbelt.

EVALUATION OF PRESERVATION OPTIONS

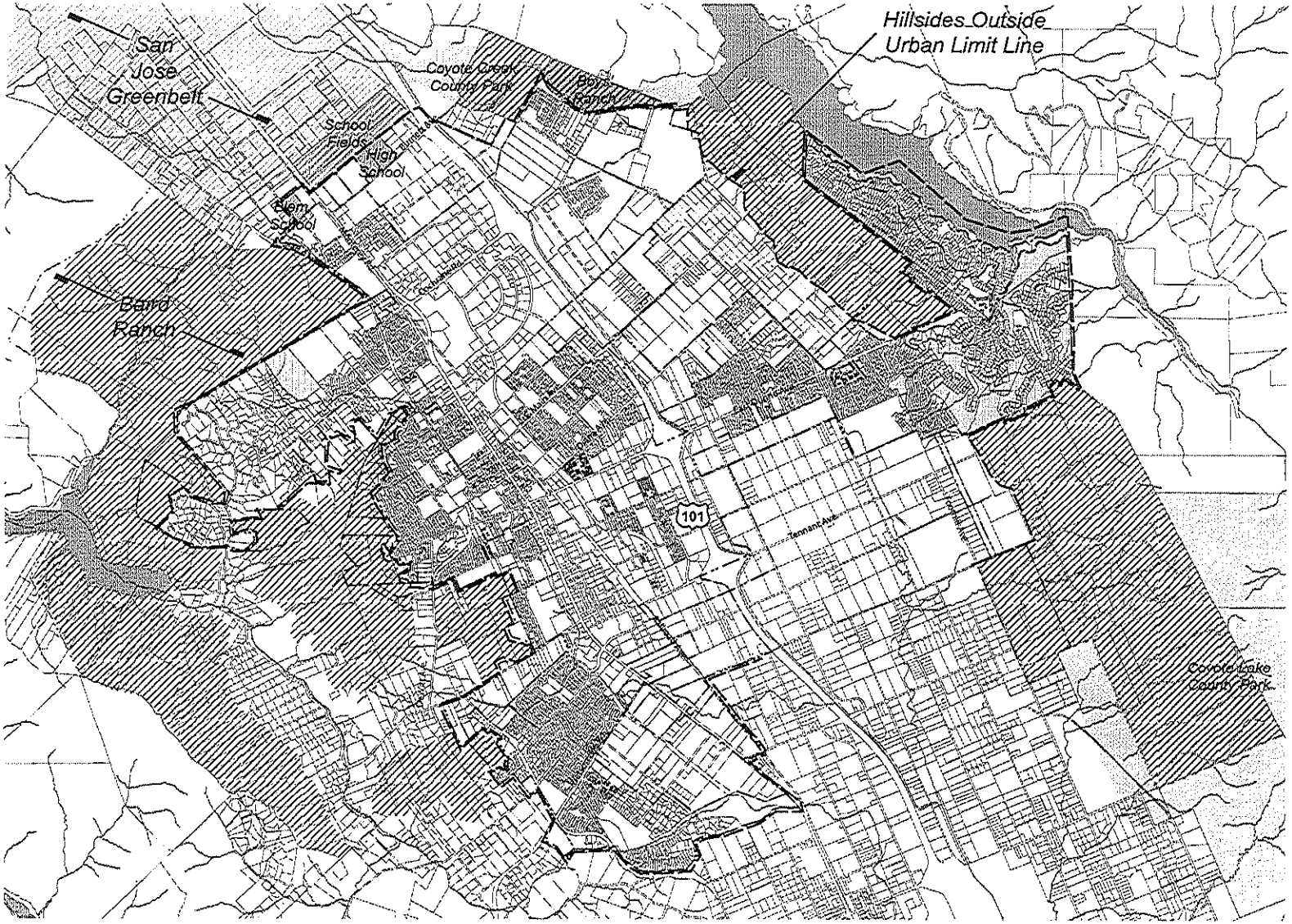
Economic and financial analysis of the preservation options can begin through an initial "screening" for what may be the most appropriate techniques, or at least those with some potential, from those that are clearly inappropriate, given the unique characteristics of the Greenbelt's sub-areas. Those techniques appropriate for each sub-area can then be subjected to feasibility criteria that further illuminate their potential for consideration as part of a preservation strategy.

Table 1 links preservation techniques to the distinct geographic sub-areas that exist in Morgan Hill's Greenbelt Area, indicating whether the particular technique is "appropriate", "acceptable" (under certain conditions), or "ideal". The screening choices derive from the consultant's experience.

Table 2 evaluates the preservation techniques shown to be effective for the characteristics of the Southeast Area which include rural residential and transitional areas and commercial agriculture. A set of feasibility criteria are applied that describe the effectiveness, costs, and impacts associated with each technique in this circumstance. Obviously, there is no single "right" or perfect answer; the evaluation should provide information that allows selection of strategy "scenarios" that can be subjected to economic and financial analysis.

As noted at the outset of this Memorandum, the intention here is to inform and stimulate discussion among Advisory Committee members, help narrow the focus regarding potential preservation techniques in the Southeast Area in particular, and generate specific technical questions that can be resolved through subsequent analysis. As noted above, broad policy questions that may emerge from the discussion (e.g., "Precisely where should the Urban Limit Line be located in the Southeast Area?") will not be resolvable through the subsequent feasibility analysis.

It is assumed that following the Sub-committee meeting scheduled for June 23 the Consultant team will follow-up as directed by the Sub-committee, returning to a subsequent meeting with refinements and answers to specific questions. Ideally a preferred implementation strategy for the Southeast Area will evolve from this process.



Morgan Hill Urban Limit Line Study

Proposed Urban Limit Line

Figure 1

- Proposed Urban Limit Line
- City Limit
- Sphere of Influence
- Urban Growth Boundary
- Incorporated City Area
- Creeks and Rivers
- Schools
- Existing Open Space
- Proposed Greenbelt Areas
- Existing San Jose Greenbelt Areas

N

Map prepared by MIG, Inc. - DRAFT - Feb 27, 2004

Morgan Hill Urban Limit Line Study

Figure 2:
Southeast Quadrant Actual and Possible Parcel Lines

- City Limit
- Sphere of Influence
- Parcel Line
- Possible Parcel Line

Santa Clara County Zoning

- A Exclusive Agriculture
- A1 General Use
- AR Agricultural Ranchlands
- HS Hillside
- RR Rural Residential
- 20Ac Combining Zone

Note: The Santa Clara County Assessor's Office maps are used as the standard base map for most cities and the County. Assessor's parcels are used for the purpose of assessing property. An Assessor's parcel may include two or more legal parcels. Assessor's maps included dashed lines that may indicate a legal parcel line. Confirmation of whether a dashed line is a valid parcel line requires a property title search.

N

Not to scale

Map prepared by MIG, Inc. - DRAFT - June 17, 2004

Commercial Viability -

Table 1 – Geographic Applicability of Preservation Techniques

Preservation Technique	Geographic Characteristics			
	Hillside Areas	**Riparian and other High Value Habitat**	**Commercial Agricultural Areas**	**Rural Residential and Transitional Areas**
Land Use Regulations				
Large Lots and Use Restrictions	**Not Appropriate** (inadequate protection)	**Not Appropriate** (inadequate protection)	**Acceptable** (if commercial agriculture is viable)	**Acceptable** (status quo)
Cluster Development Provisions	**Acceptable** (if viewsheds protected)	**Acceptable** (if resources are protected)	**Acceptable** (if commercial agriculture is viable)	**Ideal** (opportunity to add value)
Rural Residential Landscape Enhancement	**Not Appropriate** (inadequate protection)	**Acceptable** (if resources are protected)	**Not Appropriate** (assumes that commercial agricultural ceases)	**Ideal** (opportunity to add value)
Public Acquisition				
Fee Acquisition	**Acceptable** (if source of funding is available)	**Acceptable** (if source of funding is available)	**Not Appropriate** (no compelling public purpose)	**Not Appropriate** (no compelling public purpose)
Conservation Easements	**Acceptable** (if source of funding is available)	**Acceptable** (if source of funding is available)	**Acceptable** (if source of funding is available)	**Not Appropriate** (conservation values compromised)
Mitigation Banking	**Acceptable** (if habitat values present)	**Ideal** (Protection without public investment)	**Not Appropriate** (unless agriculture is compatible with habitat values)	**Not Appropriate** (conservation values compromised)
Development Incentives				
Intra-project Development Transfer	**Acceptable** (if viewsheds are protected)	**Acceptable** (If located in large acreage holding)	**Acceptable** (If located in large acreage holding)	**Not Appropriate** (setback and footprint restrictions should suffice)
Inter-project Development Transfer	**Ideal** (Protection without public investment)	**Ideal** (Protection without public investment)	**Ideal** (Protection without public investment)	**Not Appropriate** (setback and footprint restrictions should suffice)
Open Space/Greenbelt Impact Fee Acquisition	**Acceptable** (if adequate revenue can be generated)	**Acceptable** (if adequate revenue can be generated)	**Acceptable** (if adequate revenue can be generated)	**Not Appropriate** (setback and footprint restrictions should suffice)

Table 2 – Feasibility of Potential Techniques in the Southeast Area

Potential Technique	Feasibility Criteria				
	Consistency with Greenbelt	Public Cost	Burden Incidence	Administrative Complexity	Sustainability
Large Lot and Use Restrictions	**Moderate** (existing conditions prevail)	**None** (no acquisition involved)	Area Landowners (limited development opportunity	**Low** (current County land use regulation continues)	**Low** (future plans and approvals could increase densities and allow incompatible uses)
Cluster Development Provisions	**High**	**None**	Area Landowners and buyers	**Low** (requires substantial changes to Santa Clara County development policies)	**High**
Rural Residential Landscape Enhancement	**Moderate**	**Moderate** Depends on Design Features and Costs	Area Landowners, buyers, and City/County	**Moderate**	**High**
Conservation Easements	**High**	**High** (depending upon acquisition program)	Depends on source of funding	**Low**	**High**
Intra-Project Development Transfer	**High**	**Limited** Landowners, developers and buyers	Area Landowners and buyers	**Moderate** (requires substantial changes to Santa Clara County development policies)	**High**
Inter-Project Development Transfer	**High**	**Limited**	Participating Landowners and buyers	**High** (requires substantial changes to Santa Clara County development policies)	**High**
Open Space Development Impact Fee	**High**	**Limited**	Citywide Landowners and buyers	**Moderate**	**High**

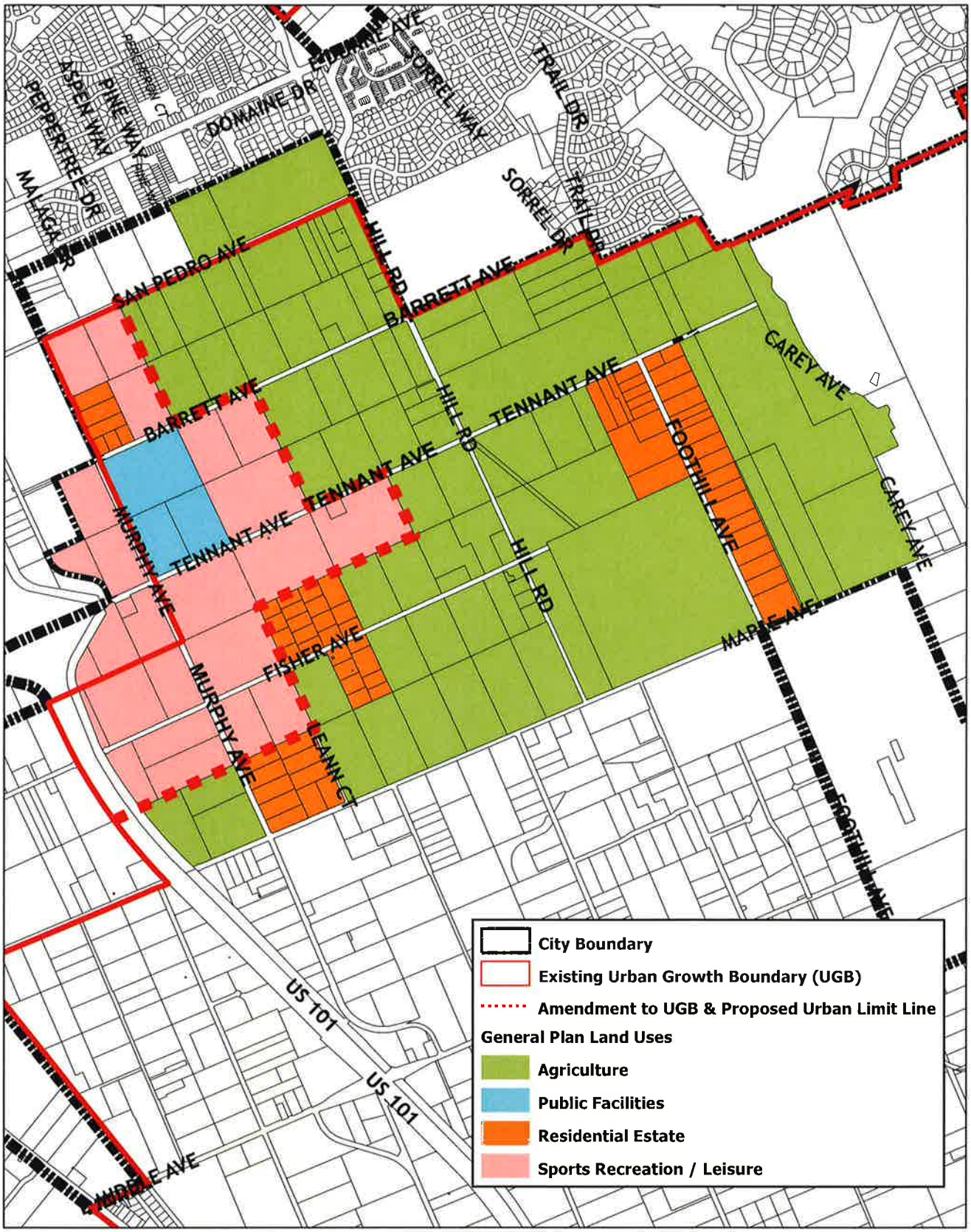
Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Thursday, December 03, 2015 8:48 AM
To: Palacherla, Neelima
Cc: Steve Rymer
Subject: Emailing: SEQ Proposal - October 2014, SEQ Alternatives - June 2014
Attachments: SEQ Proposal - October 2014.pdf; SEQ Alternatives - June 2014.pdf

<<SEQ Proposal - October 2014.pdf>> Ne <<SEQ Alternatives - June 2014.pdf>> elima,

Please add these two attachments to the report forwarded to you yesterday. These two exhibits illustrate how the City of Morgan Hill modified its Agricultural Lands Preservation Program based upon input received from LAFCO and the County. The two alternatives from June 24 propose that larger areas of the Southeast Quadrant be annexed into the City of Morgan Hill in order to preserve agriculture under the City's land use authority rather than allow their development within the County. Per input received from LAFCO and the County, the City is now proposing an alternative approach.

Thank you,
Andrew

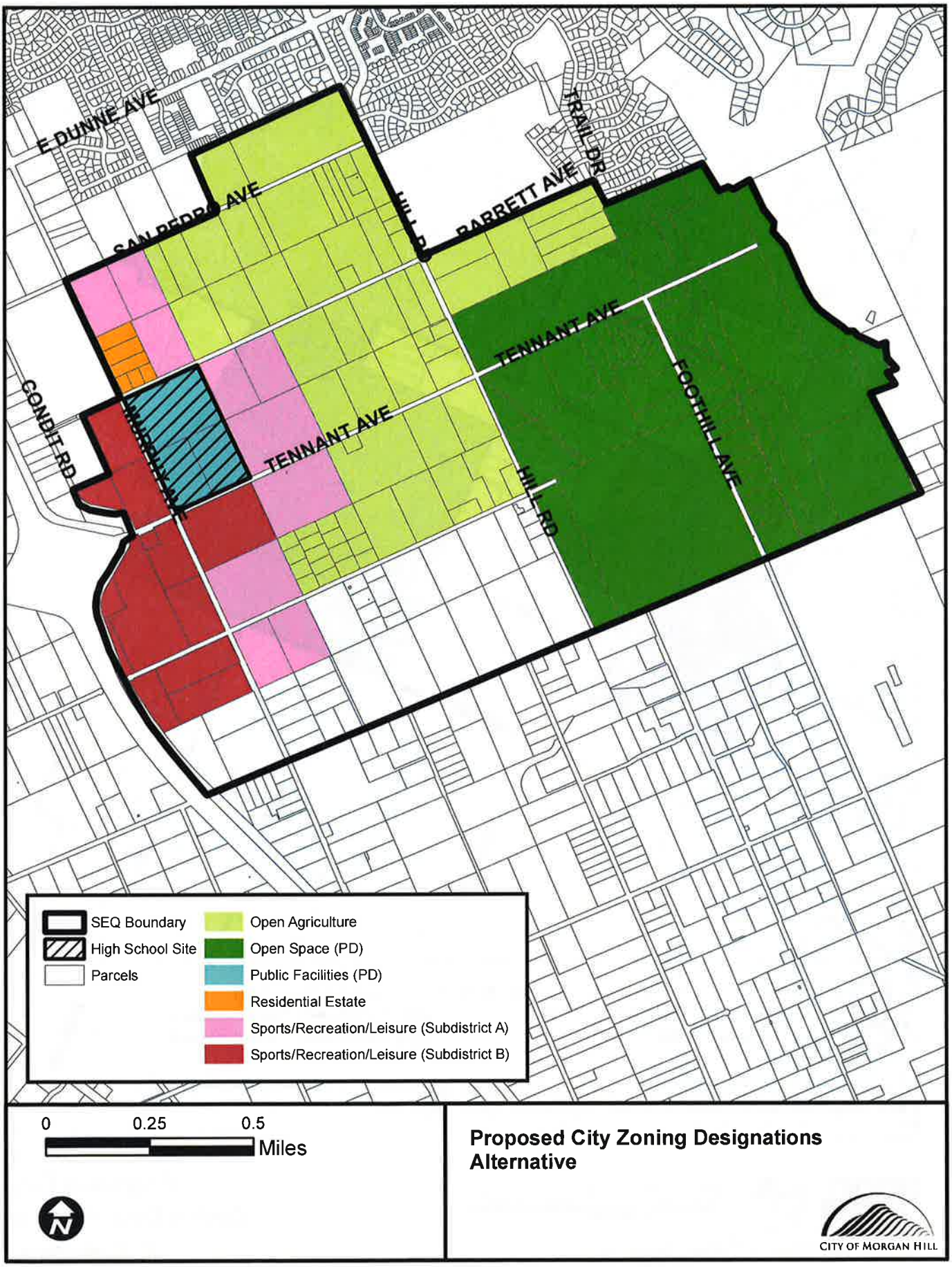


0 0.5 1 Miles

Southeast Quadrant Project
Proposed Amendment to UGB & ULL

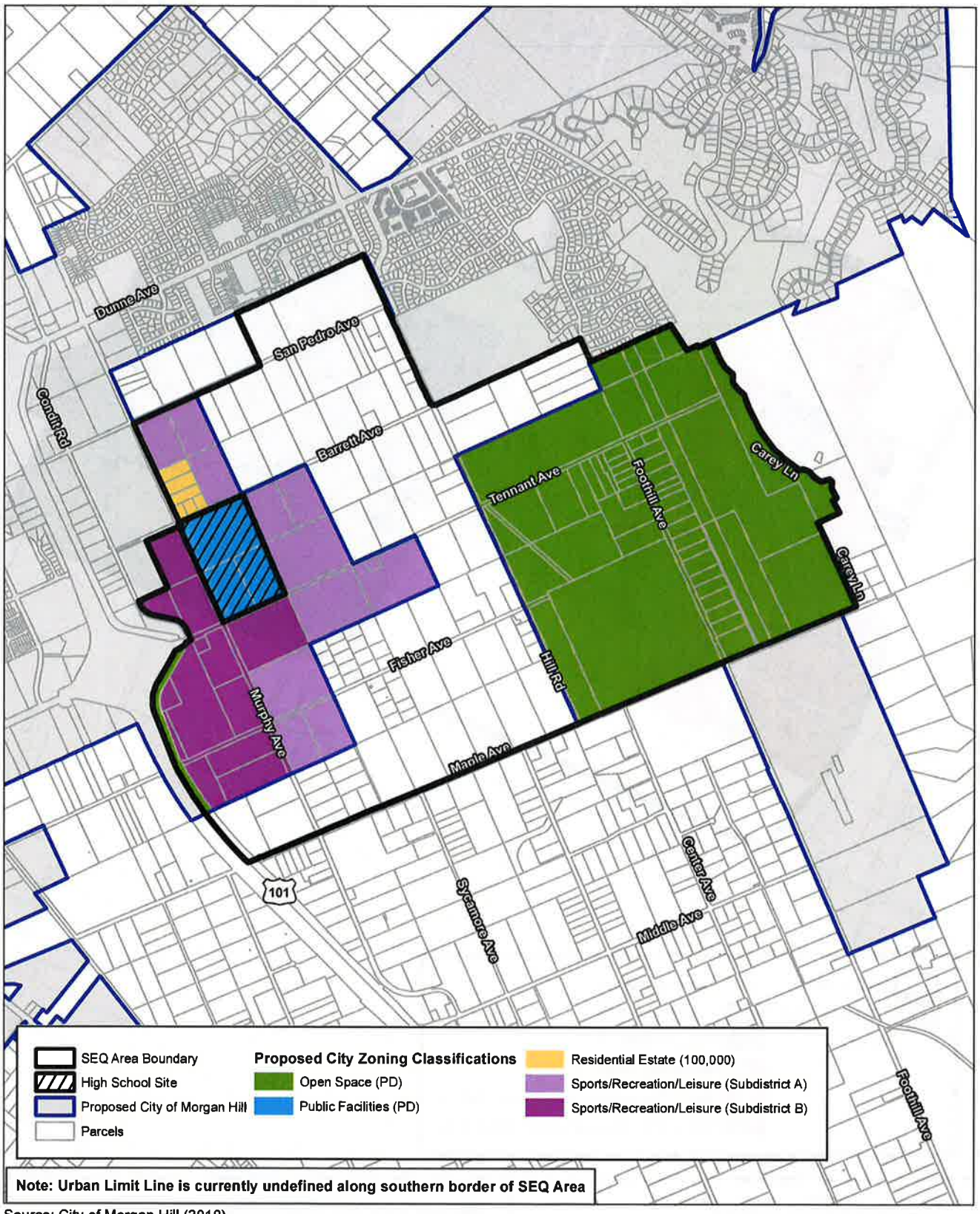
CITY OF MORGAN HILL

Path: R:\PLANNING\GIS\Maps\Projects\SEQ\UGB&ULLMap_Oct2014.mxd



Proposed City Zoning Designations Alternative

CITY OF MORGAN HILL



Source: City of Morgan Hill (2010).

NORTH

2,000 1,000 0 2,000 Feet

Michael Brandman Associates

Exhibit 2-11b
Proposed City Zoning Designations

20860001 • 08/2013 | 2-11b_Proposed_Zoning.mxd

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Wednesday, December 02, 2015 12:22 PM
To: Palacherla, Neelima
Cc: Steve Rymer
Subject: RE: PC and City Council Actions and Resolutions
Attachments: Puliafico property SEQ prelim report number 1 of 3.pdf; Puliafico property SEQ prelim report number 2 of 3.pdf; Puliafico property SEQ prelim report number 3 of 3.pdf

Neelima,

The purchase agreement that the City negotiated with the property seller included a purchase back option for 3.6 acres at the seller's request. As the buyer of the property the City cannot and does not guarantee annexation or subdivision approval by LAFCO or the County. All we can do as the City is fulfill our agreement to submit the application for subdivision with the sellers support. Should approval not be obtained we don't assume any liability for the seller. Does this answer your question? Does this relate in some way to our current USA application?

Regarding the Puliafico property, I've attached legal descriptions that identify a total of seven existing parcels on the Puliafico property. Because these seven parcels share three APN#s (and thus three tax parcels), using APN based map gives the appearance of only three parcels when there are seven now existing. You may also notice the large number of property owners associated with those parcels, which creates pressure for their sale as estate lots.

I will send the other information requested to you tonight.

Thank you,

Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Tuesday, December 01, 2015 8:02 AM
To: Andrew Crabtree
Cc: Steve Rymer
Subject: RE: PC and City Council Actions and Resolutions

Andrew,
Thanks for clarifying the question. Here I am referring to the Jacoby property. In my review of the City's Purchase and Sale Agreement for the Jacoby property, Section 1.2 (the second one – there are two 1.2s) refers to a subdivision application for the property to be submitted to the County if LAFCO denies the annexation. It is my understanding that based on the current zoning the property cannot be further subdivided in the County. I wanted clarification on this term in the agreement – what was the City's thinking in establishing such a term and how such a subdivision might be possible.

Regarding the Puliafico property, I recall seeing something about the potential to subdivide the property further (– although I am unable to locate exactly where I read that at this time). If that is correct and there is potential to subdivide the Puliafico property further, please provide supporting documents. Thanks.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County

70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Monday, November 30, 2015 8:59 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Cc: Steve Rymer <Steve.Rymer@morganhill.ca.gov>
Subject: RE: PC and City Council Actions and Resolutions

Neelima,
In your email you requested clarification of the subdivision issue for the Jacoby property, but in a prior phone conversation you had requested documentation of the potential for the Puliafico property to be subdivided into 5 parcels. The City has purchased the Jacoby property for development of softball/baseball fields and I'm not aware of there being any discussion about its subdivision potential. On your list of items from November 14, is the reference to the Jacoby property intended to be a reference to the request for documents to support the potential subdivision of the Puliafico property or are you looking for something else, and if something else, could you clarify what that is?
Thank you,
Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Monday, November 30, 2015 3:34 PM
To: Andrew Crabtree
Cc: Steve Rymer
Subject: RE: PC and City Council Actions and Resolutions

Andrew,
Please see my email below dated November 14, 2015. I do not understand your question about the Puliafico property.

Neelima Palacherla
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From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, November 27, 2015 4:35 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Cc: Steve Rymer <Steve.Rymer@morganhill.ca.gov>
Subject: RE: PC and City Council Actions and Resolutions

Neelima,

I just want to clarify that this is the list of items you are requesting:

Vacant lands information for commercial lands absorption rate

Palacherla, Neelima

From: Palacherla, Neelima
Sent: Wednesday, November 25, 2015 12:55 PM
To: Andrew Crabtree (Andrew.Crabtree@morganhill.ca.gov)
Cc: Steve Rymer (Steve.Rymer@morganhill.ca.gov)
Subject: RE: PC and City Council Actions and Resolutions

Andrew,
Please be assured I have already reviewed the documents provided by the City and my questions to you are based on my review of the documents.

As you know, the application material submitted by the City included an Industrial Vacant Lands report prepared by the City's consultant. As I indicated in my phone conversation with you and in the email below, I am seeking clarification as to the differences in the various tables in the report and clarification on which table to use. I have reviewed the City's General Plan and understand that commercial recreational uses are allowed as conditional uses within industrial designated lands. Therefore, this information is relevant to the application, which is why I presume you submitted it. Regarding PC resolutions, I would like to review the actions taken by the PC, as you have already provided me with the accompanying PC staff reports. This information helps me understand the complete picture of the City's approval process.

I look forward to receiving the information I have requested and please do not hesitate to contact me with any additional questions or concerns. I may have further questions for you as I continue with my review / analysis.
Thank you.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
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www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Wednesday, November 25, 2015 11:51 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Cc: Steve Rymer <Steve.Rymer@morganhill.ca.gov>
Subject: RE: PC and City Council Actions and Resolutions

Neelima,

I'm working on the requested supplemental information this week. I am concerned that you aren't reviewing the other documents that you already have. I'm also concerned that you've requested some things that don't seem relevant (e.g., industrial land supply information, PC resolutions). It would be helpful if you could explain how these would be relevant.

Thank you,

Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Tuesday, November 24, 2015 4:22 PM
To: Andrew Crabtree
Cc: Steve Rymer
Subject: FW: PC and City Council Actions and Resolutions

Hi Andrew,
Checking in with you on your response to my request for information...
I understand you are busy, but my review of the application is on hold until I can get all the requested information.
Please provide all the information as soon as possible and by December 1st.
Thanks and have a Happy Thanksgiving!
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
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www.santaclarlafco.org

From: Palacherla, Neelima
Sent: Wednesday, November 18, 2015 3:23 PM
To: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Cc: Steve Rymer <Steve.Rymer@morganhill.ca.gov>
Subject: Re: PC and City Council Actions and Resolutions

Thank you Andrew.
Could you please provide answers to the other questions that I have included in my email below.
It would be very helpful to receive complete information as soon as possible. But if certain pieces are more time consuming please let me know when you expect to provide the response and please respond to those questions that you can more readily. It is hard for us to proceed with so many information gaps.
Thanks.
Neelima.

Sent from my iPad

On Nov 16, 2015, at 3:58 PM, Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov> wrote:

> Neelima,
>
> Thank you for the clarifications. I'm doing my best to keep up with your requests. I'm working on the services report now.
>
> Andrew

> **From:** Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
> **Sent:** Monday, November 16, 2015 11:05 AM
> **To:** Andrew Crabtree

Cc: Steve Rymer
Subject: RE: PC and City Council Actions and Resolutions

Andrew,
Please see below. Thanks.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Monday, November 16, 2015 10:10 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: PC and City Council Actions and Resolutions

Neelima,

I'm working on the various requests you've sent and will get you the documents as I can given that we now have two additional months. **Andrew, the reason we were not able to schedule this application for December is because we needed additional time to analyze the project due to its complexity and scope. As you know, I have sent you several emails and have had multiple phone conversations on almost every single aspect of the project since receiving the application – in order to seek clarification. It is very confusing – and it is a major proposal – and there is a significant community and stakeholder interest in it. I want to make sure that we have correct factual information, and provide clarity and prepare our report in a timely manner. I thank you for your responses so far and would very much appreciate continued cooperation and timely response to my inquiries. Please respond to my questions in the email below.**

In terms of the resolution information, we sent you copies of the CC resolutions on bond paper, etc., did you not receive those? **We did receive them. Please confirm the dates and respond to the questions about the PC. The process was very confusing and I would very much appreciate if you fill in the blanks, so that I can be certain that I have understood correctly.**

Also, the EIR has pretty detailed analysis of service impacts, so what I'm providing is really a summary of the EIR information, scaled down to just the portion for the SRL area. I understand that this will be helpful for you, but it isn't really new information beyond what you already have. **As I explained previously and as required in the LAFCO application filing requirements, a plan for services is a separate filing requirement and must include very specific information (as detailed in the requirements). Simply providing the EIR or referencing it does not satisfy this requirement. As I have explained to you, the plan for services that was submitted – did not contain enough specifics.**

In terms of the industrial and commercial land inventories, I will provide clarification as requested. My understanding is that you are requesting this information to address LAFCO policies about an adequate supply of lands based on our General Plan for various uses as it relates to the proposed USA expansion. Accordingly, I don't think the industrial is actually relevant since we don't have any industrial lands included in our request. The commercial is relevant to the commercial properties on Monterey

Road. Is this correct? **Please provide the information requested below for both commercial and industrial lands. I will need to review the information. Thank you.**

Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Saturday, November 14, 2015 4:59 PM
To: Andrew Crabtree
Subject: PC and City Council Actions and Resolutions

Hi Andrew,
Could you please fill in the dates for the following:
Area 1: Tennant – Murphy was approved by the Planning Commission on _____(vote) and the City Council adopted Resolution # _____ on _____ to seek LAFCO approval.
Area 2: Monterey-Watsonville (Please provide the two separate dates and resolutions for this area)
(Hordness and SCVWD parcel) was approved by the Planning Commission on _____ (vote) and the City Council adopted Resolution # _____ on _____ to seek LAFCO approval.
(Bible Church and other parcels) was approved by the Planning Commission on _____(vote) and the City Council adopted Resolution # _____ on _____ to seek LAFCO approval.
If the PC adopts resolutions, please attach those resolutions as well. Thanks.
Also, Andrew, I have yet to receive the following information from you:

- Vacant lands information for commercial lands absorption rate
- Clarification as to which table to use for industrial vacant land
- Detailed plan for services
- Clarification of issue: future subdivision of Jacoby property
- Clarification of pre-zoning for the four parcels in Area 2.
- Any ag mitigation information / agreements

Please let me know when you expect to submit the above. Thank you.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
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17575 Peak Ave., Morgan Hill, CA 95037
408-310-4179
anthony.eulo@morganhill.ca.gov www.morganhill.ca.gov

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Friday, November 06, 2015 9:02 AM
To: Andrew Crabtree
Subject: RE: EIR Addendum

Thanks Andrew. Has the City purchased the site now? When did that occur.? Could you send me the details, please?

Neelima Palacherla
Executive Officer
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Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Thursday, November 05, 2015 9:59 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: EIR Addendum

Neelima,
My memory is that we prepared the addendum when the City was purchasing the ball field site as the CEQA action for that purchase, confirming that the City's purchase for the intended purpose of developing ball fields is in fact consistent with the uses contemplated by the SEQ. This is standard practice for us.
Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Thursday, November 05, 2015 6:42 PM
To: Andrew Crabtree
Subject: EIR Addendum

Andrew,
I came upon an addendum to the EIR for baseball/ softball fields (Jacoby Property). Could you tell me why an addendum to the EIR was required? What does the proposed project entail that is not included in the original EIR? Thanks.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
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www.santaclarlafco.org

Andrew,
When did the City enter into an agreement to purchase the property? Can you also tell me how many proposals were received for the bid for property suitable for ballfields and their location? Thanks.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Palacherla, Neelima
Sent: Wednesday, November 11, 2015 12:36 PM
To: Andrew Crabtree (Andrew.Crabtree@morganhill.ca.gov) <Andrew.Crabtree@morganhill.ca.gov>
Subject: FW: EIR Addendum

Andrew,
Please send me the attachments to the staff report. Thanks.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
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www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, November 06, 2015 9:34 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: EIR Addendum

From: Anthony Eulo
Sent: Friday, November 06, 2015 9:34 AM
To: Andrew Crabtree
Subject: RE: EIR Addendum

The purchase of the site was completed August 13, 2015. Attached are the staff report and resolution.

Anthony Eulo
Program Administrator
Community Services Department
City of Morgan Hill

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Wednesday, November 11, 2015 12:50 PM
To: Andrew Crabtree
Subject: FW: EIR Addendum

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Wednesday, November 11, 2015 5:29 PM
To: Palacherla, Neelima
Cc: Andrew Crabtree
Subject: SEQ EIR Addendum - Ballfield purchase
Attachments: Signed Option Agreement.pdf; signed LOI.pdf; SWORKROOM C15111117540.pdf

Neelima,

Please see attached response to your request.

Thank you,

Andrew

Technically the City agreed to buy the property right before it closed on 8/11/15. The City initially signed a Letter of Intent on 8/2/13 and then an Option to Purchase Agreement on 9/16/14. All three of these documents have been attached.

We received nine proposals for property owners from our original solicitation. The map below denotes the locations. They were nearly all outside of the City limits. The one area marked in green, was within the City. It's shape was deemed not particularly conducive to ballfield development.

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Friday, November 06, 2015 1:55 PM
To: Palacherla, Neelima
Subject: additional service delivery information

Neelima,

I will send you some #s for anticipated water use and sewer, etc., for the SRL later today, but I want to emphasize in reading through the EIR and the Fiscal Analyses, along with the Service analysis we provided with our application, I don't see much more to add. The EIR documents that we have capacity or planned capacity in terms of water supply, and sewer treatment overall and identifies specific local improvements that would be needed to provide those services to the specific properties. Similarly, the documents also describe how we provide police services and what increases in staffing levels are anticipated for the annexation area, as well as an explanation of how we would provide those services. Beyond the police #s in the fiscal analysis, I don't know how I would quantify the information further.

Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Friday, November 06, 2015 12:40 PM
To: Andrew Crabtree
Subject: RE: Relationship of LAFCO application to MH 2035 General Plan Update

Thank you, Andrew.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
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From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, November 06, 2015 12:37 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Relationship of LAFCO application to MH 2035 General Plan Update

Neelima,

You asked for information on the General Plan update schedule and the relationship between our USA Expansion request and the General Plan update process. Please let me know if the following information addresses your question:

The General Plan Update (part of the Morgan Hill 2035 project) is scheduled for completion in August 2016. A draft of the General Plan document was circulated to our General Plan Advisory Committee on November 5, 2015 (). The draft Environmental Impact Report (EIR) is scheduled for public circulation in early 2016. The EIR analyzes a preferred land use plan and land use plan alternatives based upon the recommendations of the General Plan Advisory Committee (GPAC) and Planning Commission and selected by the City Council. The preferred land use plan represents the most

intensive level of development for various sites contemplated by the City. The GPAC and Planning Commission will be refining their recommendations for the General Plan over the next 6 months prior to the City Council's decision on the General Plan update in 2016. While the City's 2015 LAFCO application is based on its current General Plan, based upon the recommendations of the GPAC and Planning Commission, as well as the scope of analysis in the project EIR, staff does not anticipate any changes to the land use designations for the subject properties as part of the General Plan update. If the USA Expansion is approved, the General Plan designations for the subject properties will be maintained consistent with annexation requirements.

Andrew

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Friday, November 06, 2015 12:37 PM
To: Palacherla, Neelima
Subject: Relationship of LAFCO application to MH 2035 General Plan Update

Neelima,

You asked for information on the General Plan update schedule and the relationship between our USA Expansion request and the General Plan update process. Please let me know if the following information addresses your question:

The General Plan Update (part of the Morgan Hill 2035 project) is scheduled for completion in August 2016. A draft of the General Plan document was circulated to our General Plan Advisory Committee on November 5, 2015 (). The draft Environmental Impact Report (EIR) is scheduled for public circulation in early 2016. The EIR analyzes a preferred land use plan and land use plan alternatives based upon the recommendations of the General Plan Advisory Committee (GPAC) and Planning Commission and selected by the City Council. The preferred land use plan represents the most intensive level of development for various sites contemplated by the City. The GPAC and Planning Commission will be refining their recommendations for the General Plan over the next 6 months prior to the City Council's decision on the General Plan update in 2016. While the City's 2015 LAFCO application is based on its current General Plan, based upon the recommendations of the GPAC and Planning Commission, as well as the scope of analysis in the project EIR, staff does not anticipate any changes to the land use designations for the subject properties as part of the General Plan update. If the USA Expansion is approved, the General Plan designations for the subject properties will be maintained consistent with annexation requirements.

Andrew

Palacherla, Neelima

From: Palacherla, Neelima
Sent: Friday, November 06, 2015 11:59 AM
To: Andrew Crabtree
Subject: RE: More information needed: Vacant Lands Inventory

Andrew,
The LAFCO Ag Mitigation Policies provide guidance on what information the plan for mitigation / agreement should include. We are unable to provide a sample agreement because LAFCO has not received an ag mitigation agreement as part of an application ever since LAFCO adopted its ag mitigation policies in 2007.
Neelima.

Neelima Palacherla
Executive Officer
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From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, November 06, 2015 11:23 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: More information needed: Vacant Lands Inventory

Neelima,

Will you be able to provide us with a sample Agricultural Mitigation Agreement form to help expedite us providing those to you?

Andrew

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Friday, November 06, 2015 10:56 AM
To: Andrew Crabtree
Subject: RE: More information needed: Vacant Lands Inventory

Andrew,
Thank you. Do the Units Final refer to residential building permits? Could you please consolidate the data and send me total number of new construction building permits issued annually (2005- 2014) for Commercial and for Industrial buildings. Thanks again.
Neelima.

Neelima Palacherla
Executive Officer
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www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, November 06, 2015 9:48 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Cc: Noel, Dunia <Dunia.Noel@ceo.sccgov.org>; Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Subject: RE: More information needed: Vacant Lands Inventory

Neelima,

In response:

1) The City does not have any vacant lands with either the Single-Family High or Multi-Family High designations.
2) Please see the attached data for # of residential units per year for the past 10 years and information on industrial absorption rate. I've also provided the data we have available for industrial and commercial development. Note in one case we only have reports for the prior 7 years.
3) The "Public Facilities" General Plan designation is the only one that identifies public uses as supported. The "Sports Recreation Leisure" General Plan designation is the only one that identifies sports and rec facilities as a supported use.
4) The City does not currently have any vacant lands with the Public Facilities designation.
5) The rationale (which is further discussed in our request letter) varies within our USA expansion request for the the SRL District, the west side of Monterey Road and the south side of Watsonville areas:
    - The City does not have a 5 year supply of vacant land within its boundaries for Public Facilities or Sports / Recreation / Leisure (SRL) uses. It would not be feasible to develop the proposed private high school or the proposed sports / recreation / leisure uses within the City's existing boundaries because land is not available of adequate size, location and usability for these uses. The development of SRL uses along Highway 101 at the Tennant interchange would make use of an existing public investment in infrastructure (the highway interchange) and further the City's economic development goals. Development of the SRL uses would also further the City's agricultural lands preservation goals by funding the acquisition of easements within the City's Agricultural Lands Priority Conservation Area. If the City does not begin to implement this Program, the existing agricultural land supply will continue to erode as the County continues to allow such lands to be developed with residential uses.
    - The Monterey South area along the western side of Monterey Road is proposed to be brought into the USA because it has already been developed with urban uses and the public interest would be served by providing services to those existing uses more efficiently and safely by the City. These lands are not farmland.
    - The Watsonville Hordness property is proposed for incorporation into the City's USA because it would meet the City's Desirable Infill criteria by facilitating improvement of Watsonville Road. The loss of agricultural lands within the SRL District and on the Hordness property would be fully mitigated through the City's Agricultural Lands Mitigation Ordinance. The project would contribute to the long-term conservation of agricultural lands within Morgan Hill's Sphere of Influence.

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Tuesday, November 03, 2015 6:33 PM
To: Andrew Crabtree
Cc: Noel, Dunia
Subject: More information needed: Vacant Lands Inventory

Hi Andrew,
In reviewing the vacant lands inventory, I have the following questions:

1. For residential:
   I notice that vacant lands information for Single-Family High and Multi-family High designations are missing. Please provide the information.

2. Please provide a table showing new construction building permits issued by the City annually in the last ten years (2005- 2014) for the following:
   a. Residential buildings
   b. Commercial buildings
   c. Industrial buildings

3. Which current City GP land use designations allow for public facilities and sports and rec facilities?

4. Please provide vacant land information for public facilities designation.

5. If the city has over 5 years of vacant land within its current boundaries, please provide an explanation for why the expansion is necessary at this time.

Thank you.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Friday, November 06, 2015 9:48 AM
To: Palacherla, Neelima
Cc: Noel, Dunia; Andrew Crabtree
Subject: RE: More information needed: Vacant Lands Inventory
Attachments: UnitsFinaledYearly_Average.pdf; Industrial Land Update Memo_20150505 (1).pdf; 2004 ANNUAL COMPARISON MONTH BY MONTH.XLS; 2005 ANNUAL COMPARISON MONTH BY MONTH.XLS; 2006 ANNUAL COMPARISON MONTH BY MONTH.XLS; 2007 ANNUAL COMPARISON MONTH BY MONTH.XLS; 2008 YEARLY COMPARISON MONTH BY MONTH.XLS; 2009 YEARLY COMPARISON MONTH BY MONTH.XLS; 2010 YEARLY COMPARISON MONTH BY MONTH.XLS; 2011 YEARLY COMPARISON MONTH BY MONTH.XLS; 2012 YEARLY COMPARISON MONTH BY MONTH.XLS; 2013 YEARLY COMPARISON MONTH BY MONTH.XLS; 2014 YEARLY COMPARISON MONTH BY MONTH.XLS; 2007 ISSUANCE AND VALUATION TABLE.xls; 2008 ISSUANCE AND VALUATION TABLE.xls; 2009 ISSUANCE AND VALUATION TABLE.xls; 2010 ISSUANCE AND VALUATION TABLE.xls; 2011 ISSUANCE AND VALUATION TABLE.xls; 2012 ISSUANCE AND VALUATION TABLE.xls; 2013 ISSUANCE AND VALUATION TABLE.xls

Neelima,

In response:

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2) Please see the attached data for # of residential units per year for the past 10 years and information on industrial absorption rate. I've also provided the data we have available for industrial and commercial development. Note in one case we only have reports for the prior 7 years.
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agricultural lands within the SRL District and on the Hordness property would be fully mitigated through the City's Agricultural Lands Mitigation Ordinance. The project would contribute to the long-term conservation of agricultural lands within Morgan Hill's Sphere of Influence.

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
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Cc: Noel, Dunia
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Thank you.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

Palacherla, Neelima

From: Palacherla, Neelima
Sent: Monday, November 02, 2015 11:53 AM
To: Andrew Crabtree (Andrew.Crabtree@morganhill.ca.gov)
Subject: FW: Plan for ag mitigation

Andrew,
I hope our conversation on Friday clarified this issue and LAFCO's policies regarding ag mitigation. As I mentioned, LAFCO policies provide guidance on what the plan for mitigation should include. See link to Ag Mitigation Policies: http://santaclaralafco.org/policies-procedures more specifically, Ag Mitigation Policies 12 through 16. Let me know if the City plans to submit any further material for LAFCO consideration. Thanks.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Palacherla, Neelima
Sent: Friday, October 30, 2015 11:11 AM
To: 'Andrew Crabtree' <Andrew.Crabtree@morganhill.ca.gov>
Subject: RE: Plan for ag mitigation

OK. Let me call you...

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, October 30, 2015 10:44 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: Plan for ag mitigation

To make sure I understand, are your policies requiring that the mitigation occur upon approval of the USA expansion rather than when the impact occurs?

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Friday, October 30, 2015 10:23 AM

To: Andrew Crabtree
Subject: RE: Plan for ag mitigation

Andrew,
Please see LAFCO's ag mitigation policies: particularly, Timing and Fulfillment, and Plan for Mitigation sections.
http://santaclaralafco.org/policies-procedures

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Andrew Crabtree [mailto:Andrew.Crabtree@morganhill.ca.gov]
Sent: Friday, October 30, 2015 10:20 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: Plan for ag mitigation

The parcels involved would be subject to the City's Agricultural Mitigation Ordinance. I believe you already have a copy, no?

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Friday, October 30, 2015 10:15 AM
To: Andrew Crabtree
Subject: Plan for ag mitigation

Andrew,
I reviewed the filing material that the City submitted for both the areas. I want to confirm that a plan for ag mitigation has not been submitted. Please confirm ASAP. Thanks.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

Palacherla, Neelima

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Sent: Friday, October 30, 2015 10:20 AM
To: Palacherla, Neelima
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ADDITIONAL INFORMATION
February 11, 2016

Palacherla, Neelima

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Thursday, February 11, 2016 3:30 PM
To: Palacherla, Neelima; Noel, Dunia; Abello, Emmanuel
Cc: Steve Rymer
Subject: City of Morgan Hill LAFCO application
Attachments: USA-15-01 Proposed Area Map.pdf; USA&Annexation Map January 2016.pdf; CMH_BoundaryMap_reduced_4.21.15.pdf; EXGPLU_011116.pdf; 15055 Monterey St Fire Chief Support Letter 2015.pdf; MH Police Support letter for MHBC 2016.pdf; LAFCO possible proposal option along Monterey Rd.pdf

Neelima and Dunia,

Are you are planning to release your staff report on the Morgan Hill application tomorrow? Per my earlier email, will you be letting us know if there are any additional items you need from us?

We will provide additional information after tomorrow as necessary, including copies of the Mitigation Agreements. Our attorneys have finalized the forms, but we haven't been able to collect them yet from the respective property owners. I appreciate your patience while we finalize these forms.

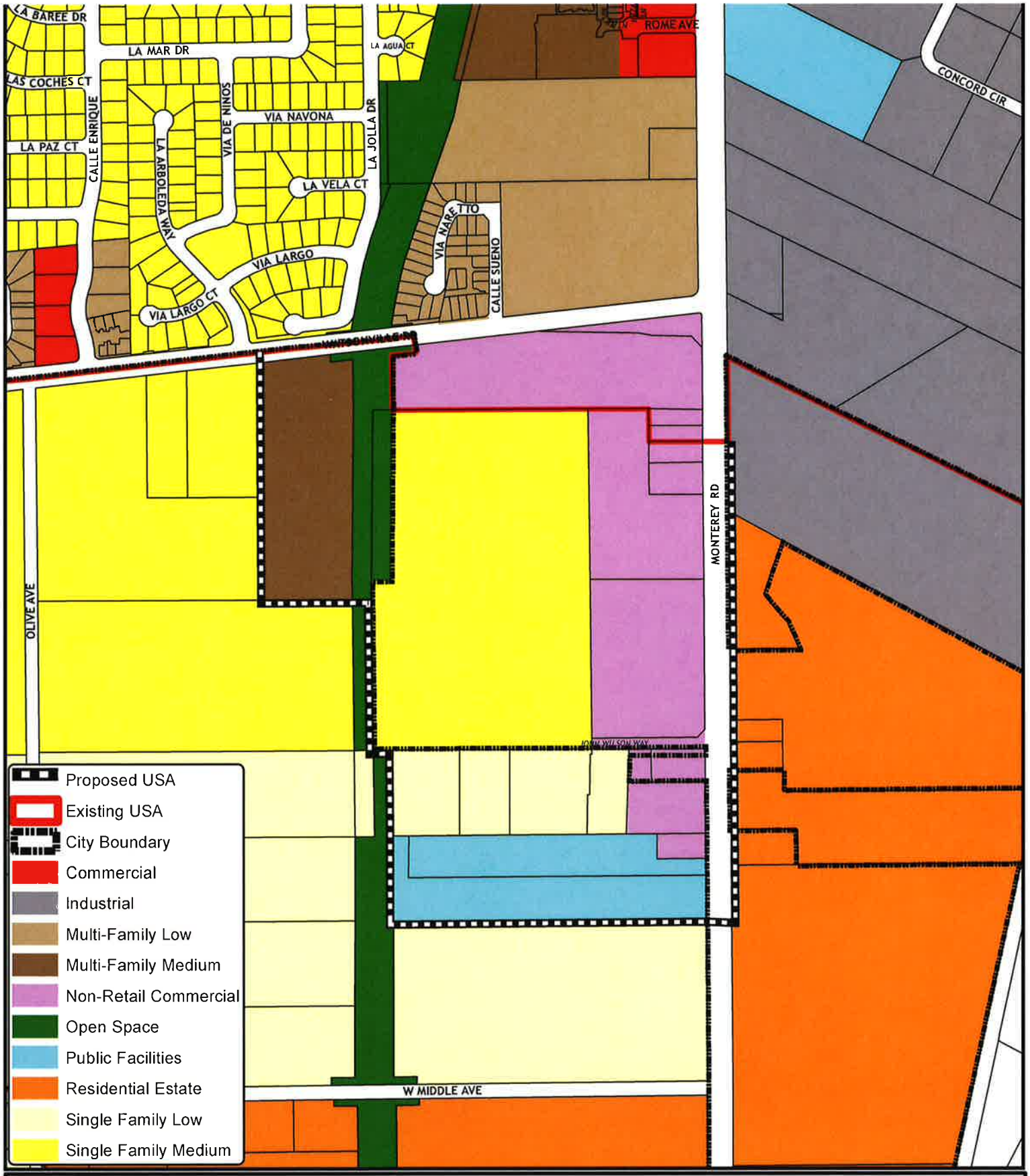
I'm attaching some maps we've prepared that I think better illustrate the proposed USA expansions in relationship to the City's General Plan and would ask that you include them with our application.

Please include a copy of the California Land Trust document with our application:
http://www.calandtrusts.org/wp-content/uploads/2014/03/conserving-californias-harvest-web-version-6.26.14.pdf

Also attached are some communications provided to us by the Morgan Hill Bible Church.

Thank you,

Andrew

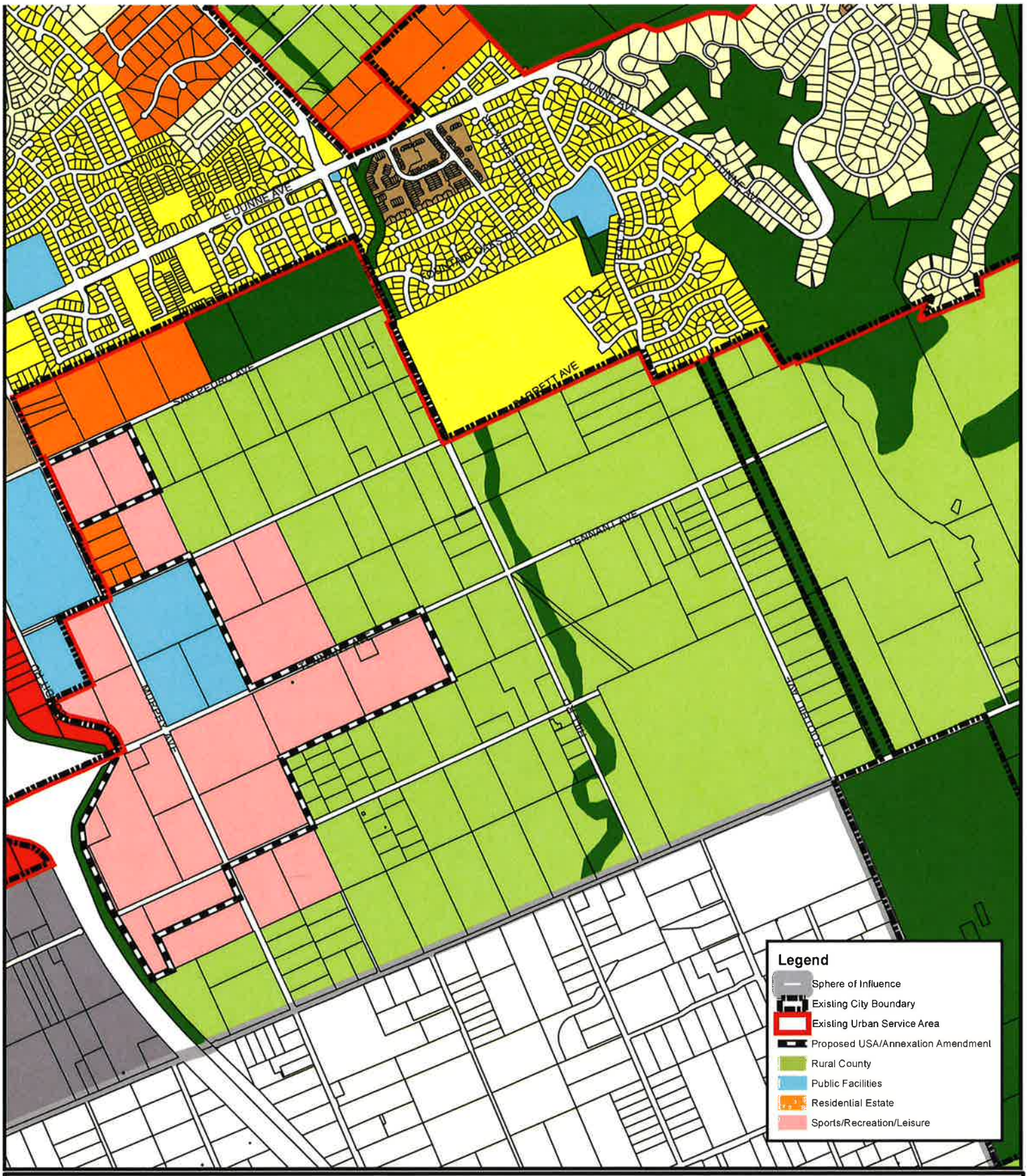


0 0.25 0.5 Miles

CITY OF MORGAN HILL

City of Morgan Hill
Proposed USA Expansion: Monterey - South - Hordness

R:\PLANNING\WP51\BOUNDARY\Urban Service Area\2015\USA-15-01 Monterey-City of Morgan Hill\USA-15-01 Proposed Area Map.mxd

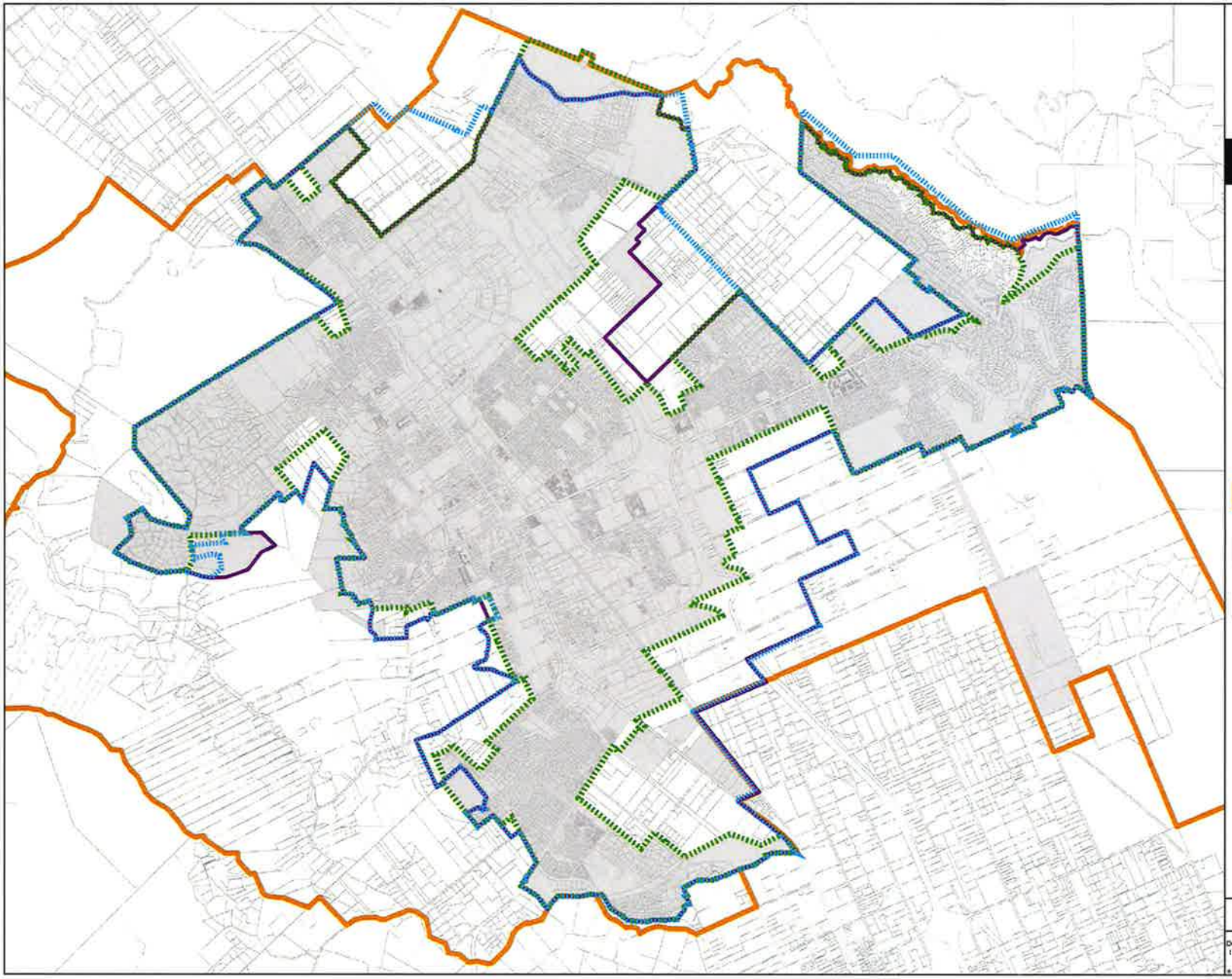


0 0.25 0.5 Miles

City of Morgan Hill
Proposed SRL District USA Expansion & Agricultural Land Preservation Area

CITY OF MORGAN HILL

Path: \\mhch\commdev\PLANNING\GIS\Maps\Projects\SEQ\USA&Annexation Map January 2016.mxd



CITY OF MORGAN HILL

Boundaries

Urban Limit Line

Urban Service Area

Urban Growth Boundary

Sphere of Influence

City Boundary

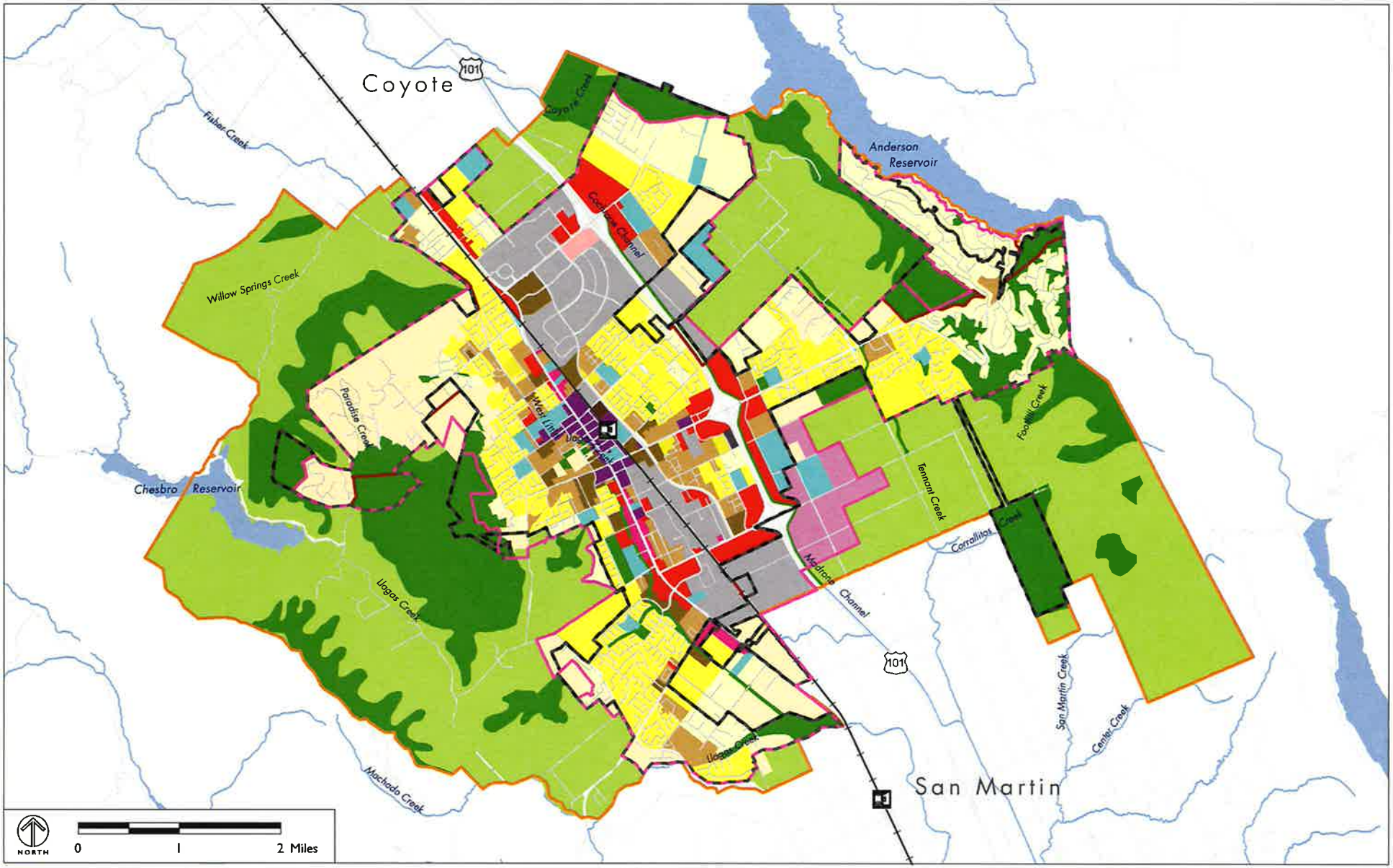
Parcels

N

0 1,000 2,000 4,000 6,000

Feet

April 21, 2015



Source: City of Morgan Hill and PlaceWorks, 2015.

Existing General Plan Land Use Map

SOUTH SANTA CLARA COUNTY FIRE DISTRICT

15670 Monterey Street
Morgan Hill, CA 95037
(408) 779-2121
www.ssccfd.com

Derek J. Witmer, Fire Chief

December 21, 2015

Subject: Annexation of 15055 Monterey Rd APN: 77904061 to Morgan Hill City

To: Whom it may concern:

The South Santa Clara County Fire District (SCCFD) will not oppose the annexation of the Morgan Hill Bible Church to the City of Morgan Hill. Under the properties current use, there will be no loss of revenue for SSCCFD. In fact there would be an overall improvement through the eventual expansion of a reliable water supply into this currently non-hydrant area.

Derek J. Witmer
Fire Chief

MORGAN HILL POLICE DEPARTMENT

January 11, 2016

Re: Morgan Hill Bible Church
15055 Monterey Street
Morgan Hill, CA 95037

To Whom It May Concern:

The purpose of this letter is to notify you of the Morgan Hill Police Department's support for Morgan Hill Bible Church's Main Campus location to be annexed into the City of Morgan Hill. Currently, the address of 15055 Monterey Street in Morgan Hill is in unincorporated Santa Clara County and as such is serviced by law enforcement and emergency personnel provided by the County of Santa Clara. As the municipal law enforcement agency for the City, our Department is able to provide faster response times for life threatening medical and criminal matters than an agency that is not located within the City of Morgan Hill. As well as any calls for emergency assistance would be received by our Communications Center (Dispatch) and therefore dispatched to our officers enhancing the response time and duplicated by our City's fire provider (Cal Fire) and ambulance service (Rural Metro).

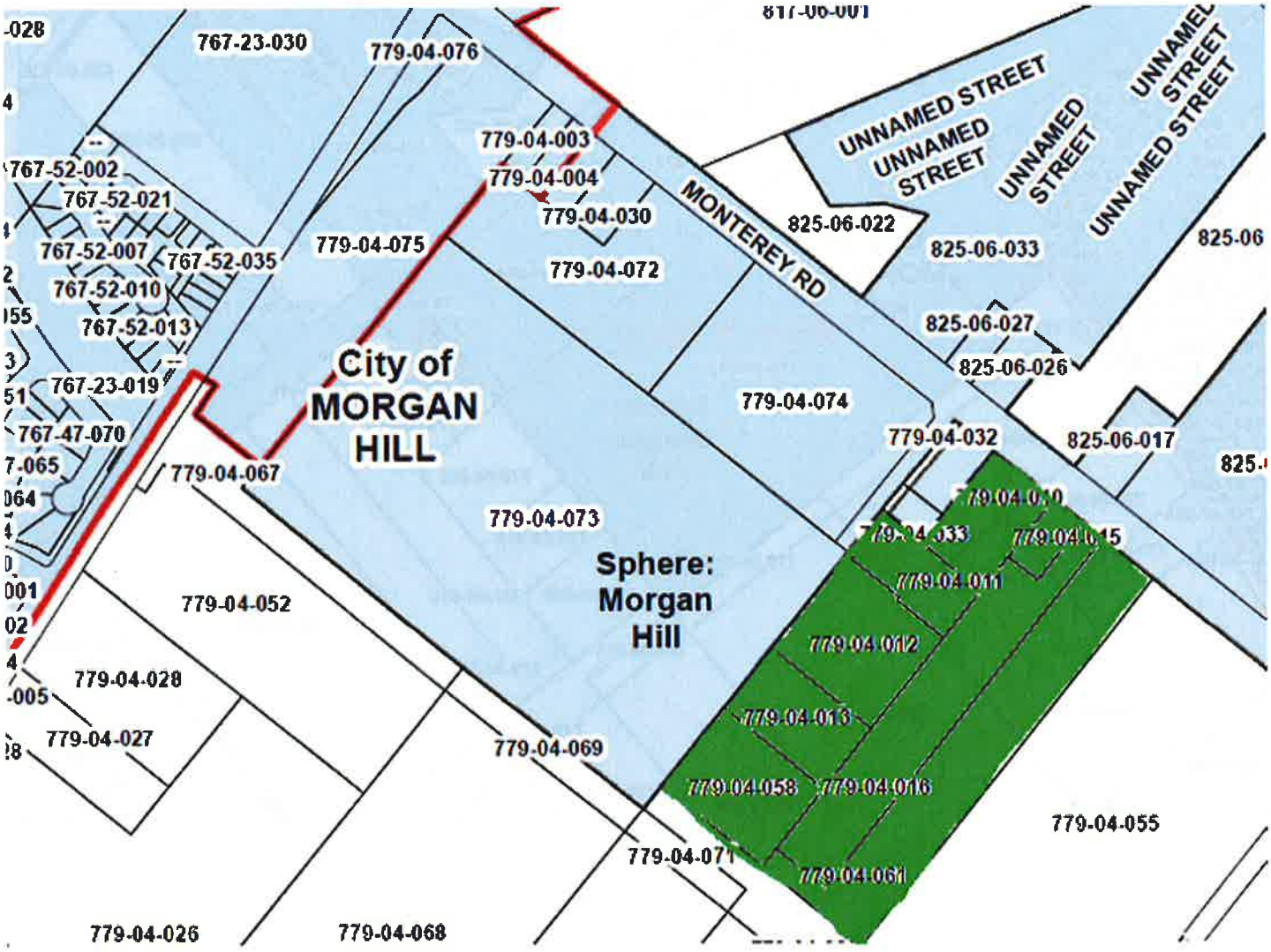
If you have any questions or need clarification of the information provided, please feel free to contact me at (408) 776-7316.

Sincerely,

David L. Swing
Chief of Police

16200 Vineyard Boulevard Morgan Hill, California 95037 T: (408) 776-7300 F: (408) 776-7328 www.morganhill.ca.gov

Map below shows a possible proposal to move USA (Urban Service Area) to include all 7 parcels in Blue that are south of current USA and west of Monterey Road and all 8 parcels in Green. This possible proposal is the current application in section Monterey/Watsonville road except parcels 779-04-052 and 779-04-067. This possible proposal does not include prime agriculture land.



SUPPLEMENTAL PACKET (MARCH 8, 2016)

MORGAN HILL USA AMENDMENT 2015

All comment letters received as of March 7, 2016 are included in this supplemental packet. Letters received after this date will be provided to the Commission in another packet just prior to, or at the March 11 LAFCO meeting. We have received extensive public comment on this application. For your convenience, the letters are sorted into three lists, based on the position they are advocating:

1. Letters requesting approval
2. Letters requesting denial
3. Letters with unstated position

At the top of each list are letters received from organizations and /or property owners in the area; these are followed by all other letters listed by date received. You may click on the name of the author (in the list) to read each letter or you may scroll through the letters.

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **APPROVAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
1	Lisa Schmidt	Orchard Valley Youth Soccer League		02/23/16	Approve Area 1
2	Suzanne Ledesma	Orchard Valley Youth Soccer Club	Morgan Hill resident	02/26/16	Approve Area 1
3	Dylan Fullington	Orchard Valley Youth Soccer Club	Morgan Hill resident	02/29/16	Approve Area 1
4	John Horner	Morgan Hill Chamber of Commerce		03/01/16	Approve Area 1
5	Ann Minton		Property owner in subject area	02/19/16	Approve Area 1
6	Angelo Grestoni		Property owner in subject area	02/22/16	Approve Area 1
7	Ann Minton		Property owner in subject area	03/04/16	Approve Area 1
8	Jeanette R. Alosi		Property owner in subject area	03/07/16	Approve Area 1
9	David Puliafico		Property owner in subject area	03/07/16	Approve Area 1
10	James Smart			02/25/16	Approve Area 1
11	Jan Guglielmo			02/26/16	Approve Area 1
12	Jeffrey and Michelle Bocchicchio			02/28/16	Approve Area 1
13	Shelly Paiva			02/29/16	Approve Area 1
14	Cindy K. Moralez			02/29/16	Approve both Areas 1 & 2
15	Marilyn and Matt Wendt			03/02/16	Approve Area 1
16	Scott Holmes			03/04/16	Approve Area 1
17	Doris Fredericks			03/04/16	Approve Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **APPROVAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
18	Chuck Berghoff			03/04/16	Approve Area 1
19	Bill and Gerri Beasley			03/05/16	Approve Area 1
20	Carl and Gerrie Reinhardt			03/05/16	Approve Area 1
21	Mary Beth Anderson			03/06/16	Approve Area 1
22	Carol A. Johnson			03/07/16	Approve Area 1
23	Fabienne Esparza			03/07/16	Approve Area 1
24	Jonathan Johnson			03/07/16	Approve Area 1

Palacherla, Neelima

From: Council Member Cat Tucker <Cat.Tucker@ci.gilroy.ca.us>
Sent: Thursday, February 25, 2016 10:50 AM
To: Palacherla, Neelima
Subject: FW: Tennant/Murphy LAFCO report

Best Regards,
Cat Tucker
Gilroy City Council
1-408-500-2523
(http://www.cattucker.com)

From: Lisa Schmidt [blizzardsoccer8@yahoo.com]
Sent: Tuesday, February 23, 2016 9:12 PM
To: Council Member Cat Tucker; Wasserman@bos.sccgov.org; district3@openspaceauthority.org; district10@sanjoseca.gov; board@valleywater.org; Susan@svwilsonlaw.com; Ken.Yeager@bos.sccgov.org
Cc: Neelima.Palacherla@ceo.sccgov.org
Subject: Tennant/Murphy LAFCO report

To the LAFCO members

My name is Lisa Schmidt and I am the president of the Orchard Valley Youth Soccer Club. We are the local soccer club that services the Morgan Hill, Gilroy and South San Jose. We have about 500 recreational soccer kids who play in the spring and fall and we have another 500+ kids on our competitive program who play soccer year round. Our program continues to grow especially as our community continues to grow. My family moved to Morgan Hill about 17 years ago and we have loved living in this area. We especially love the small town feel and the beauty of our area. I have read your report and your concerns to the keeping of our agriculture community. I have a fondness for the ag community as my son participates in the FFA program at Sobrato. He raises pigs and steers. He plans on attending Fresno state to learn about Ag business, so I really appreciate the keeping of undeveloped land. However we in this community are in drastic need of recreational fields for our kids to play sports on. We have many different sports in our area and there is not enough fields for our kids to play on. The school fields have become less due to the expansion of many of our schools and the community parks are not set up for organized sports to use. I know you may think we have the nice soccer complex right by this proposed property but the reality is that almost every weekend that facility is rented out to other organizations outside of our community. Thus our kids in our program are running out of places to play soccer.

Our kids need fields to play on and what is more natural than green, growing grass and a great, safe place for our kids to play. Please reconsider your proposal. We believe taking just a little land and using it for our kids is a great way to invest in the future of Morgan Hill and the youth in our community. To many opportunities keep being taken away from kids to participate in physical activity and it would be a shame for one more thing to be taken from them,

Thank you for concidering the youth of Morgan Hill

Lisa Schmidt
Orchard Valley Youth Soccer League-President

Palacherla, Neelima

From:	Lisa Schmidt <blizzardsoccer8@yahoo.com>
Sent:	Tuesday, February 23, 2016 9:13 PM
To:	Cat.Tucker@ci.gilroy.ca.us; Wasserman@bos.sccgov.org; district3 @openspaceauthority.org; district10@sanjoseca.gov; board@valleywater.org; Susan@svwilsonlaw.com; Yeager, Ken
Cc:	Palacherla, Neelima
Subject:	Tennant/Murphy LAFCO report

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Thank you for concidering the youth of Morgan Hill

Lisa Schmidt
Orchard Valley Youth Soccer League-President

Palacherla, Neelima

From: Council Member Cat Tucker <Cat.Tucker@ci.gilroy.ca.us>
Sent: Friday, February 26, 2016 2:37 PM
To: Palacherla, Neelima
Subject: FW: Morgan Hill field space

Best Regards,
Cat Tucker
Gilroy City Council
1-408-500-2523
(http://www.cattucker.com)

From: Suzanne Ledesma [suzanneledesma@yahoo.com]
Sent: Friday, February 26, 2016 1:44 PM
To: Council Member Cat Tucker; "Wasserman@bos.sccgov.org"; "district3@openspaceauthority.org"; "district10@sanjoseca.gov"; "board@valleywater.org"; "Susan@svwilsonlaw.com"; "Ken.Yeager@bos.sccgov.org"
Cc: Joel Middleton; Lisa Schmidt; OVYSL Scheduler
Subject: Morgan Hill field space

LAFCO members,

My name is Suzanne Ledesma and I'm on the Board of Directors for Orchard Valley Youth Soccer Club, a not for profit local soccer club that serves the Morgan Hill, Gilroy and South San Jose community for children's soccer. More importantly, I'm a parent of three school-age children living in Morgan Hill. Annually, we have over 1,000 children who participate in our soccer programs, both recreationally and on a competitive level, including my children.

When my twin boys began playing soccer at age 6, they truly enjoyed playing and have evolved into competitive players now at age 11. To help give back to the community, I joined the board a few years ago to help with the youth soccer effort in our area. I started as the Board secretary and now have also helped with scheduling games. As the league scheduler, I can share with you first hand that there is a shortage of field space in this area.

We play teams from all over the bay area and only have a handful of fields to play on. We rely on our local schools, MHOSC and a local winery to provide us with the playing opportunity. In this area, we are in drastic need of fields. The school fields have become less available to us due to the expansion of many of our schools. Community parks are not set up for organized sports to use. While we are grateful to a local winery who allows soccer play, the shortage of fields impairs our ability to offer a quality program. We often need to ask our opponents to host games in their area due to our field shortages. While the MHOSC provides a turf soccer field, the reality is that almost every weekend it's rented out to other organizations outside of our community. Thus the kids participating in the OVYSL program are running out of places to play soccer.

Our kids need fields to play on for the future of youth sports in our community. Please reconsider your proposal. We believe taking just a little land and using it for our kids is a great way to invest in the future of Morgan Hill and the youth in our community. OVYSL supports having the fields available for youth soccer.

Thank you for considering the youth of Morgan Hill and our neighboring communities with the option to continue playing.

Regards,

Suzanne Ledesma
- OVYSL Secretary
- OVYSL Schedule
- Mother to twin boys, age 11, and a daughter age 6, who love to play outdoor sports!

Palacherla, Neelima

From: Council Member Cat Tucker <Cat.Tucker@ci.gilroy.ca.us>
Sent: Monday, February 29, 2016 10:24 AM
To: Palacherla, Neelima
Subject: FW: Potential soccer fields

Best Regards,
Cat Tucker
Gilroy City Council
1-408-500-2523
(http://www.cattucker.com)

From: Dylan Fullington [dylan.fullington@gmail.com]
Sent: Saturday, February 27, 2016 10:29 PM
To: Council Member Cat Tucker
Subject: Potential soccer fields

LAFCO members,

I am a board member, coach, and parent at Orchard Valley Soccer Club. I have strong ties (five generations worth) to this community which is why I volunteer much of my time to improving the opportunities that kids have to participate in youth sports. It may seem like there is an abundance of field space here in Morgan Hill, but the truth is that we are competing every day of the week with other sports and events for the use of available fields. It is logistically very difficult to operate our soccer club given these limitations. As our community grows, so does our needs and we are currently struggling to service our soccer community. I do appreciate the need to protect our agricultural space, but I also believe it is important to service our communities youth. Grass soccer fields are a beautiful use of open space and would serve an important purpose for growing our community.

Thank you,
Dylan Fullington
OVSC Vice President

Sent from my iPad

Palacherla, Neelima

From: John T Horner <john@morganhill.org>
Sent: Tuesday, March 01, 2016 1:06 PM
To: Palacherla, Neelima
Subject: FW: Morgan Hill Chamber of Commerce supports the City of Morgan Hill's application to bring SRL land inside the city limits
Attachments: Sports Recreation Support Letter.pdf

Hello Ms. Palacheria,

I should have included you on the original distribution of this letter.

Please accept my apology for failing to do so.

Thank you,
John Horner

From: John T Horner [mailto:john@morganhill.org]
Sent: Monday, February 29, 2016 3:09 PM
To: 'Cat.Tucker@ci.gilroy.ca.us'; 'Mike.Wasserman@bos.sccgov.org'; 'district10@sanjoseca.gov'; 'Susan@svwilsonlaw.com'; 'district3@openspaceauthority.org'; 'board@valleywater.org'; 'Ken.Yeager@bos.sccgov.org'
Cc: 'cindy.chavez@bos.sccgov.org'; 'ykishimoto@openspace.org'; 'TerryT1011@aol.com'; 'District2@sanjoseca.gov'; 'TaraMilius@gmail.com'; 'Steve Rymer'; 'Steve Tate'
Subject: Morgan Hill Chamber of Commerce supports the City of Morgan Hill's application to bring SRL land inside the city limits

Dear Commissioners and Alternate Commissioners,

Attached is our formal letter of support regarding Morgan Hill's application to annex land for a school site and the Sports, Recreation and Leisure land use classification.

Please feel free to contact me if you have any thoughts or questions on this matter. My cell phone number is 408-206-7915.

Thank you for considering our input.

Sincerely yours,
John Horner
President & CEO
Morgan Hill Chamber of Commerce

Morgan Hill CHAMBER OF COMMERCE

Commissioners: Cat Tucker, Mike Wasserman, Johnny Khamis, Susan Vicklund Wilson, Sequoia Hall, Linda Lezotte and Ken Yeager

Alternate Commissioners: Cindy Chavez, Yoriko Kishimoto, Terry Trumbull, Ash Kalra, Tara Martin-Milius

February 29, 2016

Dear LAFCO of Santa Clara County Commissioners,

After considerable time spent listening to advocates for and opponents of the proposed addition of lands into the City of Morgan Hill's boundaries, the Morgan Hill Chamber of Commerce supports the City of Morgan Hill's application to bring these additional lands designated for Sports, Recreation and Leisure (SRL), supporting businesses and a school site into the city limits. We see this as an intelligent growth direction which continues appropriate uses near existing similar uses in the immediate area east of highway 101.

Our expectation is that these lands will be merged into the General Plan update and will be part of an overall strategy to balance professional job growth and infrastructure. These strategic improvements should include planning for schools, transportation and internet access as needed to support the managed growth of our community.

Sincerely yours,

John T. Horner
President & CEO

Robert Airoldi
Board Chair

CC: Morgan Hill City Manager Steve Rymer

Palacherla, Neelima

From: Ann Minton <anncsr@gmail.com>
Sent: Friday, February 19, 2016 3:55 PM
To: Palacherla, Neelima
Subject: APN-817-14-019 SEQ

---------- Forwarded message ----------
From: **Ann Minton** <anncsr@gmail.com>
Date: Friday, February 19, 2016
Subject: APN-817-14-019 SEQ
To: Cat.Tucker@ci.gilroy.ca.us, Mike.Wasserman@bos.sccgov.org, cindy.chavez@box.sccgov.org, District10 San Jose <district10@sanjoseca.gov>, Susan@svwilsonlaw.com, Neelima.Palacheria@ceo.sccgov.org, ken.yeager@box.sccgov.org

LAFCO Members:

We own this parcel that is included in the City of Morgan Hill's plan for Recreation/Leisure development. After review of the LAFCO Staff report, we would like to add that our property has been looked at as a feasible site for Morgan Hill Tennis Association, South County Tennis, for courts and a swimming pool for their 500 members. Also our acreage borders a quiet cul de sac adjacent to the proposed baseball fields, with no freeway access, affording a very safe environment for recreational use.
I believe the parcel size is correct at 10 acres.

I intend to speak at the meeting coming up in March, as I stated in an earlier email.

Ann (Forestieri) Minton
Steve Forestieri
Owners of APN-817-14-019

From: Leigh Grestoni <lgrestoni@gmail.com>
Sent: Monday, February 22, 2016 1:30 PM
To: Abello, Emmanuel
Subject: In Support of Morgan Hill Urban Service Area Amendment 2015
Attachments: TopFlightletter-final-1.docx

Please read and distribute the attached letter of support prior to the LAFCO Public Hearing Date of March 11, 2016.

Thank you,
Angelo Grestoni

February 22, 2016

To Whom It May Concern:

I, Angelo Grestoni, have been asked to outline our planned use for 3.8 acres of APN: 817-13-008 located at the Northeast corner of Tennant Ave and Conduit Road. This parcel of land is currently vacant and has never been used for agricultural purposes. The city of Morgan Hill's infrastructure for water, sewer and power hook-ups are available on the border of the property. This parcel of land is ideally situational given its proximity to Inter-State 101 making my project to build an approximately 40,000 square ft basketball academy economically feasible for the area. It would be located next door to the existing Aquatic Center and the Soccer fields located to the north. The last remaining challenge is to have the county annex the property into the city of Morgan Hill.

The basketball gymnasium complex will be expressly for the Top Flight Sports Academy. To give some history, Top Flight Sports Academy was started by Christopher McSwain in 2010 with only three teams. They now have 26 basketball teams and continue to grow at a rapid pace. Their main challenge today is to locate and rent out enough gym time to accommodate their players.

Top Flight Elite AAU Basketball under the umbrella of Top Flight Sports is an Elite AAU Program in the Northern California and greater Bay Area. The Top Flight Elite Basketball Club, coaches and players are members of the AAU (Amateur Athletic Union). The AAU is one of the largest sports organizations in the United States. Top Flight Elite Basketball strives to provide a platform for players to grow year-round by competing at the highest level possible. With the level of competition growing rapidly, Top Flight Elite participates in the preeminent local, regional and national AAU basketball tournaments.
They offer boys and girls teams from 4th grade through High School. They focus on fundamental skill development that takes players to the next level. The players are evaluated and selected based on ball skills, positive attitude, work ethic and satisfactory academic performance.

The Top Flight Elite mission is to teach life lessons through the game of basketball. They are dedicated to the principle that success is not given, but earned through hard work, dedication and focus. They want to use the game of basketball as an instrument to teach life skills to youth interested in pursuing basketball as a means to earning a college degree. Many of their players (15 boys and 5 girls) have been offered college scholarships. Being that most of the players they started with six years ago are now finally seniors this year, this number should triple over the next few years.

All of the Top Flight Coaches are committed to the program and many of them currently or have coached basketball at the high school level (Bellarmine, Branham, Del Mar, Leigh, Los Gatos, and Valley Christian High Schools).

The Top Flight Sports Academy offers the following:

1. Seasonal Tournament Play
2. Winter Basketball Programs and Camps
3. Summer Basketball Programs and Camps
4. Practice time and private sessions
5.

We envision the future Gym facility to be used year round for Top Flight players and also to host future tournaments for the basketball community.
This would undoubtedly bring increased revenues to the local hotel and restaurant establishments.

If you are interested in learning more about this valuable youth program, please go to the website: **www.topflightelite.com**. Also if you have any questions please don't hesitate to call me directly at 408 910-9993.

Sincerely,

Angelo Grestoni
1906 Dry Creek Road
San Jose, CA, 95124

Abello, Emmanuel

Subject: FW: SEQ Supported by Our History

From: Ann Minton [mailto:anncsr@gmail.com]
Sent: Friday, March 04, 2016 9:17 AM
To: cat.tucker@ci.gilroy.ca.us; district3@openspaceauthority.org; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; District10 San Jose <district10@sanjoseca.gov>; board@valleywater.org; Yeager, Ken <Ken.Yeager@bos.sccgov.org>
Subject: Fwd: SEQ Supported by Our History

History in supporting the SEQ.
I also will speak at the Meeting to all the members of LAFCO.

I grew up on a prune ranch on Fisher Avenue bought in the 1930s by my immigrant grandparents, Gataeno and Anna Forestieri. My first job was picking 10 boxes of prunes to buy a lunch box when starting kindergarten, the year was 1960.

My brother Steve and I worked summers, weekends and also part-time jobs. My parents were adamant that farming was not a feasible career for us. Steve and I found other careers, an engineer and court reporter, respectfully.

Morgan Hill is a town rich in history and my father helped build that image and was appointed to the Federal Prune Administrative Committee by Secretary of Agriculture Bob Bergland in 1980.

You must understand the past to see the future. The freeway placement, which my father Duke Forestieri fought, cut off our land to the west. Dad took on other people's orchards to make ends meet for our family. He also pursued the idea of moving to Yuba County where prune farming was beginning. My Father's love of Morgan Hill instead kept him here. He continued to sharecrop but as Yuba' County's production increased it drove the price of prunes down everywhere including Morgan Hill. . The cost of farming escalated in the Valley, as more and more restrictions were enacted, utility costs increased, and labor for harvesting became harder to find even though my Dad paid top dollar and provided free housing for the seasonal workers.

My Dad's health began to spiral downward in his mid-70s, He gave up sharecropping and farmed only his land and the next door neighbor's..
.The pioneer farmers did not have stock options or golden handshakes; they had their families and their land. Dad joined others in working with the City in the 90's and early 2000s to carve out a plan for the pioneer farmers and include the needs of a growing Morgan Hill. before he died in 2011, This plan was taking shape and he told me "it lets people enjoy using our land, not just looking at it as they drive by, but to walk on it, play on it".

This final plan has been worked on for over 15 years. It provides an area where kids who cannot afford traveling teams can improve their skills in many sports and have a better chance at the coveted spots on the high school teams. It will provide a place for community sponsored events, where families can afford the tickets for the whole family.

If this cohesive plan is not put into place, land owners will go their own way, creating a haphazard tapestry for financial survival, which will not enrich our children's lives or improve the landscape.

I firmly support this plan for the SEQ.
Ann (Forestieri) Minton

Jeanette R. Alosi
SEQ Puliafico Applicant
1922 Oak Park Avenue
Chico, CA 95928
jralosi@gmail.com (Sent via email)

Local Agency Formation Commission of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

March 7, 2016

Regarding: City of Morgan Hill Urban Service Area (USA) Amendment Area 1: Tennant-Murphy

Dear LAFCO Commissioners,

I am one of the owners of the 38 acres of property on Tennant Avenue that is included in the proposed SEQ. I am writing to strongly urge LAFCO to approve the Morgan Hill USA amendment request for the entire Area 1.

When I left Morgan Hill to attend college, I choose Chico State because it felt like home. Both were small, vibrant, farming communities. My family had a small, successful prune, apricot and walnut farm on Dunne Avenue. However, over the decades, farming became economically unsustainable in the increasingly urban environment of Morgan Hill especially in the vicinity of Dunne Avenue. Expenses increased, and my father was forced to retire and sell the farm. Now, two story houses surround my childhood home just less than a mile from the Tennant Avenue property. I am a strong supporter of agriculture and have been a UC Butte County Master Gardener for over 6 years.

Although our families made a living farming, our property has not been farmed in years. All my cousins who are current owners have chosen other occupations. We, as owners of the property, have the option of selling our 38 acres as 5 separate lots. However, this is not our preference; we do not prefer to see our property converted into 5 McMansions that would only benefit a few wealthy families. And, most importantly to me, there would be no 1 to 1 acre mitigation of agricultural lands.

It is a common occurrence in Morgan Hill to see a large estate being built on land zoned for agriculture. Every time this occurs, there is no agricultural mitigation for the loss of farm land. Recently, the City of Morgan Hill voted to include $6 million in an agricultural preservation fund. This would help provide the funding to keep agriculture vibrant in the more rural areas of Morgan Hill.

We now have the opportunity to provide something beneficial for the public good, provide a healthy, recreational outlet for children and adults, and preserve agricultural land by including our property in the City of Morgan Hill's Urban Service Area. This property would then be available as open space for sports and leisure activities to benefit the entire local community. To me, this would be a wonderful way to give back to the community that supported our families over the years.

Thank you for your consideration,

Jeanette R Alosi

Jeanette R. Alosi

David Puliafico
SEQ Puliafico Applicant
1630 Tennant Ave
Morgan Hill, CA 95037
david7ot@garlic.com

March 7, 2016 VIA EMAIL

Local Agency Formation Commission of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

Re: City of Morgan Hill Urban Service Area Amendment Area 1: Tennant-Murphy

Dear LAFCO Commissioners,

I am David Puliafico and my family is the Puliafico Sports-Recreation-Leisure Uses SEQ applicant. We request our Tennant Ave property (38 acres) be included into the City of Morgan Hill Urban Service Area. We strongly believe our land would be best utilized as public open space for sports and leisure facilities.

If used as public open space, thousands of Santa Clara County children and teenagers would benefit by participating in open field sports such as soccer and cricket. And importantly, it would provide a 1 to 1 acre agriculture mitigation per city ordinance. Recently, the City of Morgan Hill dedicated $6 million for agriculture preservation.

Currently, over 10 family members (cousins) own this property, and we have to sell by the end of this year. All our parents farmed for a living, but have since passed away. Our property has not been actively farmed in years. We are either retired or have chosen non-farming occupations and there is no one left to farm.

We could have easily sold our property years ago for 5 mini-estates. However, this course of action would benefit a few wealthy individuals, and most importantly, not provide any public benefit nor lead to the preservation of agricultural land. No 1 to 1 acre of agricultural land mitigation would occur.

Over the last 14 years, we have been working with the City of Morgan Hill to create a viable SEQ plan that would benefit the public, create open space and preserve agriculture. This would greatly benefit the City of Morgan Hill and Santa Clara County rather than just 5 mini-estate land owners. Over the years, we have participated in many public meetings, and contributed to fees for SEQ agriculture preservation and SEQ zoning planning. The opportunity now exists with LAFCO to transform this property for the public good. The economic forces of Silicon Valley are against us unless we act now.

Our property is of great value located on Tennant Avenue right off a Highway 101, 4-lane interchange exit. Tennant Avenue is now a major city road, and is no longer an outskirts county road. It is a perfect location for a soccer or other open space sport facility providing easy public access.

The recent SEQ LAFCO staff report dated February 2, 2016, totally ignores the fact it is a common occurrence that land zoned for agriculture in the SEQ area is being converted to mini-estates due to the outrageous real estate demands of Silicon Valley wealthy individuals to buy mini-estate country homes just outside the Morgan Hill City limits.

A major false representation in the LAFCO staff report is that our land is zoned as agriculture, 20 acre lots as shown by County assessor parcel numbers. However, we have Santa Clara County Certificates of Compliances for 5, legal smaller lots and not the 2, large lots. Although the certificates of compliance were provided to LAFCO, at their request, our property is still being represented as 2, 20 acre lots and not by the 5 legal smaller lots.

We have been approached by many open field sports organizations interested in purchasing our entire 38 acres for open space field sports. One of the largest non-profit soccer organization representative said to me that over the last 10 years, they have been unable to find a reasonable priced location that is zoned sports and leisure for their needed fields. The reality is any commercial property located in Santa Clara County costs 5 to 10 times the amount of money our property could be acquired for by a non-profit organization. We have the fondest childhood memories and experiences playing on our Tennant Avenue property. We would like thousands of other children to have the same opportunity to "play" on our land.

At this time, we are unable to enter into an agreement with any non-profit sports organization. Our land is not yet property zoned nor in the city Urban Service Area. Although the recent LAFCO staff report implies that we should already have an organization in contract for a specific facility (which we do not), it then says the City of Morgan Hill and the Catholic Diocese should not have entered into such an agreement/purchase.

Recently, a large corporate nursery purchased foreclosed farm land east and across of us on Tennant Avenue. They are currently using heavy construction industrial escalators, graders, and other equipment in the 20 acre parcel. In the process, they are destroying the land by removing tons of top soil, compacting the remaining soil, and putting in a large rock road. From the grading and modern nurseries, they are most likely planning to construct 30 foot buildings and greenhouses. This commercial high density construction is being allowed by the County. This is not the agriculture preservation envisioned by most, but it appears to be the future as nurseries are the number 1 profitable farming business.

This is exactly why the City of Morgan Hill would like our property in the city limits. Once in the city limits, our 38 acres can be zoned for open space and sports. Our land will not be destroyed.

According to a LAFCO map, our property's south border already has residential housing. To the east, it is bordered by many Williamson Act Parcels. And, now to the farthest east-north corner, a nursery is in construction. I do not see how there can be any further city development extending out; we are boxed in.

My family and I live on the Tennant Avenue property. Just down the road we have witnessed thousands and thousands of children over the years come from all over Santa Clara County and beyond to participate in soccer and swimming events in the SEQ. There is no dollar amount that could be put on the social benefits these facilities provide to our children now and for generations to come. I would like our property to do the same for other children. This would be our legacy to the City of Morgan Hill and Santa Clara County. It is our way of giving back to the community.

Sincerely,

David Puliafico

Palacherla, Neelima

From: Council Member Cat Tucker <Cat.Tucker@ci.gilroy.ca.us>
Sent: Thursday, February 25, 2016 10:42 AM
To: Palacherla, Neelima
Subject: FW: Sports field support

Hi Neelima,

I am starting to get many email, I am not sure if the other commissioners are also getting them so I will forward them to you.
Maybe you send out a email asking all the commissioners if they are getting them too?

Best Regards,
Cat Tucker
Gilroy City Council
1-408-500-2523
(http://www.cattucker.com)

From: James Smart -X (jamsmart - CBRE, Inc. at Cisco) [jamsmart@cisco.com]
Sent: Thursday, February 25, 2016 10:13 AM
To: Council Member Cat Tucker
Subject: Sports field support

Dear City Member,
I am writing as I understand there is a plan to build a sports complex consisting of Softball and Baseball fields. I would like to strongly express my support for these fields to be built. My son and many of his friends play baseball on Little League and Travel Ball. Ass I am sure you know it is hard to raise a child these days. Keeping them away from drugs, gangs, and in school can be a big challenge. But I have noticed that my son and many of his team mates are on a good path. They are learning responsibility, team work, self-accountability, and sportsmanship. This is great for the baseball team but I believe it parlays into their school as my son and many of his team mates are honor roll students. They practice 3 times a week and participate in tournaments on the weekends. I coached little league and now am working on coaching for the Junior Giants because I believe keeping the kids busy with a constructive activity is so very important. I have watched several of these young men grow from little kids to the young men they are now.

Please consider the kids when this decision is made. I truly believe it can make the difference from being a young man or woman having too much time on their hands and possibly making poor friends and bad choices in their life's.

Regards,
James Smart

Palacherla, Neelima

From: Council Member Cat Tucker <Cat.Tucker@ci.gilroy.ca.us>
Sent: Friday, February 26, 2016 2:36 PM
To: Palacherla, Neelima
Subject: FW: In support of a South County Catholic High school

FYI...

Best Regards,
Cat Tucker
Gilroy City Council
1-408-500-2523
(http://www.cattucker.com)

From: Janice Guglielmo [thewinemaker7@gmail.com]
Sent: Friday, February 26, 2016 1:08 PM
To: Council Member Cat Tucker
Subject: In support of a South County Catholic High school

Dear Ms. Tucker

Having lived in Morgan Hill for over 50 years I'm very excited about a new Catholic high school as it will be an asset to our community. I can attest to this having experienced our daughter's excellent education at Archbishop Mitty.

Morgan Hill is sorely in need of an education that fosters the growth of the spirit as well as that of the mind. It is one that is greatly desired by locals as is evident with the stream of commuters making their way to San Jose for this type of education.

My family and I are in full support of a Catholic high school and would welcome it into the community with open arms.

Many Thanks,
Jan Guglielmo

Palacherla, Neelima

From: Jeff Bocchicchio <jmbocchicchio@yahoo.com>
Sent: Sunday, February 28, 2016 10:07 AM
To: Cat.tucker@ci.gilory.ca.us
Cc: Palacherla, Neelima; ICE WIFE
Subject: Letter in support of the annexation of the land for South County Catholic High School and the Southeast Quadrant

Dear Councilwoman Tucker,

We are writing you to request your support in approving the annexation of land for South County Catholic High School. From our perspective, the high school will be a South County asset as its mission and tenants will honor the legacy and heritage of Morgan Hill and southern Santa Clara County and whose campus and student population will complement and honor the surrounding agricultural environment.

As parents of an eight-year-old girl and future high school student, we look forward to an option to enroll our daughter in a high school that focuses on the mental and spiritual well-being of our daughter as well as her maturation in college preparatory necessities as science, technology, engineering and mathematics. This school will seek to enrich all aspects of the educational experience to include developing each student's entrepreneurial talents, interpersonal skills and positive mental health.
As we speak to parents in Morgan Hill, Gilroy, South San Jose and surrounding areas, there is a strong desire among both Catholics and non-Catholics to see this college preparatory high school built. It is not surprising that support for this school should come from outside of the Catholic Community as most Catholic High Schools in Santa Clara County count among their student populations a percentage greater than 40 percent of non-Catholics. Schools like South County Catholic High School are respected for their moral and ethically based focus as well as their academic rigor in critical thinking and logical problem solving. This school will be for those who seek to learn in a challenging environment with a penchant toward community involvement.

As South County Catholic High School matures, we foresee the school expanding in its role as a community resource. As a center of education for the community, we will seek to sponsor educational events that serve the needs of the many. We seek to collaborate with institutes of higher education and the business community for the benefit of our students and to reach out to integrate students from other schools as well as parents, alumni, the surrounding community. We see South County Catholic High School as a future center of continuing educations for all.

South County Catholic High School will be a center of hope, vision and love. Its merits will be judged not only by the actions and accomplishments of its graduates, but by the role that the school defines for itself with in the community. It will be a place to be part of and not simply a place from which to have graduated or been associated.

Our best course of action against an uncertain future is to create the future that we seek; South County Catholic High School will create that opportunity by casting a future for all it touches.

We seek to usher in a new era in education; please help us by approving the annexation of lands to build South County Catholic High School.

Sincerely,
Jeffrey and Michelle Bocchicchio

9767 Golden Sky Way
Gilroy, CA 95020

Sent from Mail for Windows 10

Palacherla, Neelima

From: Shelly Paiva <shellyp@chreynolds.com>
Sent: Monday, February 29, 2016 9:19 PM
To: cat.tucker@ci.giloyr.ca.us
Cc: Palacherla, Neelima
Subject: South County Catholic High School

Dear Cat Tucker,

I am writing you this letter because I am a strong supporter of the South County Catholic High School. I live in Gilroy with my husband and son who attends St. Mary School in Gilroy. We moved down here 15 years ago so we could purchase a home after growing up in the Campbell/Willow Glen area. We truly love this community and enjoy living here with our family. However, one of the main things missing is a local Catholic High School. It would be a huge benefit to this community by having this high school here is South County. Creating more jobs, the ability for less high school kids on the roads making the long commute to San Jose, Watsonville or beyond. In addition, this would help to increase home values, growth for local businesses and raise the education level of this community. This school has been in the works for many years now and we are finally starting to see the light at the end of the tunnel. Many community leaders, business people and constituents of this area want this school to be built. From my understanding there is a strong plan to preserve the agriculture and building a school where there is the ability to see how the ag land is used and learn how to use it would only benefit generations to come. We are in a unique area where this school will be one of the few where we can teach kids about how important the ag land is and how to properly use and preserve for future generations. When you build a school in a larger area where kids are not introduced to this type of living they will never know the importance of it. By building this school in the heart of it, you are not only building a well needed educational facility, but also building a training center for future land owners, new generations of farmers and the appreciation for the beauty of this land.

In addition, if you don't approve this, it is also my understanding there are grandfathered in uses for this land and if we don't build a school it will be portioned off to build estates. Where this will not have the same effect on education our future generation on the beauty of this land and how to best use it. It would then be used for a select few to have a beautiful home. I would favor the School to be able to bring more to the community then just a few estate houses.

Of course I also have a personal agenda where I want this school built soon so my son would be able to attend.

Thank you for your consideration,

Thank you,
Shelly Paiva, President
O: 1 408-436-9280
F: 1 408-436-9289
C.H. Reynolds Electric, Inc.
http://www.chreynolds.com/

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Please consider the environment before printing this email

intended recipient, please contact the sender and delete all copies without reading, printing, or saving in any manner. - Thank You.

From: Cmoralez2003@aol.com
Sent: Monday, February 29, 2016 7:31 PM
To: Abello, Emmanuel
Subject: SEQ application agreement

I am a resident of Morgan Hill and am in agreement for the city's applications to annex the Southeast Quadrant and Area 2 into the city limits. I have lived in MH for over 30+ years and have seen the city grow but still feel we need to protect our interests and include those two areas in our city.

Cindy K. Moralez

Palacherla, Neelima

From: Marilyn <marilynjw19@yahoo.com>
Sent: Thursday, March 03, 2016 7:55 AM
To: Palacherla, Neelima
Subject: SouthEast Quadrant

Please forward this to LLAFCO. We are Morgan Hill Residents. We do not believe the loudest who oppose the annexation are the majority. We ask that LLAFCO approves the annexation of land so that a new Catholic High School can be built in City Limits. Many families from the South County commute up to San Jose to take their kids to private school. This will provide them a local school and cut down on their commute. We plan to send our child there. I know many other families who now ask me when the school will be built because they want to send their kids there. That is the true majority that is too busy working and raising kids to write articles in the Merc.

Likewise, the extension of the outdoor sports complex will benefit the youth in our region. The OSC and other sports facilities bring our community together. Morgan Hill would feel empty if these facilities we never built.

If this is denied, it is likely this area turns into the rest of the surrounding San Martin... Big estates on huge lots which does not protect agriculture. There is simply no viable farming in this area because it is surrounded by homes, but the City's plan at least will protect some small farming and open space by making landowners record this on their deed for the property. I hope the county does the right thing.

Marilyn and Matt Wendt

Sent from my iPhone

Palacherla, Neelima

From: scott.holmes@yahoo.com
Sent: Friday, March 04, 2016 2:48 PM
To: Cat.Tucker@ci.gilroy.ca.us
Cc: Palacherla, Neelima
Subject: Support for the Catholic High School in Morgan Hill's "SEQ"

Dear Ms. Tucker:

I am writing this letter to you to ask for your support for going forward with the LAFCO approval for the Catholic High School as part of the SEQ issue.

My family came to South County in 1976 and settled in the eastern foothills near the SEQ. Although I was very young, I clearly remember my parents' very actively supporting Measure E in 1979 so that Morgan Hill would grow in a sustainable and controlled manner. I have great memories of growing up in Morgan Hill and South County. Many of these great memories include the ample open space and active agriculture community in the area. I finished all of my primary and secondary education in Morgan Hill and graduated from Live Oak High School in 1991. In 2001, after finishing my higher education, I returned to Morgan Hill for a few reasons. Two of these are 1) that the community retained it's agricultural roots and small city/family oriented culture and 2) that the development that did occur (and was further planned) seemed additive to the culture (recreation centers, sports complex, community center, schools, and a Catholic School) but responsible from an urban sprawl and sustainability standpoint. To this day, I support limited and controlled growth in my community and am a supporter of local agriculture.

As of now, an option for private Catholic secondary education is lacking in the South County community. I'm excited about the vision of the Catholic High School and plan to send both of my daughters to the school if LAFCO clears the way for it's development. If not, I'll be driving my children North for their schooling and my family will not be fully participating in the South County community.

Almost all demographic data sources show that the majority of those that claim to be religious claim to be Roman Catholic in 95037. Furthermore, data shows that the large majority of the agricultural labor force in California are also Roman Catholic. A significant part of the working population in Morgan Hill (and South County) is employed by high technology firms and is in a much different demographic than the agricultural community. The Catholic community is one that is inclusive to both demographics. Clearing the way for building this Catholic High School supports the connection points of these two demographics in this community and, I conclude, that it is supportive of local agriculture. Therefore, I ask you to support the Catholic High School in support of the inclusion of the agricultural community.

In support of the larger SEQ initiative, my observation is that development does occur in the county administered lands that does not support agriculture. For example, near Barrett Ave and Trail Rd, there are 4 large residences (over 4000 square feet) that are being built on previously agricultural use land. I also have noticed that in February of 2015, agricultural land on the North East side of Tennant Ave near Hill Road is being cleared for some development. The land is located close enough to the City that I drive through it multiple times a day to get to areas between the city itself. Seeing fallow land, seemingly ad hoc development, and lack of local civic administration (including police) of this area seems obviously suboptimal.

Please support the community and support the approval of this issue on 3/11.

Sincerely,

Scott Holmes

Scott Holmes

View Scott Holmes' professional profile on LinkedI n. LinkedIn is the world's largest business network, helping professionals like Scott Holmes discover in side conne...

View on **www.linkedin.com** Preview by Yahoo

Palacherla, Neelima

From: dorisfredericks@gmail.com on behalf of Doris Fredericks <doris@dosgatos.net>
Sent: Friday, March 04, 2016 12:43 PM
To: Palacherla, Neelima
Subject: oppose the Morgan Hill land annexation

The City of Morgan Hill's proposal to annex and develop 229 acres of prime farmland SEQ, is highly speculative and I question the viability of many of the City's plans.
It's not just what's has been proposed for the space, it is also about what may be built and how that would affect Morgan Hill in the long term.
My opinion, and that of others, is that this is a development plan disguised as a land preservation project. It will not protect farmland. It is classic urban sprawl, and it will be a long-term fiscal burden on the city and its taxpayers. This is why on March 11, the Local Agency Formation Commission (LAFCo) must vote to deny the city's misguided plan.
Thank you for your attention to this matter.
Sincerely,
Doris Fredericks

Doris Fredericks, RDN, RYT
Healthy Living
Nutrition, Yoga and Wellness Coach
16780 Oak view circle
Morgan Hill, CA 95037
408-966-6111

Palacherla, Neelima

From: Chuck Berghoff <cberghoff@optoelectronix.com>
Sent: Friday, March 04, 2016 5:42 PM
To: Palacherla, Neelima
Subject: FW: Your support needed for South County Catholic High School in Morgan Hill's SEQ project

Dear LAFCO Board member Neelima Palacherla,

Please support the project to build the new South County Catholic High School (Now named the St. John XXIII College Preparatory High School) on the 40 acres owned by the Diocese of San Jose in the South East Quadrant. It is an opportunity to meet the needs of over 400 students that daily commute from 2 to 3 hours daily to attend private schools outside of the South County area, reduce the disruption to their families, offer a uniquely valuable educational option to the residents of South County and benefit all of the residents of the South County as the result of the opportunity for students to give back to the community they live in. All of these advantages to students, families and the community at large comes with the wonderful protection of Ag land use adjacent to the school. Both the school and the Ag land will leave a legacy for many generations to come.

As donors to the school and active in the fund raising and development of it, both my wife Sue and I are committed to making this school a unique opportunity to provide a high quality educational resource to the region that will focus on leadership and entrepreneurship skills, partnering with leading Universities and industry partners, combined with the ethics training unique to the Catholic curriculum.

With extensive careers we have both had in the high tech industry as well as Sue's second career teaching for many years at San Jose State University, we both see the unique advantages this school will offer to better prepare students for the future, improve quality of life for families and further improve the value of the community.

Please help make this wonderful asset to the Bay Area a reality by supporting the proposed SEQ project and Catholic High School. Your support is needed and appreciated.

Regards,

Chuck Berghoff
Chief Executive Officer
OptoElectronix Inc.
111 West St. John Street, Suite 588, San Jose, CA 95113
408-482-1430 Mobile

Palacherla, Neelima

From: Mary Anderson <jeffandmb@gmail.com>
Sent: Monday, March 07, 2016 10:38 AM
To: Palacherla, Neelima
Subject: Fwd: Annexation of land for South County Catholic High School

Dear Ms. Palacherla,
Please read the forwarded message below regarding the SEQ issue.

Regards,
Mary Beth Anderson

Sent from my iPad

Begin forwarded message:

> **From:** Gerri Beasley <gigibeas@sbcglobal.net>
> **Date:** March 5, 2016 at 8:49:11 AM PST
> **To:** <jeffandmb@gmail.com>
> **Subject: Annexation of land for South County Catholic High School**
>
> Mary Beth,
> Please forward this E-mail to the LAFCO commission members,
>
> We submit our strong support of the annexation of land needed to complete the South County Catholic High School. We believe that this will help the entire region to remain in the forefront of education for all the families who are now chosing the south bay as a desirable area in which to raise children. Our adult children are willing to move away from the congested Bay Area if there would be a School such as this one in the South Bay.
> Respectfully submitted,
> Bill and Gerri Beasley
> 1055 Deanna Drive
> Menlo Park, CA

Palacherla, Neelima

From: Gerrie Reinhardt <greinhardt@rnpadvisory.com>
Sent: Saturday, March 05, 2016 2:00 PM
To: Cat.Tucker@ci.gilroy.ca.us; Wasserman@bos.sccgov.org; district3 @openspaceauthority.org; district10@sanjoseca.gov; board@valleywater.org; Susan@svwilsonlaw.com; Yeager, Ken
Cc: Palacherla, Neelima
Subject: South County Catholic High School

Dear LAFCO Representatives, With our good environmental intentions are we forcing some farmers to make a mediocre living off of their land which may not be suitable to various crops, trees or have enough water to irrigate? It is easy to push the can further down the road by prolonging the decision process , but is that beneficial? The San Jose Diocese purchased 40 acres from two families that had difficulty farming the land. It is easy to say we want to protect our green valley, our trees and our fields, but at whose expense.

I don't think the environmentalists and the urbanists want anything that is detrimental for our future but at times have difficulty coming together. The city of Morgan Hill has done an excellent job in managing growth and the environment. My wife and I moved to Morgan Hill in 1984, we enjoy the open space, the green hills, especially in the winter and spring, and the lights of the City at night. Morgan Hill is the best place we have ever lived and the city has managed a perfect balance in our community which is very refreshing.

We both grew up attending Catholic Schools. When our children were ready for high school, they had to actually leave our community and struggle with the commute. It meant many hours on the road to attend football games, dances and being with their friends. The development of a Catholic High School in our area would be a real blessing and I'm hoping my grandchildren will have that opportunity. A Catholic High School would improve the area and give students from Hollister, Gilroy, Morgan Hill and South San Jose a chance to learn, play and enjoy, with more time, instead of spending hours commuting. It would be great to have a Catholic High School in our area, giving parents more choices for education.

The site that the Diocese has chosen was formally the T-1 site chosen by the Morgan Hill Unified School District and environment impact studies were done years ago and repeated for the high school. It wasn't until the Sobrato family graciously gave the land north of Morgan Hill that the second high school plans actually changed and Sobrato High School was built.

The city of Morgan Hill has had several hearings, planning sessions and has given ample opportunities to Morgan Hill citizens to appear and voice their opinions on the S.E. Quadrant of which the Catholic High School is part. We have elected officials to represent Morgan Hill and they would like to go forward with their plans to preserve and annex the S.E. Quadrant. We trust the City in it's actions and have found that they have always extensively explored the welfare of the community as a whole. We strongly urge you to vote "yes" and let the City move forward with their plan for the S.E. Quadrant.

Thank you for your consideration.

Carl and Gerrie Reinhardt
Residents and Business owners
Morgan Hill, CA

March 6, 2016

Dear LAFCO Executive Officer Neelima Palacherla,

After many months of research into the proposed South County Catholic High School I felt compelled to write to you about my support for the development of this school in Morgan Hill, California.

I would urge you to exercise what latitude you and other LAFCO Board Members may have to specifically approve the land use request for this school property within the SEQ proposal presented by the City of Morgan Hill.

This school will be a splendid asset to Santa Clara County. It will offer an educational alternative that has not been made available in the Valley in over 50 years. The communities of Gilroy and Morgan Hill and those surrounding them should be very pleased that the Diocese of San Jose has shown a long term dedicated interest in building and providing a school here in South County.

I would hope that the presence of this school will drive surrounding schools to improve on many levels by setting new and higher educational standards. This can be an immeasurable legacy from a system that has historically taken interest in assisting minorities and students at every economic level. It is envisioned to provide continuing education for all. We need future leaders from all backgrounds who will return to the County and give back by serving the area that has provided so much and offers a wonderful standard of living.

The overall design vision is to build an ecologically sustainable campus that includes open space to educate students to address real world ecological problems. I can think of no higher use of this land than this type of innovative educational opportunity.

Community support for this school runs high. For example, a long term, non Catholic instructor currently employed at Christopher High School located in Gilroy said to me recently, "We need a school like that. It's about time and would complete the need and desire for that type of educational alternative in South County". I understand that a sustainability study done in recent years indicates that this school will be a success located in this area of the county.

I respectfully ask that you use your visionary gift and envision the future of education in the County that will assuredly benefit each and everyone of us for generations.

Sincerely,

Mary Beth Anderson
Gilroy Resident and County Property Owner
Cellular - 1.408.842.4162

Palacherla, Neelima

From: Carol Johnson <carolj@garlic.com>
Sent: Monday, March 07, 2016 8:43 AM
To: Palacherla, Neelima
Subject: South County Catholic High School

Dear Ms. Palacherla:

I have been following the progress of the proposed high school for quite some time now and understand that it is now before you (LAFCO) for approval of the land use. I am a long time resident of South County, 30+ years in Morgan Hill.
I raised four children here and now have seven grandchildren who will be entering the school system here. I am thrilled at the prospect of this high school coming to fruition. This high school has been a long time coming and the need today is greater than ever. I believe a high school of this caliber will do nothing but enhance this area.

In my mind, what greater use for this land then educating the future leaders of our world. The vision of this high school is beyond exciting and will provide a learning environment that will not only be educational but innovative! My hope is that you will use your influence to approve this land use and pave the way for an incredible asset to our community.

Regards,
Carol A. Johnson
408.422.2770

Palacherla, Neelima

From: Fabienne Esparza <fesparza@stcatherinemh.org>
Sent: Monday, March 07, 2016 11:29 AM
To: Yeager, Ken
Cc: Palacherla, Neelima
Subject: Annexation of Property for South County Catholic High School

RE: South County Catholic High School

I am writing in support of annexation of the land for South County Catholic High School into the city of Morgan Hill. As part of a team of dedicated individuals, we have been working diligently to make this school a reality. The city of Morgan Hill strongly endorses the annexation of the property and has a very strong plan to preserve agriculture in the valley, as well.

Many of our students commute long distances each day to attend other Catholic high schools. A local alternative would not only get students off the freeways for those long commutes, but would also enhance the city of Morgan Hill with an additional high quality educational option and keep families more engaged in activities in their local community. The school will provide top notch education for the 21st century and add many economic benefits to local businesses.

South County Catholic High School has outstanding support from the St. Catherine and St. Mary's parishes, as well as many parents who are eager for a local Catholic high school option. Every week I have parents asking when the new high school will break ground and will it be ready for their children to attend.

Within all the consideration for annexing the property into the city, we also want to preserve and promote the long standing history of agriculture in South County. In collaboration with the Morgan Hill City Council we hope you will help make this happened, so we can move forward with the new high school.

Warmest regards,

Fabienne M. Esparza
Principal
St. Catherine School
17500 Peak Avenue
Morgan Hill, CA 95037
(408) 779-9950

Palacherla, Neelima

From: Johnson,Jonathan S <Jonathan.Johnson@edwardjones.com>
Sent: Monday, March 07, 2016 2:22 PM
To: Palacherla, Neelima
Subject: LAFCO/SEQ Morgan Hill

Dear Ms. Palacherla,

After hearing about the proposed South County High School I felt compelled to write to you about my support for the development of this school in Morgan Hill, California. This school will be a splendid asset to Santa Clara County. It will offer an educational alternative that has not been made available in this valley. The communities of Gilroy and Morgan Hill and those surrounding them should be very pleased that the Diocese of San Jose has shown a long term dedicated interest in building and providing a school here in South County.

I graduated from High School in the summer of 2000. I chose to attend St Francis High School rather than the local public schools for my education. Although it was a great decision to go there, it was not easy as a teenager to commute from Morgan Hill to Mountain View 5 days a week, catching the train at 6am and usually not returning home until about 7pm depending on whether or not I was playing a sport. I have valued and appreciated my education from the school, but it did not come without sacrifices. Providing this educational alternative for the children in South County will provide them a great opportunity without some of the sacrifices I had to make for a similar opportunity.

I believe that community support for this school runs high and I understand that a sustainability study done in recent years indicates that this school will be a success located in this area of the county. I respectfully ask that you use your visionary gift and envision the future of education in the County that will assuredly benefit each and every one of us for generations.

Thank you,

Jonathan Johnson
Cell: 408.595.8743

Jonathan Johnson
Financial Advisor
Edward Jones
7615 Pacific Street
Omaha, NE 68114-5420
(402) 393-1002
www.edwardjones.com

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
1	Trina Hineser	San Martin Neighborhood Alliance		12/06/15	Deny Area 1
2	Sousan Manteghi-Safakish	South County Democratic Club		02/08/16	Deny Area 1
3	Serena Unger	American Farmland Trust		02/16/16	Deny
4	Joe Lovecchio	Morgan Hill Pony Baseball		02/18/16	Deny Area 1
5	Michael Ferreira	Sierra Club		02/19/16	Deny Area 1
6	Shani Kleinhaus	Audubon Society		02/23/16	Deny Area 1
7	Yvette Castanon	Save Morgan Hill		02/29/16	Deny Area 1
8	Eli Zigas	SPUR		02/29/16	Deny Area 1
9	Cecilie Schulze	League of Women Voters		03/04/16	DenyArea 1
10	Rod Braughton, plus 15 other signatories		Property owners/ residents in the subject area	01/20/16	Deny Area 2
11	Chuck Reed		On behalf of property owners	01/22/16	Deny Area 2
12	Carol Neal		Property owner in SEQ area	02/13/14	Deny Area 1
13	Shawn Barreras		Resident in SEQ area	02/29/16	Deny
14	Yudhvir Singh Sidhu		Resident and property owner in SEQ area	03/01/16	Deny Area 1
15	Lisa and Dennis Yearton		Resident in SEQ area	03/01/16	Deny Area 1
16	Charlyn & Mel Perrier			08/04/15	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
17	Charlyn & Mel Perrier			10/26/15	Deny Area 1
18	Flyn Fenex			10/30/15	Deny Area 1
19	Ying Leighton			11/02/15	Deny
20	Jordan Wittman			11/02/15	Deny Area 1
21	Lisa Voss			11/02/15	Deny Area 1
22	Marilyn Dober			11/04/15	Deny Area 1
23	Kristyn Greenwood			11/09/15	Deny Area 1
24	Ashley Woodworth			11/17/15	Deny Area 1
25	Linda Barbosa			11/22/15	Deny Area 1
26	Debbie Kenyon			11/23/15	Deny Area 1
27	John Jenkins			11/24/15	Deny Area 1
28	Todd Perry			12/10/15	Deny Area 1
29	Chuck Flagg			12/19/15	Deny Area 1
30	Margaret McCann			01/02/16	Deny Area 1
31	Janet Conrey			01/06/16	Deny Area 1
32	Diane Berney			01/07/16	Deny Area 1
33	Linda Barbosa			01/16/16	Deny Area 1
34	Mark P. Green			01/25/16	Deny Area 1
35	Myra Kaelin			01/27/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
36	William Barnhart			01/30/16	Deny Area 1
37	Virginia Pfluger			02/06/16	Deny
38	Chris Monack			02/15/16	Deny Area 1
39	Rene Spring			02/26/16	Deny Area 1
40	Charlyn Perrier			02/26/16	Deny Area 1
41	Richard Simunic			02/27/16	Deny Area 1
42	Streicho@aol.com			02/28/16	Deny Area 1
43	Joey Weitz			02/29/16	Deny
44	Margot Kakalec			02/29/16	Deny Area 1
45	Lee Ann Dunn			02/29/16	Deny Area 1
46	Mary Lai			02/29/16	Deny both Areas 1 & 2
47	Kim Rizzo			02/29/16	Deny both Areas 1 & 2
48	Tricia Garcia			03/01/16	Deny
49	Steven Chappell			03/01/16	Deny
50	Duke Sonderegger			03/01/16	Deny
51	Jean Myers			03/01/16	Deny Area 1
52	Lester Earnest			03/01/16	Deny Area 1
53	Stu Nuttall			03/01/16	Deny Area 1
54	John Holton			03/01/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
55	Pete Siemens			03/01/16	Deny Area 1
56	Martha Cohn			03/01/16	Deny Area 1
57	Tom Gibboney			03/01/16	Deny Area 1
58	Alison Smith			03/01/16	Deny Area 1
59	Beth Wyman			03/01/16	Deny Area 1
60	Christine LeQuang			03/01/16	Deny Area 1
61	Debra Kenyon			03/01/16	Deny Area 1
62	Gabriel Dalbec			03/01/16	Deny Area 1
63	Larry Breniman			03/01/16	Deny Area 1
64	Lee Ann Dunn			03/01/16	Deny Area 1
65	Randall Curtis			03/01/16	Deny Area 1
66	Richard C. Scott			03/01/16	Deny Area 1
67	Sandra Lim			03/01/16	Deny Area 1
68	Teri Morton			03/01/16	Deny Area 1
69	John Brazil			03/01/16	Deny Area 1
70	Julie Steury			03/01/16	Deny Area 1
71	Liz Snyder			03/01/16	Deny Area 1
72	Clinton Lewis			03/01/16	Deny Area 1
73	Emily M. Renzel			03/01/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
74	Justin Garland			03/01/16	Deny Area 1
75	Matt Allen			03/01/16	Deny Area 1
76	Alie Victorine			03/01/16	Deny Area 1
77	Anne Stauffer			03/01/16	Deny Area 1
78	Brian Carr			03/01/16	Deny Area 1
79	Brian Debasitis			03/01/16	Deny Area 1
80	Carol Wolf			03/01/16	Deny Area 1
81	Djani Drocic			03/01/16	Deny Area 1
82	Dr. Roger Rosenberg			03/01/16	Deny Area 1
83	Justyne Schnupp			03/01/16	Deny Area 1
84	Kirk Vartan			03/01/16	Deny Area 1
85	Patricia Blevins			03/01/16	Deny Area 1
86	V Calkins			03/01/16	Deny Area 1
87	Carolyn Straub and Steve McHenry			03/01/16	Deny Area 1
88	Christine Valenti			03/01/16	Deny Area 1
89	Sharon Luna			03/01/16	Deny Area 1
90	Nancy Reyering and Martin Walker			03/01/16	Deny Area 1
91	Cheryl Woodward			03/01/16	Deny Area 1
92	L. Graig Britton			03/01/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
93	Lucia Moser			03/01/16	Deny Area 1
94	William Scheid			03/01/16	Deny Area 1
95	J Stuart			03/01/16	Deny Area 1
96	Lee Hagan			03/01/16	Deny Area 1
97	Armando Benavides			03/01/16	Deny both Areas 1 & 2
98	Mary Treacy			03/02/16	Deny
99	Sarah P. Hansen			03/02/16	Deny
100	Lynne and Robert Meyer			03/02/16	Deny
101	Dan Melin			03/02/16	Deny
102	Erica Stanojevic			03/02/16	Deny
103	Susan Space			03/02/16	Deny
104	Anita Martin			03/02/16	Deny
105	James Pearson			03/02/16	Deny Area 1
106	Gloria Linder			03/02/16	Deny Area 1
107	Mary J. Silva			03/02/16	Deny Area 1
108	Jenny Fredericksen			03/02/16	Deny Area 1
109	Danielle Bernier			03/02/16	Deny Area 1
110	Erin Cassidy			03/02/16	Deny Area 1
111	John Gurley			03/02/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
112	David Frazer			03/02/16	Deny Area 1
113	David Fredericks			03/02/16	Deny Area 1
114	Debbie Hernandez			03/02/16	Deny Area 1
115	Frank L. Daley			03/02/16	Deny Area 1
116	Joshua McCarthy			03/02/16	Deny Area 1
117	Judy Gillingham			03/02/16	Deny Area 1
118	Kim Kenyon			03/02/16	Deny Area 1
119	Kimberly Kenyon			03/02/16	Deny Area 1
120	Kristin A. Carlson			03/02/16	Deny Area 1
121	Michelle Gordon			03/02/16	Deny Area 1
122	Neil Thomas			03/02/16	Deny Area 1
123	Peggy Toomay			03/02/16	Deny Area 1
124	Reiner Kulkowski			03/02/16	Deny Area 1
125	Shawn Barreras			03/02/16	Deny Area 1
126	Theresa Warren			03/02/16	Deny Area 1
127	Kelly and Tom Byrne			03/02/16	Deny Area 1
128	Steve and Nancy Blaser			03/02/16	Deny Area 1
129	Andrea Judge			03/02/16	Deny Area 1
130	Julie Allingham			03/02/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
131	Larry Ames			03/02/16	Deny Area 1
132	Mary E. Martin			03/02/16	Deny Area 1
133	Phil Leahey			03/02/16	Deny Area 1
134	Sylvia Nobbmann			03/02/16	Deny Area 1
135	Lee Hagan			03/02/16	Deny Area 1
136	Merri Muir			03/02/16	Deny Area 1
137	Paula Bringelson			03/02/16	Deny Area 1
138	Traci Monroe Valdez			03/02/16	Deny both Areas 1 & 2
139	Robert Johnson			03/03/16	Deny
140	Peter LaTourrette			03/03/16	Deny
141	Kristal Caidoy			03/03/16	Deny
142	Bruce and Tiffany			03/03/16	Deny
143	Jeff Lawson			03/03/16	Deny
144	Lucinda Lawson			03/03/16	Deny
145	Tracey James			03/03/16	Deny
146	Lynne Deegan-McGraw			03/03/16	Deny
147	Douglas Daetz			03/03/16	Deny
148	Robert Kuter			03/03/16	Deny
149	Melinda Gedryn			03/03/16	Deny

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
150	Camille McCormack			03/03/16	Deny Area 1
151	Tracy Mikolajewski			03/03/16	Deny Area 1
152	David Lima			03/03/16	Deny Area 1
153	Chris Morrison			03/03/16	Deny Area 1
154	Chris Monack			03/03/16	Deny Area 1
155	Tracy Morrison			03/03/16	Deny Area 1
156	Sherrie Wren			03/03/16	Deny Area 1
157	Garth Gilmor			03/03/16	Deny Area 1
158	David Frazer			03/03/16	Deny Area 1
159	Paul and Jeanette Millward			03/03/16	Deny Area 1
160	Smita Patel			03/03/16	Deny Area 1
161	Tina Rivera			03/03/16	Deny Area 1
162	Julie A. Allen			03/03/16	Deny Area 1
163	Robert Oxenburgh			03/04/16	Deny
164	Mary Yates			03/04/16	Deny
165	Lorena Jung			03/04/16	Deny
166	Donna Gerber			03/04/16	Deny
167	Jim and Tina Wright			03/04/16	Deny Area 1
168	Wejun			03/04/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
169	Jing Want			03/04/16	Deny Area 1
170	Amy and Peter Marcotullio			03/04/16	Deny Area 1
171	Michelle Lieberman and Gal Mariansky			03/04/16	Deny Area 1
172	Marieke Ruys			03/04/16	Deny Area 1
173	Karina Quintero			03/04/16	Deny Area 1
174	Mike Gallagher			03/04/16	Deny Area 1
175	Mark Grzan			03/05/16	Deny
176	Jennifer Haole			03/05/16	Deny
177	David Wilber			03/05/16	Deny
178	Sandie Silva			03/05/16	Deny Area 1
179	Chuck Flagg			03/05/16	Deny Area 1
180	Reyna Monarrez			03/05/16	Deny Area 1
181	Gal Mariansky			03/05/16	Deny Area 1
182	Jim Wright			03/05/16	Deny Area 1
183	Tabitha Buckner			03/05/16	Deny Area 1
184	Alex Casbara			03/05/16	Deny Area 1
185	Joelle Garretson			03/05/16	Deny Area 1
186	C Riesenbeck			03/05/16	Deny Area 1
187	Gemma Abels			03/05/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
188	Janice Perez			03/05/16	Deny Area 1
189	Chris Manning			03/05/16	Deny Area 1
190	Garik losilevsky			03/05/16	Deny Area 1
191	Colleen Hotchkiss			03/05/16	Deny Area 1
192	Ruth Merino			03/05/16	Deny Area 1
193	Kerri Hamilton			03/05/16	Deny Area 1
194	Amy Evans			03/05/16	Deny Area 1
195	Greg Bringelson			03/05/16	Deny Area 1
196	Brendan Ruiz			03/05/16	Deny Area 1
197	Julie Ceballos			03/05/16	Deny Area 1
198	Nancy Reyering			03/05/16	Deny Area 1
199	Thomas and Phyllis Conrad			03/06/16	Deny
200	Cathy Correia			03/06/16	Deny
201	Edgar Lo			03/06/16	Deny
202	Monica Schwenke			03/06/16	Deny
203	Victor Ruskovoloshin			03/06/16	Deny Area 1
204	Richard McMurtry			03/06/16	Deny Area 1
205	Doug Muirhead			03/06/16	Deny Area 1
206	Adriana Garcia			03/06/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
207	Pauline Price			03/06/16	Deny Area 1
208	Katie Khera			03/06/16	Deny Area 1
209	Jeff Harris			03/06/16	Deny Area 1
210	Jackie			03/06/16	Deny Area 1
211	Laurie Huth			03/06/16	Deny Area 1
212	Maureen Spitz			03/06/16	Deny Area 1
213	Terry Christensen			03/06/16	Deny Area 1
214	Yan-Yin Choy			03/06/16	Deny Area 1
215	Patrick Mauri			03/06/16	Deny Area 1
216	Galli Basson			03/06/16	Deny Area 1
217	John Thomson			03/06/16	Deny Area 1
218	Ramesh Mantri			03/06/16	Deny Area 1
219	Shawn Barreras			03/07/16	Deny
220	Jeff Segall			03/07/16	Deny
221	David Simon			03/07/16	Deny Area 1
222	Tanya Diamond			03/07/16	Deny Area 1
223	Joseph and Enerstine Machado			03/07/16	Deny Area 1
224	Carol Frazer			03/07/16	Deny Area 1
225	Lisa Hays			03/07/16	Deny Area 1

MORGAN HILL USA AMENDMENT 2015

COMMENT LETTERS REQUESTING **DENIAL**

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
226	Dean Santos			03/07/16	Deny Area 1
227	Nancy Hubbart			03/07/16	Deny Area 1
228	Cynthia Leeder			03/07/16	Deny Area 1
229	Kirk Vartan			03/07/16	Deny Area 1
230	Sandy Eaton			03/07/16	Deny Area 1
231	William Eaton			03/07/16	Deny Area 1
232	Steve McHenry			03/07/16	Deny Area 1
233	Rhonda Lakatos			03/07/16	Deny Area 1
234	Daniel Scott			03/07/16	Deny Area 1

Palacherla, Neelima

From: Trina Hineser <thineser@e-ecosound.com>
Sent: Tuesday, November 10, 2015 3:05 PM
To: Palacherla, Neelima
Subject: Southeast Quadrant (Morgan Hill)

Importance: High

Hello Neelima,

I was provided your name as a contact person for LAFCO and as being one who is familiar with the proposed annexation of the Southeast Quadrant (Morgan Hill).

First, let me take a moment to introduce myself. My name is Trina Hineser and I am the current President of the San Martin Neighborhood Alliance (SMNA) and have been a board member for three years. Our SMNA membership is made up of 400+ households within unincorporated rural San Martin. Additionally, I regularly attend the San Martin Planning Advisory Committee (SMPAC) meetings for Santa Clara County and most recently was appointed to sit on the SMPAC Board by Mike Wasserman.

I am reaching out to you because; not until this week, have I or any of the SMNA Board Members ever heard about the potential annexation of the Southeast Quadrant. Nor has this item been brought up or discussed at any of the SMPAC meetings in the last few years. This is quite concerning as the Southeast Quadrant directly boarders San Martin and residents there have never been notified of this potential annexation.

SMNA is committed to maintaining our rural residential community. The idea of there no longer being any buffer between Morgan Hill City boundaries; i.e. sphere of influence, and the rural community of San Martin is of great concern to SMNA.

It was my understanding that since the adoption of countywide urban development policies, that they are to serve as examples of how planning and growth management principles can help **discourage urban sprawl**, preserve agricultural lands and maintain open space. The implementation of these policies is what has made Santa Clara County a more livable, sustainable place then it would have otherwise become. How will LAFCO implement these policies if the sphere of influence between Morgan Hill and San Martin is abolished at this Southeast Quadrant?

If you would bring me up to speed on how long this project has been in the works, when it is scheduled to go before LAFCO, when & where has public outreach been done, and where the proposed plans can be viewed along with the environmental studies, it would be appreciated.

Please feel free to contact me directly, at (408) 507-2221.

Sincerely,
Trina Hineser

SMNA Board - President
www.sanmartinneighbor.org

San Martin
Neighborhood
Alliance

Subject: Southeast Quadrant (Morgan Hill)

From: Trina Hineser [mailto:thineser@e-ecosound.com]
Sent: Sunday, December 06, 2015 3:13 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: RE: Southeast Quadrant (Morgan Hill)

Hello Neelima,

I did not get a chance to introduce myself to you at the recent LAFCO meeting, but was very glad that I attended.

I did however introduce myself to Andrew Crabtree with the Morgan Hill Planning Office. I have requested a meeting for the SMNA Board to meet with him in the coming week (December 10th, 2015). I also plan on attending the Open Space Authority meeting this week where the project will be presented.

I mentioned to Andrew the concern that long time homeowners within the Southeast Quadrant have never been notified about this project. He stated at LAFCO that his project has been in the works for 12 years. If this is the case, what type of outreach has been done? There are at least 12 homeowners on Maple Avenue & Murphy Avenue that know nothing about this proposed project. Andrew stated that he was told that someone went door to door and spoke with everyone on Maple Ave., I smiled and stated, "well I have lived at 840 Maple Avenue for over 15 years and no one has come to speak to me or any of the surrounding homeowners as I am in personal contact with them."

I would ask LAFCO to postpone action on the Morgan Hill annexation until proper and just notification, public outreach, and homeowner input has been made available. To date, the San Martin Neighborhood Alliance has been the one to reach out to Morgan Hill and we will view the plans and attend the OSA meeting to hear further information. However, with the holiday season upon us and this project going before LAFCO on February 3rd, 2016 this does not provide adequate time or notice to the individuals and the community of San Martin, in which this project with greatly affect.

As President of SMNA I will be personally reaching out to each LAFCO Board Members in order to notice them on the lack of public notification and outreach that has taken place surrounding this project. I would ask that this be public notice of SMNA's object to this project going to a vote in February.

Sincerely,

Trina Hineser
SMNA Board - President
www.sanmartinneighbor.org

San Martin Neighborhood Alliance

From: Palacherla, Neelima [mailto:Neelima.Palacherla@ceo.sccgov.org]
Sent: Tuesday, November 10, 2015 4:28 PM

To: thineser@e-ecosound.com
Subject: RE: Southeast Quadrant (Morgan Hill)

Trina,
Thank you for your interest in LAFCO. It was good chatting with you. I have now added you to the LAFCO agenda notice/mailing list. Per your request, I have attached the maps of the two areas proposed for inclusion in the Morgan Hill Urban Service Area and a notice informing the city when the application is likely to be heard at LAFCO. Please do not hesitate to contact me if you have any questions.
Neelima.

Neelima Palacherla
Executive Officer
LAFCO of Santa Clara County
70 West Hedding Street San Jose CA 95110
Ph: (408) 299-5127 Fax: (408) 295-1613
www.santaclarlafco.org

From: Trina Hineser [mailto:thineser@e-ecosound.com]
Sent: Tuesday, November 10, 2015 3:05 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Southeast Quadrant (Morgan Hill)
Importance: High

Hello Neelima,

I was provided your name as a contact person for LAFCO and as being one who is familiar with the proposed annexation of the Southeast Quadrant (Morgan Hill).

First, let me take a moment to introduce myself. My name is Trina Hineser and I am the current President of the San Martin Neighborhood Alliance (SMNA) and have been a board member for three years. Our SMNA membership is made up of 400+ households within unincorporated rural San Martin. Additionally, I regularly attend the San Martin Planning Advisory Committee (SMPAC) meetings for Santa Clara County and most recently was appointed to sit on the SMPAC Board by Mike Wasserman.

I am reaching out to you because; not until this week, have I or any of the SMNA Board Members ever heard about the potential annexation of the Southeast Quadrant. Nor has this item been brought up or discussed at any of the SMPAC meetings in the last few years. This is quite concerning as the Southeast Quadrant directly boarders San Martin and residents there have never been notified of this potential annexation.

SMNA is committed to maintaining our rural residential community. The idea of there no longer being any buffer between Morgan Hill City boundaries; i.e. sphere of influence, and the rural community of San Martin is of great concern to SMNA.

It was my understanding that since the adoption of countywide urban development policies, that they are to serve as examples of how planning and growth management principles can help **discourage urban sprawl**, preserve agricultural lands and maintain open space. The implementation of these policies is what has made Santa Clara County a more livable, sustainable place then it would have otherwise become. How will LAFCO implement these policies if the sphere of influence between Morgan Hill and San Martin is abolished at this Southeast Quadrant?

If you would bring me up to speed on how long this project has been in the works, when it is scheduled to go before LAFCO, when & where has public outreach been done, and where the proposed plans can be viewed along with the environmental studies, it would be appreciated.

Please feel free to contact me directly, at (408) 507-2221.

Sincerely,
Trina Hineser
SMNA Board - President
www.sanmartinneighbor.org

San Martin
Neighborhood
Alliance

Palacherla, Neelima

From: sousans@eta-usa.com
Sent: Monday, February 08, 2016 7:00 PM
To: Palacherla, Neelima
Cc: Rene Spring; 'Rebeca Armendariz'
Subject: South County Democratic Club resolutions
Attachments: morgan hill resolution 1-2016-2.doc

Good Afternoon Neelima

Hope you are well. On behalf of the South County Democratic Club (SCDC) please forward this email and its attachment to all LAFCO COMMISSIONERS.

The **South County Democratic Club** & the **Santa Clara County Democratic Party** have endorsed & passed the **Resolution In Opposition To The City Of Morgan Hill's Annexation Of The South East Quadrant** and the **Resolution In Opposition To The North-Gilroy Neighborhood Development Proposal.**

Both resolutions have been endorsed by following local organizations as well:

Gilroy Growing Smarter

1. **Greenbelt Alliance**
2. **Save Morgan Hill**
3. **Thrive! Morgan Hill**
4. **Committee for Green Foothills**
5. **CHEER**

In less than 3 weeks, Lafco will meet and decide on the City Of Morgan Hill's Annexation of the South East Quadrant. It is imperative that all the Commissioners are aware of the severe impact this annexation will have on the South County community and the sheer number of residents and organizations that oppose this move.

Please confirm that this email has been received in good order. You may contact me with any questions regarding the Morgan Hill Opposition resolution, my contact information can be found below.

Sousan Manteghi-Safakish
SCDC President
E-Mail:sousan@eta-usa.com
Phone: 408-778-2793 X112
Direct: 408-404-4025
Fax: 408-779-2753

South County Democratic Club

SOUTH COUNTY DEMOCRATIC CLUB

Resolution In Opposition To The City Of Morgan Hill Annexation Of

The South East Quadrant

WHEREAS southern Santa Clara County contains the majority of the remaining irreplaceable farmland that contributes significantly to the overall quality of life of all county residents and that the County is committed to protecting this resource and

WHEREAS agriculture continues to be a growing and viable industry in Santa Clara County- with an annual output equaling $1.6b, contributing $830 million to the County's economy and providing 8,100 jobs for a sector that is not served by other industries and

WHEREAS Local, Regional, State and Federal planning has prioritized the investment in sustainable communities in preparation for climate change and it's vitally important mitigation measures,

THEREFORE, BE IT RESOLVED that the South County Democratic Club, a Chartered Club within the Santa Clara County Democratic Party, urges Santa Clara County Local Agency Formation Commission to deny the Morgan Hill Sports- Recreation-Leisure District Urban Service Area Amendment request.

THEREFORE BE IT FURTHER RESOLVED that a copy of this resolution will be transmitted to the appropriate City, County, State and Federal elected officials.

Signed: Sousan Manteghi-Safakish Date: 1-16-2016

Authored by: Rebeca Armendariz

From: Serena Unger [mailto:sunger@farmland.org]
Sent: Tuesday, February 16, 2016 10:14 AM
To: Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; district10@sanjoseca.gov; susan@svwilsonlaw.com; district3@openspaceauthority.org; board@valleywater.org; Yeager, Ken <Ken.Yeager@bos.sccgov.org>
Cc: Chavez, Cindy <Cindy.Chavez@bos.sccgov.org>; ykishimoto@openspace.org; TerryT1011@aol.com; District2@sanjoseca.gov; TaraMilius@gmail.com; Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Comments on Morgan Hill USA Amendment proposal

Dear Chairperson Tucker and LAFCO Commissioners,

On behalf of American Farmland Trust, I respectfully submit comments on the Morgan Hill urban service area amendment proposal. Please consider these comments for the LAFCO special meeting taking place on March 11.

Please see the attached letter.

Regards,

Serena Unger
Senior Planner and Policy Associate
American Farmland Trust, California

415-336-2981 cell
sunger@farmland.org

www.farmland.org

American Farmland Trust
Saving the Land that Sustains Us

California Office
2001 N Street Suite 110
Sacramento, CA 95811

VIA EMAIL

February 16, 2016

Chairperson Tucker and LAFCO Commissioners
Santa Clara County Local Agency Formation Commission
70 West Hedding Street, 8th Floor
San Jose, CA 95110

RE: Morgan Hill Agricultural Lands Preservation Program and application for LAFCO to consider the expansion of the Morgan Hill Urban Service Area

Dear Chairperson Tucker and Commissioners:

American Farmland Trust (AFT), a national nonprofit organization dedicated to conservation of agricultural land resources, respectfully submits comments on the adopted Morgan Hill Agricultural Lands Preservation Program and the City's application for LAFCO to consider the expansion of the Morgan Hill Urban Service Area (USA) (dated October 2, 2015).

While we applaud Morgan Hill for considering an agricultural preservation program, we believe that the version adopted will not serve the City and surrounding region well, nor stand as a model for other cities to emulate. In particular, it is the stated policy of the Santa Clara County LAFCO to discourage urban service area expansions which include agricultural or other open space land unless the city demonstrates that effective measures have been adopted for protecting the open space or agricultural status of the land. We believe the City has not adopted effective measures for protecting agricultural land. Furthermore, the policy requires that a city must demonstrate that conversion of such lands to other than open space uses is necessary to promote the planned, orderly, efficient development of the city. It is to these two policies that we see a misguided effort from the City to protect agricultural lands as well as a lack of due process taken to develop the SEQ Land Use Plan and propose a USA expansion.

- **USA expansion proposals must be consistent with the adopted general plan of the city** (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act), 56757). Since the Morgan Hill General Plan is currently in the process of an update and not due for completion

until later in 2016, it is impossible to know whether the Southeast East Quadrant Land Use Plan and proposed expansion of the USA is consistent with the community's vision via the City's General Plan. The SEQ Land Use Plan and proposed expansion is a major revision of the City's General Plan and should be considered in the context of a comprehensive general plan update. Consistency is the cornerstone of California planning law. From the Office of Planning and Research General Plan Guidelines: "An action, program or project is consistent with the general plan if, considering all its aspects, it will further the goals, objectives and policies of the plan and not obstruct their attainment." There is no way of knowing if the SEQ Land Use Plan will further goals of the General Plan or obstruct them since the SEQ Plan was not developed in conjunction with the current General Plan update.

- **Increasing the efficiency of development is the only way that farmland can be conserved.** If the City's goal as it suggests it is, is to preserve agricultural lands in the SEQ, then the City should have directed as much growth as possible to lands within the urban growth boundary of the existing General Plan. From the measures the City has actually taken it appears that development of the SEQ is the primary goal, not protecting the agricultural resources it encompasses. Goals should be internally consistent, not supersede one another.
  1) To this end, we do not see evidence that the City has taken due process to assess whether it has exhausted options for development on existing vacant and underutilized lands. The Santa Clara County LAFCO policy on urban service area expansion provides that a city must demonstrate, "Whether the conversion of agricultural and other open space lands is premature, or if there are other areas into which to channel growth." This is not evident in the SEQ Land Use Plan EIR or in the USA expansion proposal.
  2) Furthermore, since the majority of the acreage of land in the proposed expansion is important farmland, the proposed development of remaining acres should be planned for the greatest density possible to avoid impact on farmland. None of the proposed zoning designations indicate the type of density that would be needed to avoid impacts on farmland.
- On a similar note, **Senate Bill 215 requires that LAFCOs consider their region's Sustainable Community Strategies when considering an annexation request.** One of the nine goals of Plan Bay Area calls for no growth outside of current urban growth boundaries. The USA expansion proposal is ignoring this goal so we call on you, as LAFCO Commissioners, to ensure that your decision on the proposal complies with the requirements of SB 215. It is of statewide interest that each and every city practice especially prudent land use planning and opt for compact and efficient development patterns in an era of climate change and state legislation (AB 32 and SB 375) to reduce greenhouse gas emissions.
- **Mitigation measures for farmland impact are inadequate**. Several comments from various entities have reiterated over and over again: THE MITIGATION IN-LIEU FEE WILL NOT COVER THE COST OF MITIGATION. Even the City-commissioned mitigation nexus fee study stated it will cost $47,500 per acre for a conservation easement. The City proposes an in-lieu fee of $15,000 per acre with no explanation for a fee that does not cover costs. Greenbelt Alliance stated well in a

comment letter a year ago:[1] "The cost of a conservation easement ranges from $30,000 to $48,000 per acre while the in-lieu fee is set at $15,000 per acre. This is clearly not a 1:1 Program, but a 1: ½. Developers will choose the in-lieu fee option as it is more affordable and Morgan Hill will get half to a third of the land it should as a result. Therefore, the net loss of Prime Farmland is significant and both the draft and final EIR failed in their task to address this impact." If the City cannot demonstrate with certainty that appropriate funding will be in place for mitigation, we do not agree that the City has taken the appropriate steps required for a USA expansion application.

- **Mitigation Entity.** As AFT suggested in a letter to the City in June 2014, "Identify a 'qualifying entity' before the adoption of the ALPP so they can be supporting partners and help shape the program according to their knowledge of the community and their own operating needs. ...consider the Open Space Authority (OSA) as the strongest candidate for serving as a qualifying entity."[2] We still feel that the OSA is the best qualified entity given their highly qualified staff, the community's support of the OSA as shown in the passage of Measure Q which was overwhelmingly approved by the voters in 2014, and their due diligence in scientifically assessing the county's natural and working landscape and then laying out a clear vision for it through the Santa Clara Valley Greenprint.
  In our opinion the ALPP should not have been adopted, nor does it qualify as a mitigation program (per the requirements for a LAFCO application that impacts agriculture as stated in the Santa Clara County LAFCO policy #8), until the City identifies a QUALIFIED entity to hold and administer easements. The level of knowledge and experience that this organization has regarding conservation easements will depend on the success of implementing the ALPP. See Santa Clara County LAFCO policy #8, 11.c for qualifications of an entity. Without a qualified entity to implement the ALPP, we do not agree that the City has taken the appropriate steps required for a USA expansion application.
- **Sustainable Agricultural Lands Conservation grant** The California Strategic Growth Council recently awarded Santa Clara County (with the Santa Clara County Open Space Authority a partner) a grant to develop a Sustainable Agricultural Policy Framework for South Santa Clara County. This will be the first attempt in Santa Clara County to combine agricultural conservation with greenhouse gas emission reduction and will integrate existing and draft local land use policies, plans and ordinances. This is an extraordinary opportunity for collaborative planning among the local agencies in Santa Clara County. Thus, it makes a great deal of sense that Morgan Hill should postpone its application to LAFCO and to align growth plans with this Framework. Effective climate planning requires alignment of plans, policies, and investment and it must consider the fate of our natural resource lands. It cannot be done in a vacuum of interests. In the interest of state climate change goals, we urge LAFCO Commissioners to urge the City to step back from its USA expansion application and participate in a comprehensive community vision to efficiently direct growth and protect agricultural land as a climate change mitigation strategy.

---

[1] Letter from Greenbelt Alliance to Morgan Hill Mayor Steve Tate and City Council, November 5, 2014

[2] Letter from American Farmland Trust to Andrew Crabtree, City of Morgan Hill, June 5, 2014

These are just a few of our top concerns. However, there are a number of other issues that have been addressed as concerns in letters from LAFCO staff, LAFCO legal counsel, County staff, the Open Space Authority, the Committee for Green Foothills, and Greenbelt Alliance over the last two years.[3] We feel that all of the concerns addressed in these letters are legitimate and remain valid, and many of them point to legally incorrect use of land use power on behalf of the City in their effort to plan for the SEQ.

Based on the concerns in these letters and the constituents that they represent, we urge you, Commissioners, to not approve the USA expansion proposal. Please encourage the City to make improvements to the ALPP proposal based on cooperation with the Open Space Authority and the County. Additionally, please direct City staff to work closely with the Open Space Authority on the Sustainable Agricultural Policy Framework to ensure that the ALPP, the SEQ Land Use Plan, and the General Plan Update are all consistent with each other. This consistency can then lay more solid ground for any future expansion proposals (if needed). As it stands, in our opinion, there is no ground for approval of the USA expansion.

Thank you for the opportunity to comment.

Sincerely,

Serena Unger, MCP
Senior Planner and Policy Associate
American Farmland Trust, California

[3] Letter from Best Best & Krieger to Rebecca Tolentino, Senior Planner, City of Morgan Hill, February 18, 2014; Letter from Neelima Palacherla, Santa Clara County LAFCO Executive Officer, to Rebecca Tolentino, Senior Planner, City of Morgan Hill, February 18, 2014; Letter from Santa Clara County, Santa Clara County Open Space Authority, and Santa Clara County LAFCO staff, November 5, 2014; Letter from Chatten-Brown & Carstens LLP on Behalf of Committee for Green Foothills to Andrew Crabtree, Community Development Director, City of Morgan Hill, November 3, 2014; Letter from Greenbelt Alliance to Morgan Hill Mayor Steve Tate and City Council, November 5, 2014; Letter from Committee for Green Foothills to Morgan Hill Mayor Steve Tate and City Council, November 3, 2014

From: Joe Lovecchio <joelovecchio@me.com>
Date: February 18, 2016 at 8:44:29 PM PST
To: <neelima.palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ land annexation

Dear Neelima,

I was invited to sit in the stakeholders' meetings and I'm the chair of our Long Term Committee with Morgan Hill Pony Baseball. After attending the stakeholders' meetings and having discussions with our own board and committee I am **against** the annexation of the South East Quadrant. We've asked for land within city limits that has been turned down. I don't feel that annexing open space and farmland is warranted. I feel this is a way to get our support with a carrot being dangled in front of us for baseball fields that haven't even been funded to the tune of $20 million.

Thank you,

Joe Lovecchio
MHPB Vice President
joelovecchio@me.com
408-630-0071

From: Chapter Coordinator [mailto:offadmin@earthlink.net]
Sent: Friday, February 19, 2016 12:46 PM
To: LAFCO <LAFCO@ceo.sccgov.org>
Cc: Michael Ferreira <MichaelJFerreira@gmail.com>; shani@scvas.org
Subject: RE: Opposition to the City Of Morgan Hill annexation of the South East Quadra

February 19, 2016

TO: LAFCO of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

Dear Santa Clara LAFCO,

The Sierra Club has steadfastly opposed sprawl and has, instead, supported sustainable and transit oriented development and conservation of open space, farmland and the natural environment. Please find our comment letter attached regarding the Morgan Hill Sports- Recreation-Leisure District Urban Service Area.

Sincerely,

Michael Ferreira, Executive Committee Chair

Loma Prieta Chapter of the Sierra Club
3921 E. Bayshore Rd, Suite 204
Palo Alto, CA 94303
ph 650-390-8411
fax 650-390-8497

Sierra Club Loma Prieta Chapter
3921 East Bayshore Road, Suite 204, Palo Alto, CA 94303
loma.prieta.chapter@sierraclub.org (650) 390-8411

February 19, 2016

TO: LAFCO of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

RE: Opposition to the City Of Morgan Hill annexation of the South East Quadrant

Dear Santa Clara LAFCO,

The Sierra Club has steadfastly opposed sprawl and has, instead, supported sustainable and transit oriented development and conservation of open space, farmland and the natural environment.

Southern Santa Clara County contains the majority of the remaining irreplaceable farmland and open space that contributes significantly to the overall quality of life of all county residents and the County is committed to protecting this resource and agriculture continues to be an important and viable industry in Santa Clara County- with an annual output equaling $1.6b, contributing $830 million to the County's economy and providing 8,100 jobs for a sector that is not served by other industries.

Santa Clara County can build affordable, resilient and sustainable communities while meeting our population growth needs and safeguarding our natural resources to ensure a healthy quality of life for ourselves and future generations and Local, Regional, State and Federal planning has prioritized the planning of sustainable communities in response to climate change, and sprawl into agricultural land is contrary to this objective.

The Local Agency Formation Commission of Santa Clara County is an independent agency with countywide jurisdiction, created by the State Legislature to encourage orderly boundaries, discourage urban sprawl, preserve agricultural lands and open space, and ensure efficient delivery of services, therefore the Sierra Club, Loma Prieta Chapter, urges Santa Clara County Local Agency Formation Commission to deny the Morgan Hill Sports- Recreation-Leisure District Urban Service Area Amendment request.

Sincerely,

Michael Ferreira, Executive Committee Chair
Loma Prieta Chapter of the Sierra Club

Cc: James Eggers, Chapter Executive Director
Cc: Shani Kleinhaus, Chapter Executive Committee Member

From: shani kleinhaus <shani@scvas.org>
Sent: Tuesday, February 23, 2016 10:30 AM
To: Abello, Emmanuel
Cc: Ralph Schardt
Subject: Re: LAFCO Staff Report Now Available - Morgan Hill USA Amendment 2015
Attachments: SCVAS-LAFCO-MorganHill Feb 23.pdf; ATT00001.htm

Dear Mr. Abello,
Please find attached Santa Clara Valley Audubon Society letter regarding the Morgan Hill Urban Service Area Amendment 2015. Please distribute the letter to the commissioners?
Thank you,
Shani

Santa Clara Valley
Audubon Society

February 23th, 2016

Local Agency Formation Commission (LAFCO) of Santa Clara County

RE: Opposition to the City Of Morgan Hill annexation of the South East Quadrant (Sports- Recreation-Leisure District Urban Service Area Amendment request)

Dear Chairperson Tucker and Santa Clara LAFCO commissioners,

Santa Clara Valley Audubon Society (SCVAS) is offering our opposition to the annexation of the South East Quadrant by the City of Morgan Hill. Founded in 1926, SCVAS is one of the largest Audubon Society chapters in California. Our Mission is to preserve, to enjoy, to restore and to foster public awareness of native birds and their ecosystems, mainly in Santa Clara County.

For decades, natural and agricultural landscapes in Santa Clara Valley have been consumed by urban sprawl. Habitat and water resources have been diverted to human use, resulting in adverse impacts to populations of many of our native species of birds and wildlife. For decades, SCVAS has advocated for frugal and compact use of land resources, and for conservation of open space, farmland and the natural environment. As stewards for avian species and their environmental resources, we are always concerned with any projects that may negatively affect birds, wildlife and habitat.

Agriculture and open space near Morgan Hill support large number of bird species – both resident and migratory. The foothills east of the project site contain raptor nests, including a nest of a Golden Eagle. Our membership is expressly interested in the preservation of the nest and the assurance that successful breeding may occur there.

LAFCO is an independent agency with countywide jurisdiction, created by the State Legislature to encourage orderly boundaries, discourages urban sprawl, preserve agricultural lands and open space, and ensure efficient delivery of services. We believe that Santa Clara County can build sustainable communities and meet our population growth needs without encouraging sprawl. Instead, we must embrace nature and safeguard our natural resources to provide quality of life into the future as our climate changes and pressure on natural resources increases.

We urge the Commission to deny the Morgan Hill annexation of the South East Quadrant and the Sports-Recreation-Leisure District Urban Service Area Amendment request.

Thank you

Shani Kleinhaus

Shani Kleinhaus, Ph.D.
Environmental Advocate

22221 McClellan Road, Cupertino, CA 95014 Phone: (408) 252-3748 * Fax: (408) 252-2850
email: scvas@scvas.org * www.scvas.org

Palacherla, Neelima

From: Yvette Castanon <yvette.c.castanon@gmail.com>
Sent: Monday, February 29, 2016 3:41 PM
To: Palacherla, Neelima
Subject: Save Morgan Hill
Attachments: Save Morgan Hill Ltr to LAFCO 2292016.doc; ATT00001.htm

Hi Neelima,
I hope you are doing well. Below is a letter from the Save Morgan Hill Organization regarding our position on the Morgan Hill Urban Service Area Amendment 2015. I have also attached a version of the letter should you want to forward it to others.

Please let me know if you have any questions.

Regards,
Save Morgan Hill

Yvette Castanon
(408) 239-9131

Monday, February 29, 2016

Chairperson Cat Tucker and Commissioners

Local Agency Formation Commission of Santa Clara County

70 West Hedding Street, 8th Floor

San Jose, CA 95110

RE: AREA 1: TENNANT-MURPHY - MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015

Dear LAFCO Commission,

The Save Morgan Hill organization is a movement started by residents of Morgan Hill who are focused on responsibly growing the city of Morgan Hill as called for in our General Plan.

The City of Morgan Hill's request for annexation of 229 acres of the Southeast Quadrant (SEQ) for sports and recreation uses will cause premature and unnecessary growth that runs counter to the City's General Plan and LAFCO policies. It would unduly affect South County's quality of life through loss of farmland and burden us with lower levels of urban service while increasing traffic congestion on Highway 101, city streets, and county roads.

Recently, the county was awarded a $100,000 Sustainable Agricultural Lands Conservation Program Grant. The Grant was awarded to develop a regional framework that connects farmland preservation with climate change mitigation efforts in Morgan Hill, Gilroy and Coyote Valley.

Given the upcoming study and repeated concerns from Morgan Hill citizens to preserve the desired amount of open space, the Save Morgan Hill organization calls on the Commission to deny this annexation request.

Sincerely,

Save Morgan Hill

savemorganhill.org

From: Eli Zigas [mailto:ezigas@spur.org]
Sent: Monday, February 29, 2016 3:37 PM
To: Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Susan@svwilsonlaw.com; district3@openspaceauthority.org; board@valleywater.org; Yeager, Ken <Ken.Yeager@bos.sccgov.org>; johnny.khamis@sanjoseca.gov
Cc: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>; Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: SPUR comments re: Morgan Hill's SE Quadrant Annexation Proposal to LAFCO

Dear LAFCO Commissioners,

On behalf of SPUR, I am writing in regard to Morgan Hill's Southeast Quadrant annexation proposal that will be heard at the March 11 meeting (Morgan Hill Urban Service Area Amendment 2015, Area 1: Tennant – Murphy (South East Quadrant)).

SPUR urges LAFCO to uphold the principle of focusing the county's growth into existing urban areas, support the County's long term planning activity, and demonstrate its commitment to preserving the county's remaining agricultural land by denying Morgan Hill's annexation proposal.

A letter detailing our position is attached. If I can answer any questions or provide you with any additional information, please let me know.

Thank you for considering our comments.

Sincerely,
Eli

CC: Neelima Palacherla, Emmanuel Abello

--

Eli Zigas
Food and Agriculture Policy Director
SPUR • Ideas + Action for a Better City
415.644.4881
ezigas@spur.org

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SPUR
San Francisco | San Jose | Oakland

February 29, 2016

Local Agency Formation Commission
of Santa Clara County (LAFCO)
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

RE: Morgan Hill Urban Service Area Amendment 2015, Area 1: Tennant – Murphy (South East Quadrant)

Dear LAFCO Commissioners:

On behalf of SPUR, I urge you to deny Morgan Hill's Southeast Quadrant annexation proposal and, by doing so, provide support to an alternative long-term planning process currently underway to preserve agricultural land in Santa Clara County.

As a member-supported non-profit organization committed to good planning and good government in the Bay Area since 1910, we have seen how local land use decisions have both local and regional impacts. From our research we have come to understand that "the key is to manage growth in the Bay Area so that jobs, housing and other important destinations are located inside existing cities and within walking distance of transit, rather than on farmland at the edge of the region or in other places where people will be irrevocably car-dependent."[1]

In short, SPUR shares LAFCO's goals of "curbing urban sprawl" and "preserving agricultural land and open space." Morgan Hill's plans for the Southeast Quadrant, including the 229 acres detailed in the proposal before you, are a large step in the opposite direction. If approved, the annexation proposal will have direct negative impacts on the region by increasing car travel, resulting in greater congestion and higher greenhouse gas emissions. More broadly, approval of this proposal would run contrary to the regional goal of directing growth into higher density in-fill development within existing city boundaries as outlined in Plan Bay Area.[2]

In addition to undercutting efforts to focus growth into existing urban areas, this proposal would also lead to the development of large areas of the county's remaining farmland. Loss of significant areas of contiguous agricultural land, as we highlighted in our 2012 report *Locally Nourished*, threatens the continued viability of a local food economy. **According to LAFCO's**

[1] SPUR, *Agenda for Change*, 7: www.spur.org/agendaforchange
[2] Association of Bay Area Governments and Metropolitan Planning Commission, *Plan Bay Area*, July 2013, 103-104.

staff analysis, the entire 229 acres considered for annexation qualifies as prime agricultural land.[3]

While Morgan Hill has adopted a mitigation policy that aims to preserve some agricultural land, it is inadequate. The recently passed mitigation ordinance allows developers to pay a fee to the city in lieu of directly purchasing easements to preserve agricultural land.[4] The city has set this fee at $14,960 for each acre of agricultural land converted to non-agricultural use. However, a report from Morgan Hill city staff estimated the cost of agricultural easements at $30,000 to $48,000 per acre within Morgan Hill's sphere of influence and $9,000 to $27,000 per acre near Gilroy.[5] Those estimates were based on 2011 land values and have almost certainly increased in the intervening years. Based on these valuations, the city's per acre in-lieu fee would not generate enough money to meet the city's stated goal of preserving one acre of agricultural land for each acre that is developed.

The decision before LAFCO is precedent setting. Additional large annexation requests are likely to come before the Commission in the near future due to current real estate market pressures. Morgan Hill's original plans for the Southeast Quadrant included annexing hundreds of additional acres. Additionally, the City of Gilroy approved a proposal at the end of 2015 to annex more than 700 acres of land, though it has recently withdrawn its proposal.

If Morgan Hill's proposal were to be approved, it would not only undermine LAFCO's goal of preserving agricultural land, but would also hinder efforts to establish a county-wide framework for conserving farmland and ranchland. The Santa Clara Valley Open Space Authority and County Planning Department, using grant funding awarded by the state's Strategic Growth Council, have just begun the development of a Sustainable Agricultural Lands Policy Framework that will provide a comprehensive preservation plan to protect the farmlands most at risk in southern Santa Clara County.[6] In addition to establishing a set of policies for the County's agricultural lands, this planning grant additionally could help position the county to receive a portion of the nearly $40 million the state recently decided to allocate to local jurisdictions for agricultural land preservation easements.[7] Should this annexation proposal be approved, however, it would likely jeopardize the county's chances of securing any of those funds.

---

[3] Santa Clara County LAFCO, "Morgan Hill Urban Service Area Amendment 2015, Area 1: Tenant-Murphy Staff Report," February 15, 2016, Appendix A, 6.

[4] City of Morgan Hill, "Ordinance No. 2152- New Series; An Ordinance of the City of Morgan Hill (Za-14-11) Amending The Morgan Hill Zoning Code (Municipal Code Title 18) by Adding Section 18.08.070 Entitled 'Agricultural Lands Mitigation Ordinance' and Making Minor Amendments to the Open Space Zoning District Section 18.80.060," August 5, 2015.

[5] City of Morgan Hill, "Agricultural Lands Preservation Program", *City Council Staff Report for November 5, 2014 City Council Meeting*, 544.

[6] "SALCP Strategy Grant Recommendations FY 2014-15," http://www.conservation.ca.gov/dlrp/SALCP/Documents/SALC_Attachment_2_Strategy_Grant_Recommendations.pdf

[7] Department of Conservation, Sustainable Agricultural Lands Conservation Program: http://www.conservation.ca.gov/dlrp/SALCP/Pages/SALCP_forms.aspx

We urge LAFCO to uphold the principle of focusing the county's growth into existing urban areas, support the County's long term planning activity, and demonstrate its commitment to preserving the county's remaining agricultural land by denying Morgan Hill's annexation proposal. We've seen the negative result of decades of sprawl of development in Santa Clara County and, from a county and regional perspective, we need to make sure we don't repeat our past mistakes.

We appreciate your consideration of SPUR's comments. If we can answer any questions or provide any additional information about our position, please let me know.

Sincerely,

Eli Zigas
Food and Agriculture Policy Director

CC: Neelima Palacherla, LAFCO Executive Officer
Emmanuel Abello, LAFCO Clerk

From: Cecilie Schulze <cecilies@sbcglobal.net>
Sent: Friday, March 04, 2016 9:54 AM
To: Abello, Emmanuel
Subject: Morgan Hill Urban Service Area Amendment – 2015 – LAFCO Application Sports – Recreation – Leisure District
Attachments: Let to LAFCO from The League of Women Voters of San Jose Feb 29 2016.pdf

Good morning,

Attached are our comments regarding the proposed expansion of Morgan Hill's Urban Service Area. Per the instructions in your meeting notice, we are sending in advance of the March 11th meeting.

If you have any questions, please contact me at cecilies@sbcglobal.net or 408-309-1860.

Best regards,
Cecilie Schulze, President
League of Women Voters San Jose/Santa Clara t

LEAGUE of WOMEN VOTERS San Jose/Santa Clara
P.O. Box 5374 San Jose, CA 95150
(408) 271-7163
www.lwvsjsc.org
info@lwvsjsc.org

March 3, 2016

To: Emmanuel Abello
LAFCO of Santa Clara County
70 W. Hedding Street, San Jose, CA 95110

RE: **Morgan Hill Urban Service Area Amendment – 2015 – LAFCO Application Sports – Recreation – Leisure District**

The League of Women Voters of San Jose/Santa Clara -- which also covers the cities of Milpitas, Morgan Hill and Gilroy -- appreciates the opportunity to comment on the application from the City of Morgan Hill for an Urban Service Area Amendment.

The League has been an advocate for comprehensive regional planning that promotes compact growth, natural resources protection and social and economic equality. We have endorsed the goals and objectives of LAFCO to be an important governmental body to control and direct growth. The League has many long-standing positions on land use, the environment, opposing sprawling growth and the erosion of natural assets.

We have reviewed the staff report and applaud the extensive analysis provided by LAFCO staff. We point out that their analysis shows that the plan is inconsistent with the Regional Transportation Plan to reduce Green House Gases, and is inconsistent with Plan Bay Area. The staff notes, too, that the population growth projections by Morgan Hill are in excess of the ABAG projections for the same 25 year period. Staff's analysis of LAFCO factors used for decision-making shows that of eight factors, the proposal does not meet LAFCO policies in six areas.

Additionally, of great concern to the League, the request by the city of Morgan Hill provides inadequate assurances that prime but decreasing Agricultural Lands will be preserved, and could negatively impact the work being done by the County to prepare a Sustainable Agricultural Lands Policy Framework for Southern Santa Clara County. Any action on the application would be ill-advised at this time.

Other critical factors: 1) Information to LAFCO suggest that the City long-term is unable to provide urban services (water, police, fire protection, storm water and sewer services) as required; 2) the plan's "segmentation of analysis" downplays impacts and does not meet CEQA requirements; and 3) the city's own General Plan calls for coordination with the County and that their application does not accomplish that objective.

Further, the League supports the use of doing an Ecosystem Services review in making land use decisions. Ecosystem Services measures the economic benefits of open land, e.g. clean air, water, food, etc. No such analysis was performed on the area of SEQ that Morgan Hill is proposing be annexed. An economic analysis would help inform Morgan Hill leaders when making decisions around development and agricultural preservation.

For these reasons, the League of Women Voters is strongly opposed to the request from the city of Morgan Hill for an Urban Service Area Amendment – and we urge the Board of LAFCO to support staff recommendation of Option 1.

Please contact me at if you have any questions about our concerns.

Sincerely,

Cecilie Schulze
President, League of Women Voters San Jose/Santa Clara

Reference: Morgan Hill 2015
USA Application

LOCAL AGENCY FORMATION COMMISSION
70 West Hedding Street, East Wing
San Jose, Ca. 95110

Honorable Commissioners:

Verizon Wireless, NSA Wireless and Morgan Hill Bible Church are seeking U.S.A. status for the church's property @ 15055 & 15085 Monterey Road to allow for the construction of a telecommunication facility including a **SEVENTY-FIVE** foot tall cell tower and attendant roads, fences and machines.

We, the close neighbors to this proposed facility, strongly object to the U.S.A. status because it would:

1. Add to urban sprawl creating an urban service area further from the city center.
2. Add an intrusion to a quiet, rural setting. Many of us live on multiple acre home sites and have animals. There is a 20 acre organic farm immediately south of the proposed addition—telecommunication facility.
3. Damage our property values by adding a 75 foot tall industrial structure and facilities looming over us.
4. Create a potential health hazard by having cell radiation beaming down on us constantly.

This U.S.A. application has previously been denied and we respectfully request that you deny it again.

This letter was prepared and circulated by Rod L. Braughton, 15155 Monterey Road, (John Wilson Way).

Rod L. Braughton

Rod L. Braughton

cc. County of Santa Clara Planning Office
City of Morgan Hill
County of Santa Clara Board of Supervisors

NEIGHBOR	ADDRESS
Joan Prather	15155-E Monterey Rd. M.H.
Sharon Lee Holloway	15155-D monterey Rd. M.H.
Aaron Carpenter	15155-D monterey RD M.H.
[illegible]	15155F MONTEREY RD M.H.
Jeff Sasser	15155C MONTERY Rd
[illegible]	15155 D Monterey Rd
	15155B monterey Rd
[illegible]	15145 Monterey Rd.
	15185 S. Monterey Rd
Cristal Valdivia	15185 S. Monterey Rd
	15185 S Monterey Rd
Trello A.	15185 S Monterey Road.
Christian Valdevinia	15185 S. Monterey Road.
Rubie Valdivia	15185 S. Monterey Rd
Deyara Ramirez	15155 Monterey Rd # F
Rod L. Braughton	15155 F Monterey Rd

NOTICE OF DEVELOP[ENT PROPOSAL

This notice is being sent to notify you that the County Planning Office has received a development application as shown below. When this project is scheduled for a Public Hearing a subsequent notice of Public Hearing will be sent.

Project: Morgan Hill Bible Church Telecommunication Facility

Property Location: 15055 & 15085 Monterey Road; Morgan Hill, CA

Owner / Applicant: Morgan Hill Bible Church / Verizon Wireless / NSA Wireless

File # 9769- 15P - 15A

Project Description

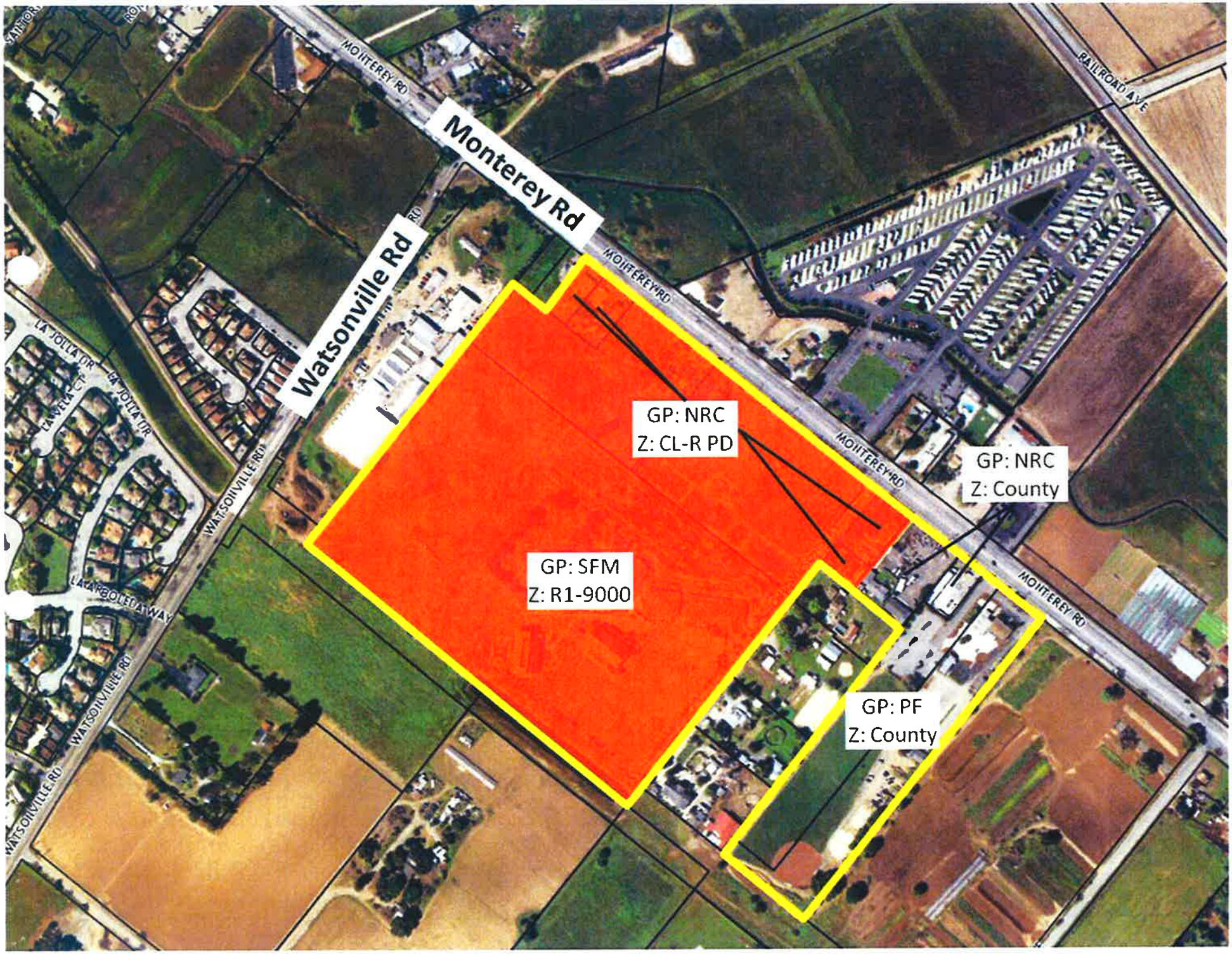
A Wireless Telecommunication Facility consisting of a 75-foot tall tower disguised as a Eucalyptus tree. The facility will include 9 panel antennas, 12 remote radio units, 2 GPS antennas, 4 raycaps, 6 equipment cabinets and a 30kW diesel generator all located within a fence-enclosed leasehold area.

If you have questions about this proposal, please contact

Project Planner: Carl Hilbrants (408) 299-5781, carl.hilbrants@pln.sccgov.org

For more information, visit our website at www.sccplanning.org.

LOCATION MAP:



County of Santa Clara

Department of Planning & Development
County Planning Office
County Government Center, East Wing, 7th Floor
70 West Hedding Street
San Jose, California 95110
(408) 299-5770 FAX (408) 288-9198

Notice of Intent to Adopt a Negative Declaration

Per the California Environmental Quality Act (CEQA), this notice has been prepared to inform you that the following project will not have a significant effect on the environment.

File Number	APN(s)	Date
9769-15P-14A-15EA	779-04-016, 061	1/5/16
Project Type	**Project Land Use**	
Use Permit with Architecture and Site Approval	Commercial/Infrastructure	
Owner	**Applicant**	
Morgan Hill Bible Church	NSA Wireless c/o Pamela Nobel	

Project Location

The subject property is a rural zoned, unincorporated, 8.7 acre parcel located at 15055 and 15085 Monterey Road, approximately 0.5 miles south of Watsonville Road, south of the City of Morgan Hill.

Project Description

This application is for a Use Permit and Architecture and Site Approval to establish a new 75-foot tall telecommunications tower at 15055 & 15085 Monterey Road (See Figure 1—location map). The tower would be disguised as a eucalyptus tree to help to minimize visual impacts to neighbors and passers-by. The tower will be located within the area to be leased by the property owner (leasehold area). Utilities and cabling between the leasehold area and the street would be entirely below grade. Grading of 108 cubic yards of cut and 108 cubic yards of fill would be necessary for the driveway and utility access as well as to establish the equipment shelter and tower areas. The tower and associated equipment would be accessed by a new driveway from Monterey Road. Project construction would not involve removal of any trees. The proposed telecommunications tower will include the following components:

1) Nine (9) panel antennas centered at the 69-foot level
2) Twelve (12) Remote Radio Units centered at the 69-foot level
3) Two (2) ground-based GPS antennas
4) Ancillary ground-based equipment located behind an 8-foot tall chain-link fence-enclosed 1,050 square foot leasehold area
5) 144 square foot equipment roof cover
6) Faux tree foliage to disguise the pole as a eucalyptus tree
7) 1,560 gallon water tank for the required landscape mitigation irrigation
8) 30Kw / 132-gallon standby diesel generator
9) Landscape screening

Purpose of Notice

The purpose of this notice is to inform you that the County Planning Staff has recommended that a Negative Declaration be approved for this project. **County of Santa Clara Planning Staff 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.**

Approval of this proposed Negative Declaration for the proposed project is tentatively scheduled before the Santa Clara County Architecture and Site Approval Committee on July 2, 2015 in the County Government Center. It should be noted that the 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 Review Period:	Begins: January 5, 2016	Ends: January 26, 2016

Public Comments regarding the correctness, completeness, or adequacy of this Negative Declaration are invited and must be received on or before the end of the review period listed above. Such comments should be based on specific environmental concerns. Written comments should be addressed to **Carl Hilbrants Planner III: County of Santa Clara Planning Office, County Government Center, 70 West Hedding Street, San Jose, CA 95110: Tel: (408) 299-5781.** A file containing additional information on this project may be reviewed at the Planning Office under the file number appearing at the top of this form.

The Negative Declaration and Initial Study may be viewed at the following locations:

1. Santa Clara County Planning Office, 70 West Hedding Street, East Wing, 7th Floor, San Jose, CA 95110
2. Morgan Hill Library, 660 West Main Avenue, Morgan Hill, CA 95037
3. Gilroy Library, 350 West 6th Street, Gilroy, CA 95020

Other Agencies sent a copy of this document

Basis for Negative Declaration Recommendation

County of Santa Clara Planning Staff 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.

Prepared by:
Carl Hilbrants, Planner III

Signature — Date: 1/5/16

Approved by:
David Rader, Planner III

David M. Rader
Signature — Date: 1/5/16

NOTICE OF DEVELOPMENT PROPOSAL

This notice is being sent to notify you that the County Planning Office has received a development application as shown below. When this project is scheduled for a Public Hearing a subsequent notice of Public Hearing will be sent.

Project: Morgan Hill Bible Church Telecommunication Facility

Property Location: 15055 & 15085 Monterey Road; Morgan Hill, CA

Owner / Applicant: Morgan Hill Bible Church / Verizon Wireless / NSA Wireless

File # 9769- 15P - 15A

Project Description

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If you have questions about this proposal, please contact

Project Planner: Carl Hilbrants (408) 299-5781, carl.hilbrants@pln.sccgov.org

For more information, visit our website at www.sccplanning.org.

File #:	15-636 Version: 1	Name:	
Type:	Staff Report	Status:	Other Business
File created:	9/29/2015	In control:	City Council
On agenda:	10/7/2015	Final action:	
Title:	CITY COUNCIL INPUT REGARDING PROPOSED CELLULAR ANTENNA INSTALLATION AT MORGAN HILL BIBLE CHURCH		
Attachments:	1. USA-15-01 September 2, 2015 City Council Report, 2. Proposed 75 Foot Monopole, 3. Proposed 50 foot Monopole		

CITY COUNCIL STAFF REPORT
MEETING DATE: October 7, 2015

PREPARED BY: Andrew Crabtree, Director/Community Development Department

APPROVED BY: City Manager

Title
CITY COUNCIL INPUT REGARDING PROPOSED CELLULAR ANTENNA INSTALLATION AT MORGAN HILL BIBLE CHURCH
END

RECOMMENDATION(S)
RECOMMENDATION
Provide input regarding design options for a proposed cellular antenna installation at the Morgan Hill Bible Church.

BODY
COUNCIL PRIORITIES, GOALS & STRATEGIES:

Ongoing Priorities
Enhancing public safety
Protecting the environment

2015 Focus Areas
Community Engagement Effectiveness

REPORT NARRATIVE:
At the September 2, 2015 City Council meeting the City Council considered and forwarded to LAFCO (the Local Area Formation Commission) a proposed Urban Service Area (USA) expansion request initiated by City staff for properties located along the western side of Monterey Road, south of Watsonville Road (Application File # USA-15-01). The proposed USA expansion area includes the Morgan Hill Bible Church property. Unrelated to the City proposed USA expansion, Morgan Hill Bible Church is in the process of seeking land use permits through the County for the installation of a cellular antenna on the Church property. The antenna would be operated by Verizon under a lease agreement with the Church. In order to meet Verizon antenna coverage goals while locating the antenna at the southwest corner of the Church property, the proposed antenna would be 75 feet in height. To conform with County requirements, the antenna would be designed to resemble a tree which would blend in with adjacent trees. The height of the antenna structure is taller than the antenna installation in order to simulate a tree shape. The County also recommended a 75 foot structure in order to facilitate potential future co-location for multiple wireless carriers.

An owner of a property adjacent to the Morgan Hill Bible Church spoke at the September 2 hearing, expressing concern regarding a proposed cellular antenna installation on the church property. The City Council also received correspondence in the form of two petitions circulated by the same neighbor with a combined total of fourteen signatures in opposition either to the antenna installation or the annexation. While the City Council voted to move forward with the USA expansion process by submitting an application to LAFCO, the Council indicated should LAFCO approve the USA expansion, the City would consider the subsequent potential annexation of the Church property more favorably if the antenna installation conformed to the City's regulations for such antennas, which include a height limitation of 50 feet.

In subsequent conversations, representatives of the Morgan Hill Bible Church have explained that if the antenna height is reduced to 50 feet, in order to meet Verizon's coverage objectives, the antenna would need to be placed at a location on the Church property closer to Monterey Road and the adjacent residential uses to the north. Relocation of the antenna in this manner would potentially increase its visibility and bring it closer to the residents who have most strongly expressed concern with the proximity of the antenna. In order to maintain a simulated tree design, the actual antenna would need to be located no higher than 46 feet on the structure.

This item has been placed on the City Council meeting agenda at the request of Morgan Hill Bible Church so that the City Council may provide input to the Church regarding the possible design and placement of the antenna on the Church property.

COMMUNITY ENGAGEMENT: **Inform**
Representatives of the church have provided information to the adjacent property owners including notice of the hearing time and a photosimulation of the proposed antenna installation.

ALTERNATIVE ACTIONS:
N/A

PRIOR CITY COUNCIL AND COMMISSION ACTIONS:

The City Council voted to forward a Urban Service Area expansion request (USA-15-01) to LAFCO for the subject property and other adjacent properties at its September 2, 2015 meeting.

FISCAL AND RESOURCE IMPACT:

N/A

CEQA (California Environmental Quality Act):

Not a Project

Council is not taking any action that could result in a potential impact to the environment as regulated by CEQA.

LINKS/ATTACHMENTS:

1) September 2, 2015 Staff Report for USA-15-01
2) Proposed Antenna Photo Simulation - 75 Feet
3) Proposed Antenna Photo Simulation - 50 Feet

LAFCO — 10/14/15

10/12/2015

To: Steve Tate
Re: Cell Tower 15055 Monterey Road
From: see signatures below

Per the attached letter dated October 8, 2005, Councilman Larry Car stated that the City of Morgan Hill has measures in place that would prevent cell towers from being placed in areas objectionable to residents. The City of Morgan Hill knows at least 74 percent are opposed to any cell tower being placed on The Churches property at 15055 Monterey Road. The City Council has only allowed the residence to choose between a 75' or 50' cell tower. The neighbors voted for the 50' tower and the council approved the 75' tower due to erroneous statements from the church representative. A resident was for a 50' tower and he said they where for the 75' tower. The owners of the properties all have aesthetic and visual issues with both cell tower proposals and have requested that the annexation process stop. Morgan Hill City Council needs to tell the Church that due to the cell tower being opposed by the neighbors the Church should not continue with their application through The County of Santa Clara regarding the cell tower if they plan on being annexed into the City of Morgan Hill. Below are the signatures of the property owners who oppose the cell tower for the above reason.
Please see the attached map showing property location.These properties are the closest and by far the most affected properties in regards to the cell towers appearance.

7/8 OPPOSED

Dawn Erbom 14930 Bonner Ct 10/10/2015

Arelia Valdivia 15185 S Monterey Rd 10/10/15

Lisette Wilson 15147 Monterey Rd. 10/10/15

Laura Zee 14840 OLIVE AVE
Rod Brighton 15155 F Monterey
} These 2 property owners have appeared infront of City council and agree with the above

cc Morgan Hill Times
cc Neighbors

OCT 8th 2015
+ OCT 9th 2015
OCT 12th

← Monterey Rd →

THEY PREFERED THE LOOK OF THE 50' TOWER

COMMERCIAL AREA

COMMER.

15147 MONTEREY

LORETTA WILSON
OPPOSES ALL CELL TOWERS
IN FAVOR OF 50' TOWER

NO ON 75' TOWER

50'

CHUCK / Frank
UNDECIDED / undecided

ROD BRAUGHTON
OPPOSES ALL CELL TOWERS
15155 P MONTEREY

ARCELIA Valdivia
OPPOSES ALL CELL TOWERS
IN FAVOR OF 50' TOWER
OPPOSSES 75' TOWER

John Wilson

5 LOTS

BIBLE CHURCH

OPEN FIELD

50-YES

75-NO

WD
SEMENT

SANTA CLARA WATER DISTRICT

FIELD

DANN ENBOM
OPPOSES ALL
CELL TOWERS

IN FAVOR OF 50' TOWER

OPPOSES 75' TOWER

14930 BONNER CRT

LAURA ZEE
OPPOSES ALL
CELL TOWERS
IN FAVOR OF 50' TOWER
OPPOSSES 75' TOWER

14840
OLIVE AVE

FIELD

BONNER CRT

Mr Tate

10/2/15

Here is a copy of Loretta Wilsons story. She came to Morgan Hill a long time ago. Her father was Mayor of San Jose and he was a councilman. We understand that if you choose to eliminate the cell tower per a majority of the neighbors request, Mark Roesler will likely follow your recommendations.

a few neighbors may move due to this decision. Please side with the people over the money

Our cell phones are working fine

LAFCO 10/14/15

Re: Urban Service Area, USA-15-01 8/28/2015 To: Morgan Hill Planning Commission
Re: Parcell # 779-04-016 and 779-04-061
15055 Monterey

The majority of property owners bordering and directly behind the property at 15055 Monterey request that the City of Morgan Hill remove this property from the agenda. This meeting is on september 2, 2015. This property is in the process of obtaining a permit to install a 75 cell tower. Morgan Hill needs to vote on cell towers near Schools and homes prior to allowing this property into the Morgan Hill Urban Service area. Please see the attached 2 petitions. Please pospone 15055 Monterey from entering into the Urban Service Area until the community has a chance to respond.

Their are a lot of concerned Morgan Hill residences that need more time to look into this very controversial cell tower subject.
Slipping the cell tower into the Morgan Hill Urban District as an existing condition is wrong.
The County of Santa Clara is approving a cell tower that Morgan Hill has to live with.
MORGAN HILL ALLOWS A MAXIMUM HEIGHT OF 50 feet and the property at 15055 has no intention of following Morgan Hills ordinances. A 75 foot tall Major Commercial Cell Tower near homes and Schools is wrong. There is so much open space to put this cell tower.

FROM: All the people on the 2 attached petition. Please note that 2 people signed both petitions.

Please see update petition. The major concern is the cell tower. 5 of the 8 property owners are against the cell tower and per Morgan Hill ordenance or meeting dated Oct 8 2005 This states that cell towers will not be placed in areas objectionable to residence. Mr Tate knows that the area is opposed to cell towers yet on Oct 7th he approved the 75' tower any way? What is going on?

8/21/15

Petition Re: Cell Tower at 15055 Monterey - Morgan Hill Bible Church

50' Max Height per Morgan Hill

Please sign below if you are against the installation of the 75'± Cell Tower at 15055 Monterey: Morgan Hill Bible Church. Located at the back of the property on the south corner. This is on the church property

Signature	address	Date
Juan Zee	14840 Olive Ave.	8/21/15
Dawn Gibson	14930 Bonner Ct	8/21/15
Karen Clampett	15155 Monterey Rd F	8/21/15
Joe Wilson	15145-A Monterey Rd	8-21-15
Loretta Nelson	15147 Monterey Rd.	8-21-15
Ruth B. Hy	7906 Westwood Dr G-206	8-21-15
Robert E.	17411 HOLIDAY DR	8-21-15
[illegible]	10195 Drysher Ave	8-21-15
Cecilia Valdivia	15185 S. Monterey Rd	10-8-15

MORGAN HILL IS GETTING ANOTHER CELL TOWER NEXT TO HOMES AND A SCHOOL 8/26/2015

PETITION PETITION PETITION This is a PETITION.

The City of Morgan Hill and The County of Santa Clara have been working together to get the Morgan Hill Bible Church into The Morgan Hill Urban Service Area."USA"

The Bible Church, at 15055 Monterey, is currently applying for a permit to install a 75 foot tall cell tower on its property with the County. The property has been rezoned to Public facility which takes a lot of communication

between the City of Morgan Hill and The County of Santa Clara. You would think that the owner of the Bible Church would tell Mayor Steve Tate about the cell tower and give the residence of Morgan Hill

a chance to respond before they grant them into the Morgan Hill urban service area. Please postpone the Morgan Hill Bible church at 15055 Monterey from being part of USA until Morgan Hill residence can voice their opinion

on the cell tower. Please sign below if you are against having the Bible Church in The urban service area.

Please tell Mr. Tate how you feel September 2, 2015 at 7:00 pm Council Chambers at 17555 Peak ave. and please sign this Petition.

Signature	Address	Date
Jane Stubaus	17530 Holiday Dr.	8-26-2015
Colleen Fidler	P.O. Box 1956 Los Gatos	8-26-2015
Dawn Olsen	14930 Bonner Ct	8/28/15
Loretta Wilson	15147 Monterey Rd. M.H.	8/28/15
Rod L. Braughton	15155 F Monterey Rd. MH	8-28-15
Joan Prather	15155 E Monterey Rd MH	8-28-15
Arcelia Valdivia	15185 S Monterey Rd	8/28/15

"Jills to 75" must be 35 doesn't Fit!!

City Says No to Cell Tower Moratorium

Posted: Saturday, October 8, 2005 12:00 am

Morgan Hill City councilmen decided against banning cell phone towers in Morgan Hill while staff creates a policy on the often controversial towers this week.

The decision removes a potential roadblock for three cell tower plans currently seeking city approval.

Councilmen began to contemplate banning cell towers last month while drafting a new policy after some local residents protested an application to build a tower near Jackson Park. The residents had read in the Morgan Hill Times that Sprint PCS sought approval to construct the tower. After residents protested in September, the Utilities and Environment subcommittee suggested the city enact a moratorium while staff crafted a permanent policy.

The council denied the move 4-0 Wednesday night.

Councilman Greg Sellers said the city already has a number of rules governing cell towers and an approval process that allows public input before any towers are built. He said he didn't believe the issue was grave enough to warrant a moratorium.

"I think we've got these applications that have already been submitted with the assumptions that the rules are already in place," Sellers said. "I think we ought to let them go through the process at that point ... in the interest of fairness and equity."

Some of the residents who opposed the Sprint PCS tower said they worried the towers could affect the health of people who lived near the proposed site and children who played in the park. Scott Dunham, development manager for T-Mobile's South Bay Area, told the council the Federal Communications Commission has ruled health concerns cannot be a major reason for cities to deny cell towers. Cell phone towers have not been connected to health problems.

Dunham said T-Mobile has plans to build one tower and modify two others to improve roaming capabilities lost when AT&T merged with Cingular recently. He said by imposing a moratorium now, the city was giving the company's competitors an unfair advantage.

Acting city attorney Dan Siegel cautioned council members about considering a moratorium. He noted, a moratorium needed to be very specific, and required a 4/5 vote of the council; not a simple majority vote. He suggested that the council examine the Conditional Use Permit (CUP) process.

"The council has to decide whether there is a problem that merits the moratorium. ... Is the CUP process working? If not, stop it," advised Siegel.

Councilman Steve Tate said he felt the subcommittee needed to be more specific regarding the objective of the moratorium, while Councilman Larry Carr believed the city has measures already in place, such as public hearings, that would prevent cell towers from being placed in areas objectionable to residents.

Currently, a proposal to place a cell tower on public land requires a cell phone provider to enter a lease agreement with the city and city council approval. A proposal to place a cell phone tower on private land, however, would only need a conditional use permit and approval by

Mr Tate + Council '15-636 OCT 7th meeting 10/8/15

I didnt get the final Renderings of the 50' + 75' towers until the day before the meeting. I brought with me a written note from 50% of the neighbors stating they prefer the 50' tower. We all had health convers and visually speaking, we choose the looks of the 50' tower over the 75' tower.

Mark Rauser spoke and had no signitures in favor of the 75' tower. He stated that the property at 15185 S. Monterey Rd was the biggest opponent of the 50' tower.

This verbal by Mr Rauser was wrong. Please see attached letter from that person. The neighborhood isnt split on this decision as Mr Tate says.

The verbal info that Mr Rauser was wrong. Please approve the majority voted 50' tower.

Mr Brayton is away and didnt get a chance to vote yet a majority vote has been quickly established.

Please see attached petition and map to show you how the neighbors feel

Dawn Ehler

Council approved 75' tower!

Why!

cc Morgan Hill Times
cc Steve Tate
cc neighbors

October 8th, 2015

Dear Steve Tate:

I was recently approached by Mark from Bible Church to inform me they a Cell Phone Tower from Verizon was in the works of being installed on the baseball field adjacent to my property.

I was presented the plans for installation along with pictures of a fake 75 feet tall tree of what this tower will look like. I must say that looking at the hideous picture saddened me because I feel it is an insult to nature.

Rather than showing me a plan of new live tree plantation coming up which would enhance my community and provide a clean breath of fresh air, I have to look at something completely fake disguising a cell phone tower!!! This proposal should come along with a promise and commitment to plant real trees along all the surrounding neighbors' property line to compensate us with a better view and really enhance our community's atmosphere.

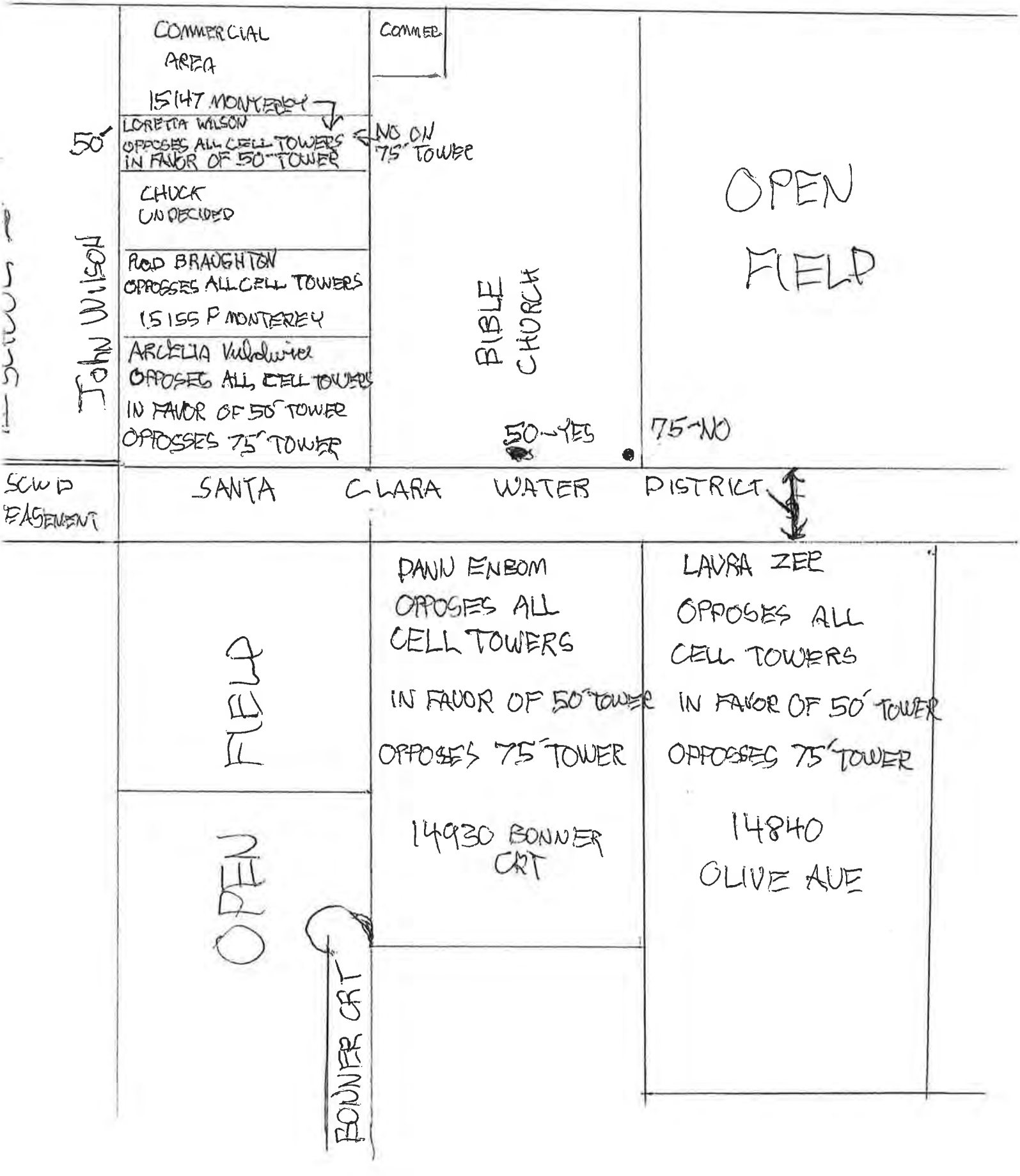
I have no problems with my phone reception, never had it; I told Mark. I am very against having such installation take place. I enjoy leaving life as natural as possible, I do not have a microwave in my kitchen, as a matter of fact, therefore I oppose to such tower coming up. If I'd have to choose from a 75' tower or a 50' tower, even though I am completely against it coming, I would vote on the 50' tower.

Sincerely,

Luz Arcelia Valdivia
15185 S. Monterey Road
Morgan Hill, Ca 95037

Oct 8th 2015
& Oct 9th 2015

THEY PREFERED THE LOOK OF THE 50' TOWER



~~Steve Tate~~ ~~Dann~~ CC [LAFCO] 10/14/15

To: Steve Tate and council members 10/09/2015
Re: Annexing a conforming property

In a prior Council meeting regarding The Bible Church at 15055 Monterey, it was discussed that the Church should comply with Morgan Hills ordinances in regards to a cell tower. The council wanted the cell tower to be a maximum of 50 feet. The application for the cell tower is with the County of Santa Clara. The Church is in the process of entering the Morgan Hill urban service area.

On October 7 item 15-636 the Church proposed a 75' tree and a 50' tree to be allowed when they are annexed into Morgan Hill.

Laretta Wilson state that the 50 tower would have less of a visual impact. and preferred the 50 foot tower.

Laura Zee had health issues about both but when it came down to a visual impact on their property she was in favor of the 50 foot cell tower over the 75' cell tower.

Dann Enbom also preferred the 50' cell tower over the massive 75, cell tower.

A letter was given to council at the meeting expressing that the above neighbors vote.

Mark Rauser then came up to speak and his main concern was the home at 15185 Monterey Rd. He stated that they where in favor of the 75' cell tower. They where in favor of the 50 foot cell tower and that is when council said the neighbors are split. I brought in a letter from mrs Valdinia telling Mr Tate that they too were in favor of the 50 foot cell tower. Prior to the meeting Mark Rauser told me he did not care what tower was approved. We had a win win settlement and the council voted for the 75' tower.

We ask to be put back on the agenda to straighten out this issue.

please see attached map regarding neighbors votes and location.

Dann Enbom and neighbors. 408-401-2274

cc Steve Tate ✓
Dann Enbom ✓
Laura Zee ✓
Laretta Wilson ✓
Arcilia V. ✓
Morgan Hill Times ✓

LAFCO 10/14/15

No Recommended Mitigation Measures

Due to their mounting locations, the Verizon antennas would not be accessible to the general public, and so no mitigation measures are necessary to comply with the FCC public exposure guidelines. It is presumed that Verizon will, as an FCC licensee, take adequate steps to ensure that its employees or contractors receive appropriate training and comply with FCC occupational exposure guidelines whenever work is required near the antennas themselves.

Conclusion

Based on the information and analysis above, it is the undersigned's professional opinion that operation of the base station proposed by Verizon Wireless at 15055 Monterey Street in Morgan Hill, California, will comply with the prevailing standards for limiting public exposure to radio frequency energy and, therefore, will not for this reason cause a significant impact on the environment. The highest calculated level in publicly accessible areas is much less than the prevailing standards allow for exposures of unlimited duration. This finding is consistent with measurements of actual exposure conditions taken at other operating base stations.

Authorship

The undersigned author of this statement is a qualified Professional Engineer, holding California Registration Nos. E-13026 and M-20676, which expire on June 30, 2015. This work has been carried out under his direction, and all statements are true and correct of his own knowledge except, where noted, when data has been supplied by others, which data he believes to be correct.

William F. Hammett, P.E.
707/996-5200

November 3, 2014

LAFCO 10/14/15

MORGAN HILL
THE TIMES

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...G EDGE
...) students start
...with new
...books A...

BBQ KINGS
Live Oak alumni take top prize in northern CA competition A6

ACTIVE LIVING
See inside this week's edition for our '55+' special section INSIDE

UNLEASHED
Bulldogs get first taste of football in scrimmage A9

WHO ARE YOU?
Amateur genealogists enjoy regional research resources B1

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Peak Ave. Friday 4 PM. to 10 PM, Saturday Noon to 10 PM., Sunday 11 AM to 5PM. For complete information and special discount ticket opportunities visit stca.org or call (408) 779-3959.

Creek Cleanup
Join city staff and volunteers 9 a.m. to noon Sept. 19 to help beautify Morgan Hill. This is an opportunity for individuals, families and groups to enhance the health of West Little Llagas Creek and its wildlife. Cleanup will concentrate on picking up litter; gloves, bags and litter grabbers will be provided. Meet at the Corporation Yard, 100 Edes Court at 9 a.m. Participants under 18 will need to bring a volunteer waiver signed by their parents with them the morning of the event. Call (408) 776-7333 for more info, a waiver form or to pre-register.

BBQ for wildlife
The Wildlife Education and Rehabilitation Center will hold its 20th annual Wildlife Fest from 12 to 3 p.m. Oct. 17 at the Morgan Hill Buddhist Community Center, 16450 Murphy Ave. The fundraiser will feature a barbecue lunch, silent and live auctions, raffle and door prizes. WERC's education animals will be present at the event. Tickets can be purchased at werc-ca.org.

6 58015 02004 1

Pantry's "Fit For Fall" clothing giveaway Aug. 22.

About 50 volunteers helped organizers and "shoppers" pick out and try on their selected garments from a cluster of tables and tents set up outside the nonprofit facility's Peebles Avenue site. Families referred to Cecelia's Closet were for everyday clothing and back to school clothing," said Cecelia Ponzini, co-founder of the Edward "Boss" Prado Foundation which oversees Cecelia's Closet and Food Pantry. "We had a lot of support from the community. We've been very fortunate."

Ponzini founded the generosity and empathy for his fellow classmates and peers who were less fortunate than he was.

Programs under the Prado Foundation include Cecelia's Closet, which collects donated clothing and food to provide for lower-income residents, as well as No Child Goes Unfed and Share the Runway,

HOW TO HELP

The Edward "Boss" Prado Foundation accepts donations of food, clothing or money. Donations go toward helping local, less fortunate families and children acquire resources they need to succeed in their professional and academic lives. For more information or to make a donation, visit edwardbossprado.org, call Cecelia Ponzini at (408) 670-0266 or stop by Cecelia's Closet and Food Pantry, 35 Peebles Ave.

Residents rise up against projects

OAK MEADOW, SOUTH MH PROPOSALS GENERATE PROTEST

MICHAEL MOORE
Editor

MORGAN HILL—Two long simmering proposals to extend city boundaries, both of which have generated increasing opposition from their surrounding neighbors, will reach the Morgan Hill City Council Sept. 2.

The Oak Meadow project on West Edmundson Avenue, in the works since 2006, would add up to 48 homes in a hillside area in southwest Morgan Hill that is currently in unincorporated Santa Clara County jurisdiction. Developer Bethany Liou is asking the council to annex about 50 acres of the site, and extend the Urban Service Area boundary for another 20.

The unrelated "Monterey-City of Morgan Hill" request is asking the city to extend the USA line for 11 parcels totaling about 48 acres on Monterey Road south of Watsonville Road. These properties include a portion of the Royal Oaks mushroom farm and the Morgan Hill Bible Church.

Requesting an inclusion in the USA is a potential precursor to an annexation request.

If the council approves these requests at the Sept. 2 meeting, which will include public hearings on both proposals, they will require further approval from the county's Local Agency Formation Commission.

Cell tower and boundary extension on tap?

At the same time the city is processing the USA request for the sites south of Watsonville Road, the county planning office is reviewing a request by the MH Bible Church, 15055 Monterey Road, to install a 75-foot cell tower toward the western side of the property.

"As a church, we want to help the community. Cell service in this area is on the weaker side, and we wanted to make sure that, aesthetically, it would fit in," Pastor David Whitaker said. He displayed photo simulations

→Development, A8

Michael Moore

CELL SPECS *A notice outside the Morgan Hill Bible Church describes a cell tower proposal at the site.*

6:30 p.m. Suggested donation is $15 Library, 660 W. Main Ave. and Sept. 15

→ *From page A1*

that depict the tower, disguised as a tree, sticking up above a giant oak tree toward the back of the property.

The church was approached about six months ago by Verizon which identified the site as "one of the prime spots for a cell tower," Whitaker said.

Then about three weeks ago, the church was informed that the city wanted to resubmit their USA extension request after a similar effort was rejected by LAFCO in 2013, Whitaker explained. The cell tower site sits on property that would be included in the city's USA if the council gives its approval, but Whitaker said the timing of the two proposals is coincidental.

Nearby resident Dan Enbom noted that the county and city have different cell tower policies. The county allows telecommunications towers up to 75 feet, while the city—which does not have a cell tower ordinance—limits the height of cell towers to 50 feet through land use and zoning policies.

Enbom added that some of his neighbors have many questions about the cell tower near their property, related to the impact on scenery and potentially harmful radio waves attracted to the facility.

"We don't want this church annexing or even going into the USA because they are not even listening to the neighbors," Enbom said.

County Planner Carl Hilbrandts' office is currently conducting an environmental review of the cell tower application. All cell tower proposals taller than 55 feet are subject to a public hearing before the county planning commission. Hilbrandts doesn't expect that to occur before November.

The city currently has no say in the cell tower matter, but City Hall has long wanted to annex the church and adjacent properties into the city limits. Doing so would tighten up city boundaries and make future growth more orderly, city staff said.

In 2013, LAFCO approved the annexation of only a portion of the city's full 67-acre request of properties south of Watsonville Road, namely about nine acres where Royal Oaks mushroom farm is located.

Royal Oaks owner Don Hordness has indicated he wants to move his agricultural operation elsewhere, and develop a senior assisted living project at the site south of Watsonville Road.

Other properties in the upcoming USA request before the council Sept. 2 include the Oakwood School and a commercial strip mall.

Oak Meadow

Neighbors of the Oak Meadow annexation proposal recently told city planning commissioners that city staff and other officials have repeatedly ignored the voice of the taxpayers and bent over backward for the developer since the residential project was proposed nearly nine years ago.

About 10 neighbors of the 80-acre property, which is currently agricultural and contains steep hillsides, voiced their opposition to the annexation request at the July 14 planning commission meeting. They expressed frustration with the continually changing specifications of the project, and one speaker called the staff recommendation to approve the annexation "unethical."

The property is located just west of the Community Park and the Sunset Avenue and Olympic Drive neighborhoods.

The commission tabled that decision until the July 28 meeting, when they ultimately voted 3-3 on the annexation request and MOU, forwarding no recommendation to the elected council.

Commissioner Susan Koepp-Baker's seat remains unoccupied since she retired earlier this year.

The non-binding MOU states the developer will agree to limit the number of residential detached homes to a maximum of 48; will not build on hillsides steeper than a 10 percent grade; will cluster homes; will not allow private gateways on existing roads; and provide easements for public trails and open space, among other provisions.

In recent weeks, residents—led by Kevin Pfeil—have organized a petition to convince the council to reject the annexation request. More than 980 people had signed the petition on change.org as of Aug. 26.

The petition claims the proposed residential project violates the city's General Plan, which in 2010 noted the city already has a more than 30-year supply of vacant residential land. Numerous public agencies and environmental groups have opposed the annexation, according to the petition website.

The project opponents also started a website, savemorganhill.org, offering information about pending land use changes in Morgan Hill and a link to the petition.

"In 2004, Morgan Hill residents passed Measure C, limiting the city's ability to extend into county land to preserve our viewshed and agricultural resources," reads a message on the website's home page. "Since then, the city council has rewritten the law specifically to allow the annexation of the Oak Meadows Plaza project and is now planning to move forward, despite overwhelming opposition from the community."

The project has been to the planning commission at least five times since 2006, with the developer and city continually negotiating on changes and public benefit additions in an effort to bring the proposal in line with the city's General Plan.

The Sept. 2 City Council meeting will take place 7 p.m. at Cit Hall council chambers, 17555 Peak Ave.

OBITUARIES

TONY MARFIA

October 20, 1921 - August 19, 2015

Visitation was held Tuesday, August 25, 2015, from 6:00 to 8:00 P.M., at Habing Family Funeral Home. Funeral Mass was held Wednesday, August 26, 2015, at 10:00 A.M., at St. Mary Parish followed by burial at St. Mary's Catholic Cemetery. Donations to your favorite charity would be preferred. Condolences at HabingFamilyFuneralHome.com.

BARBARA JEAN GAMMA RODRIGUEZ

January 24, 1943- August 21, 2015

Viewing services and a celebration of her life will be on Friday, August 28, 2015, from 3:00 P.M. until 8:00 P.M., at Black Cooper Sander Funeral Home, 363 7th St. Hollister, CA 95023. Condolences: www.blackcoopersander.com.

CHERYL JO MYERS

July 1945 - August 2015

Memorial gifts may be made to the Valle del Sur Art Guild for the C.J. Myers Memorial Scholarship Fund, 12275 Center Avenue, San Martin, CA 95046 or on-line at www.valledelsur.org. There will be a Celebration [illegible]

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70 S FIRST STREET
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F 408.998.4790

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HOPKINS & CARLEY
A LAW CORPORATION

January 22, 2016

CHUCK REED
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408-299-1409
Fax 408-998-4790

Santa Clara County Planning Department
70 West Hedding Street, 7th Floor
San Jose, CA 95110

LAFCO
70 West Hedding Street, 8th Floor
San Jose, CA 95110

City of Morgan Hill Planning Division
17575 Peak Avenue
Morgan Hill CA 95037

Re: Santa Clara County File: 9769 – 15P-14A-15EA
LAFCO File: Morgan Hill USA 15-01
Morgan Hill File: 15-636
Morgan Hill Bible Church Telecommunications Facility
15055 and 15085 Monterey Road, Morgan Hill

This firm represents Dann Enbom, who resides at 14390 Bonner Court, Morgan Hill. Mr. Enbom's residence is immediately to the southwest of the proposed facility.

On behalf of Mr. Enbom, we object to the use of the Negative Declaration for environmental clearance as specified in your Notice of Intent to Adopt a Negative Declaration; we object to the granting of Use Permit and Architectural and Site Approval; and we object to the annexation of the property by Morgan Hill with the proposed Wireless Telecommunications Facility.

Our objections are based on the following reasons:

The Initial Study for the environmental clearance is flawed because it fails to seriously consider or accurately describe the neighboring residential and school uses and the impacts on them from the project.

The Initial Study erroneously concludes, without analysis of the impact on nearby residences and school, that the project would have no impact or no significant impact on Aesthetics.

The Initial Study Environmental Checklist Discussion of Impacts erroneously states that "As viewed from the surrounding flat area, the tower would not be visually prominent . . ." In fact, the opposite the true. It will be obvious and quite large when viewed from the nearby residences.

The Discussion of Impacts erroneously states that " the tower would not substantially degrade the existing visual character of the site and / or the surrounding areas." In fact, the opposite the true. The tower as proposed will substantially degrade the existing visual character and quality of the surrounding residences and the school.

The height, design and location of the tower fail to comply with the Santa Clara County Wireless Telecommunications Facilities Design Guidelines.

Mr. Enbom's property has a residence that is less than 300 feet from the proposed tower. There are six other residences and a school within 1000 feet from the tower. These facts are ignored by the Initial Study.

The proposed tower is to be located in the worst possible location on the property relative to the closest residences.

As proposed, the 75 feet height is far higher than the oak tree, which is less than 50 feet tall, and the oak tree does not screen the tower from the nearby residences and school.

The tower could be relocated on the property, reduced in size and redesigned to blend in with the 50 ft. oak tree so that it is at least partially screened from the nearby residences and school. Failure to do so is in direct conflict with Design Guidelines Review Criteria #1, which calls for a proposed tower that "minimizes visual impact to the extent possible through design, screening and siting."

As proposed, from the nearby residences and the school, the tower will look like the bad example in Design Guideline Facility Scenario A because the 75 ft. eucalyptus-tree-style tower "bears no relationship to the size, shape and character of the surrounding physical elements."

The proposed tower does not meet the development standards of the City of Morgan Hill zoning ordinance. 75 feet is too tall and it is too close to the property line. See Memorandum to Santa Clara County Planning Office from Steve Maxey, City of Morgan Hill Planning Division, March 17, 2015.

The Initial Study fails to consider the potential cumulative impacts of co-location of additional facilities on this site. The 75 feet size invites other operators, and federal law (Section 6409 of the Middle Class Tax Relief Act of 2013) could require additional height and width to accommodate co-locations. (See the Memo from Steve Maxey)

For all these reasons and the comments made by members of the public, the project cannot be allowed to proceed under a Negative Declaration, architectural and site approval should be denied, and the annexation should be denied.

Yours very truly,

HOPKINS & CARLEY
A Law Corporation

Chuck Reed

Chuck Reed

CRR/tsa

AGENDA ITEM # 16.3
April 2, 2014

February 13, 2014

To: City Council of Morgan Hill
Board of LATCO
Rebecca Tolentino

From: Mrs. Carol Neal
15600 Foothill Ave.
Morgan Hill, Ca 95037
Phone 408-779-7133
nealfamily1@hotmail.com

Re: Southeast Quadrant Land Annexation and Uses

To whom it may concern,

1. Who am I?

I am a resident of the County of Santa Clara and have lived in our home on Foothill Ave for about 40 years. Our property is the proposed area to be annexed to the City of Morgan Hill. This property is the primary asset in our estate. It is very important to us how the proposed annexation will affect the value and environment of our neighborhood. The greatest asset of our property is the rural beauty of this valley.

There is an easement that runs in the back of my property that connects the property of John Fry's American Institute/golf course to the city. This property was formerly owned by Irvin Perch who developed the Flying Lady Golf Course and Restaurant. As Mr. Perch could not get county approval, he used his money, and power on the city of Morgan Hill and was annexed. I use this as an example of the money and special interest that rule what is done in my neighborhood Currently, Fry's property is an eyesore with it's wall of trees destroying the view from the bottom and it's current plan to build a "castle" obstructing the view from the top.

As part of the "existing residential units' listed in the General Land Use Program, we cannot subdivide. We have NO say in the use of our property. As we are not in the city limits of Morgan Hill, we cannot vote for the policy makers, and we are little fish in the county of Santa Clara, we have limited influence. We are in effect, powerless. What will be the cost to us in migration fees, assessment fees, city taxes, property taxes, etc.?

2. My concerns or objections;

a. Location of proposed South County Catholic High School. There is no need to place the high school in this location. Today, the Daughters of Charity Health System wants to rezone it's current 24.5 acre plot that is currently in the city limits of Morgan Hill. As a Catholic organization why not deed the property for a school. Also, it is of note that Mr. George Chiala who is the biggest winner in the SEQ plan is an important member of the Catholic organization. It is a concern of mine that the placement of the school has become a stepping stone for the annexation.

b. Effect of a private high school on the Morgan Hill Unified School District. Currently enrollment in this district is low and not growing with the population increase. As a former member of the school board, I saw the declining enrollment as a possibility and fought against the building of Sobrato High School. Live Oak is close to the proposed Catholic site. Live Oak did have an agricultural program. I am not opposed to private schools but I feel that placing the Catholic High School on the west side near Gilroy or San Jose would have less effect on the local school district.

c. Annexing this property would accelerate the growth of Morgan Hill and the rural atmosphere will be lost. Just talking to new members of the area, they love the rural area.

d. **Currently the City of Morgan Hill has many large vacant areas that could hold all of the proposed recreational improvements.** Why take on more land when they cannot improve the land south of Dunne Ave on Monterey Road. . How can the city say it wants to have a greenbelt but in continues to push eastward with Cochrane Plaza while many vacant units exist in the core city area?

e. How can you preserve agriculture when you remove the most productive area from cultivation and make it into businesses. How will this area look in the future? A small farmer has put in a successful strawberry farm at the corner of Murphy and Tennant. Now you want to make it a sports field. The proposed Sustainable Agriculture Education is nothing but a grab of the government to control private land. How will this be supported? They say they have a grant but most likely it will be passed on to the taxpayer in mitigation fees and taxes.

g. What will be the effect of the Fry golf course? What will be needed for the proposed PGA golf tournaments? How will this affect the area? What about traffic, roads, etc. The current road that the city is responsible for is not maintained and is a hazard.

h. How is the City of Morgan Hill going to pay for this? Also it is to be noted that some of the stakeholders in this development are the city employees who make a good salary in promoting and developing this program.

It would be my hope that someday, before all of the plans, zoning changes, etc. are considered that all of the stakeholders, as in this case, all property owners, could meet as a group and have an opportunity for input. Having a minute to express you concerns in a public meeting doesn't allow for constructive and meaningful dialogue.

Frustrated and Powerless

Mrs Carol Neal

Mrs. Carol Neal

Palacherla, Neelima

From: Shawn Barreras <shawn.barreras4@gmail.com>
Sent: Monday, February 29, 2016 8:39 AM
To: Palacherla, Neelima

My name is shawn Barreras 1556 fisher ave. Morgan hill. We are off murphy and not happy that the city is trying to work its way into the county. The neighbors on our street are very unhappy with what the city is trying to do. We all know the city is saying they will put baseball fields/parks in just to pass a rezoning issue so they can line the freeway with hotels /fast food & gas stations they need to stay out of the county and deal with the issues and land in the city limits. None of us want to see the school go in either. The traffic/noise/drugs the kids hot rodding on small side street. Is not what any of us want. 1 408 691 9670
Thank u for taking on this fight.

Palacherla, Neelima

From: Yudhvir Singh Sidhu <mehmasarja@gmail.com>
Sent: Tuesday, March 01, 2016 1:01 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I am a Morgan Hill resident in the "SEQ" and have 15 acres of land off San Pedro - also in the SEQ. I would benefit from the city annexing/developing in this area. However, the council members themselves state that the city has more than enough land in it's limits to put residences on. Additionally, SEQ annexation is geographically patchy. This possibly reflects the interests of a few influential land holders.

I value our region's remaining farmland and open spaces. I would welcome development leadership by the city in the SEQ which preserves this resource. Their current idea to develop the area for sports and recreation is a positive step in this direction. Please tell us how your annexation in the SEQ leads us to an open space future?

Thank you for this opportunity to provide public comment.

Sincerely,

Yudhvir Singh Sidhu

Yudhvir Singh Sidhu

Morgan Hill

Palacherla, Neelima

From: Lisa Yearton <lisayearton@garlic.com>
Sent: Tuesday, March 01, 2016 2:02 PM
To: Palacherla, Neelima
Subject: SEQ concerns

Hello Neelima,
We live within the boundaries of the SEQ proposed area (15750 Ellis Dr) and have many concerns about the city's plan for the area. Please know that we are currently outside of the city limits, on our own well, have our own septic system and maintain our private road (5 houses share this responsibility). If we are annexed into the city we will be forced, at a huge cost, to link in to city services. We would also lose our quiet and dark private road as the city would likely want a larger road that would include sidewalks and light poles. Some neighbors would also lose some of their land to provide a larger street. We moved to this location for it's quiet, star gazing ambiance. City services, youth complexes, recreation fields and city "conveniences" are NOT why we bought our home. The proposed plan will seriously impact our peace and quiet with screaming children on playing fields, cars clogging the roads, light pollution from the recreation field lights as well as other "city" trappings/conveniences.

There are even more practical concerns with the city's plan than our comfort and happiness. Has anyone done the analysis to see what impact their plan will have on our ground water? As I mentioned we are on our own well, as many of us are. I believe the added drain on the water table to water playing fields will seriously impact our water table. If not, it could possibly cause higher nitrate levels than we can use for drinking. Has the city done anything to insure our well water will remain clean, healthy and available. I have witnessed how the city waters the soccer fields currently in use. They use the large guzzle over-head sprinklers during the hottest part of the day to water! Huge waste while the rest of us have let our lawns die.

To be honest, we would rather have the "McMansion on 5 acre", growth quoted in the Morgan Hill Life article, than the plan the city has for the SEQ area. At least we would not have overcrowding, excessive noise and over use of precious ground water.

The Morgan Hill Life article says there will be a March 11 meeting at 10 am, but it does not state where. Can you tell me where the meeting will be held so I can attend? I'm not a great speaker, but want to let the decision makers know that the MH City plan for the SEQ is NOT a good plan for us.

Regards,
Lisa and Dennis Yearton
408-779-8093

Subject: FW: Morgan Hill Southeast Quadrant Annexation & Agricultural Mitigation Preservation Plan

From: Charmel Perrier [mailto:charmels2626@yahoo.com]
Sent: Tuesday, August 04, 2015 12:16 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill Southeast Quadrant Annexation & Agricultural Mitigation Preservation Plan

Neelima Palacherla, LAFCO Executive Officer
and Board Members:

LAFCO Board members, the final Southeast Quadrant annexation and agricultural preservation plan was approved by the Morgan Hill City Council on July 15, 2015.

Board members please consider the reasons why Rich Constantine (Morgan Hill City Councilman) voted against the plan. His comments were: " agricultural mitigation program is unlikely to achieve its goals. This program would require developers to pay a per-acre fee that would go toward the permanent preservation of an equal acreage of farmland on which they plan to build. To say that you're going to take acreage in the Southeast Quadrant and mitigate acreage that's already in the Southeast Quadrant, that doesn't make any sense", Constantine added.

LAFCO members, this plan of extending the "urban service area" boundary in the SEQ, requesting annexation of 215 acres into the city limits, pre-zoning a 38-acre parcel "public facilities" where the San Jose Diocese plans to build the South County Catholic High School, and applying the new SRL classification to several private properties in the SEQ, still do not support its stated goals to preserve agriculture and open space.

Please consider not approving this Southeast Quadrant plan, until the City of Morgan Hill designs a new responsible, sustainable development plan, with acreage that is already in the city limits, and owned by the City of Morgan Hill. The SEQ plan has the potential to attract urban sprawl. This plan supports wealthy land owners and rich developers, not the goals of LAFCO in protecting open space and agricultural preservation.

An alarming article in the Morgan Hill Life Newspaper (July22 - August 4, 2015) stated that George Chiala (Morgan Hill farmer) felt that he already had the support from LAFCO members, for the San Jose Diocese plans to build the South County Catholic High School. This being even before the LAFCO members were able to agenized the city's requests for an upcoming meeting. Suggesting that he knew the out come before hand, was a very inappropriate statement. This local farmer desire to get approval for re-zoning a 38 acre parcel, is a personal project of his own. This plan does not in reality support the goals of LAFCO, or contribute to the preservation of farming and open green space.

Mel & Charlyn Perreir
Morgan Hill, CA (SEQ residents)

Subject: FW: Southeast Quadrant

From: Charmel Perrier [mailto:charmels2626@yahoo.com]
Sent: Monday, October 26, 2015 11:44 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Southeast Quadrant

Dear **Neelima Palacherla, LAFCO Executive Officer and Board Members**

We are deeply sadden to receive your email, regarding the agricultural land of the Southeast Quadrant. We along with many others, have been working and praying for LAFCO to finally protect all the farmland in Southeast Quadrant from developers once in for all. Both the agriculture land and the environment now looks to have little chance of being saved. It appears that it has become a popularity contest for George Chiala and his desire for a Catholic High School. That along with the greed of the Morgan Hill City Council for County land. Now it is clear, why it was printed in the Morgan Hill Times that it is felt they have support from LAFCO Board Members. We also counted on the facts, that this land is being used this very day for crops, shows to everyone, that it should be saved at all costs!!

Many years ago, we attended the Morgan Hill School Board Meeting regarding the proposed Sobrato High School in Southeast Quadrant. We went door to door that year, wrote editorials to the newspaper in an effort to save that agriculture land. That night when the School Board announced that the high school would be built on Burnett Avenue in Morgan Hill, instead of in the Southeast Quadrant, the then Mayor Dennis Kennedy came up to us and said "You may have one won this time, but I will make sure that a third High School goes there"!

If George Chiala and Morgan City Council want this Catholic High School, it should be put in within the City limits of Morgan Hill, which that is already open and not being used for agriculture! It is long overdue, that they leave the County and the Southeast Quadrant out of their plans. **Who will finally stand up for the land? Will it be LAFCO? Will it go to the greed of Developers with the support of the Morgan Hill City Council?**

Please save the Southeast Quadrant .....The environment is counting on you!

Sincerely, Charlyn and Mel Perreir
Morgan Hill Residents

Subject: Please stop development in Morgan Hill's SEQ.

From: Fenex, Lyn [mailto:lyn.fenex@experis.com]
Sent: Friday, October 30, 2015 2:38 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please stop development in Morgan Hill's SEQ.

With the recent news about petroleum compromised crops from Kern County, California will need all if the farmland we can spare.

Thank you,
Lyn Fenex
408/309-8293
95037

Subject: Annexations be denied

From: Jane [mailto:jane_ycui@yahoo.com]
Sent: Monday, November 02, 2015 9:19 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Annexations be denied

This is request to deny the annexation for Morgan Hill area, need to preserve green belt, the only green belt left in Bay Area along HW 101.

The city planning has the obligation to consciously protect the beautiful Bay Area with green belt

Please forward this email to all committee members and commissioners who are involved in the decision making.

We travel oversea a lot, most impressive by the green belts surrounding nice towns and city boundaries that provides peace and space in many developed country such as UK. We can do better.

Appreciate your time and consideration

Ying Leighton

Sent from my iPhone

Subject: FW: Stop Morgan Hill Annexations

From: Jordan Wittman [mailto:jordan.wittman@gmail.com]
Sent: Monday, November 02, 2015 1:01 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Stop Morgan Hill Annexations

Hi Neelima-

I grew up in San Martin, Morgan Hill's unincorporated neighbor to the south. As a child, my family moved here in the early eighties to escape the urban intensities of the greater San Jose area. They both grew up in Los Gatos and Saratoga and watched as more and more orchards and farmland gave way to housing developments, office buildings, and shopping centers. I can't tell you how many times when we'd go to visit the grandparents that we'd drive by a neighborhood and my dad would make comments along the lines of, "This used to all be cherry orchards," and, "I used to spend my summers picking 'cots right here." Clearly today those orchards are gone and landscape has changed. So too has the economy.

And I get it, Silicon Valley is an epicenter of business on a global scale. As far as tech and innovation go, there is nowhere else like it. And to keep this engine moving forward, the people that work here now and will work here in the future need places to live and communities to be a part of. My wife and I run a tech-related business. We are part of that economy.

When we moved back to the Bay Area 5 years ago, my wife and I wanted to be close enough to commute, but far enough away to not live in a city. It's a lot to ask for in today's Bay, but if you look hard enough there are still a few pockets that remain. For the short term, we rented up in Scotts Valley. But when conversations turned to starting a family and buying a home, our eyes turned back to the South Valley, where real estate was still "somewhat affordable" and the community make was a blend of rural and urban areas. There are still farms and orchards woven into our landscape, the smell of garlic and mushroom compost is still heavy in the air, and well-dressed caballeros still trot along the shoulders of local county roads.

We bought our house in Morgan Hill in the summer of 2013. It's a 1940's post-war era ranch home. We bought it off the great grandchildren of the original family to settle the land - the Daubergs. The first building to go up was a barn, built in 1908, that still stands on the southern edge of our lot. While the original home was being built, the Daubergs took up residence in a small room inside the barn. Stepping inside today you can still see the remnants of wall paper clinging to redwood boards and the outlines of where photographs once hung on the wall. The Daubergs initially planted prunes, but switched over to chickens some time after WWII. Aside from a few chicken houses across the street, the only evidence that a farm once operated here are the barn and another small out building.

I bring this all up because the history of the bay area is rich in agriculture, and the future of the Bay Area is driven by tech. But somewhere in there we need to find a balance. One that merits our history the same value as our future. To turn our backs on the open spaces and remnants of a still-thriving agricultural industry would do great injustice to the legacy of those who have come before, and would be robbing future generations of knowing that world.

Morgan Hill is an oasis, one of only a few remaining in the Bay Area. People choose to live here for the open spaces and rural-burbia interface. Unrestrained development is our greatest threat. We passed Measure C as a community voter initiative in 2004 for that very reason. You are in a position to help our community preserve

what makes it great. There are countless vacant lots within the current city limits that should be developed before we should even consider expanding the city limits. The move to annex property in the Oak Meadows and South East Quadrant area is a developer driven initiative that puts profits for a few ahead of quality of life for current residents. I trust that you will listen to the voices of our community members above the rhetoric of developers.

I don't speak for any organized group, just myself and family. But I do honestly believe my beliefs represent the majority of Morgan Hill and South County residents. Feel free to reach out to me directly if you'd like to discuss this.

Thanks for your time,

Jordan Wittman
14657 Stonebridge Ct
Morgan Hill, CA 95037

530.228.0974
jordan.wittman@gmail.com

Subject: FW: Stay Away from the Last Remaining Stretches of Open Space in Morgan Hill, or the SEQ, for the Love of God

From: Lisa Benson [mailto:lfbenson@gmail.com]
Sent: Monday, November 02, 2015 11:11 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>
Cc: mmoore@morganhilltimes.com
Subject: Stay Away from the Last Remaining Stretches of Open Space in Morgan Hill, or the SEQ, for the Love of God

Dear LAFCo Executive Director Palacherla and Supervisor Wasserman:

I was appalled to read this morning of the City of Morgan Hill's most recent land grab and farmland conversion efforts, namely the Southeast Quadrant (SEQ) of San Martin/Santa Clara County lands.

My perspective is, that by the time I was born in south San Jose and before I moved in childhood to Morgan Hill, the famed bucolic valleys, oak woodlands, marshes, estuaries, and then, later, agricultural orchards of these two areas were all long gone. I could only read about what John Muir saw, the fragrances he took in. Unfortunately, my experience of growing up and living in this part of the West has neither been one of a pleasant urban city life. No -- San Jose in particular is simply a nightmare of grossly incompetent urban planning, nothing but endless strip malls, sprawling non-traversable business campuses, massive, perilous intersections and expansive parking lots, with no significant consideration given, whatsoever, to the once beautiful environmental surroundings of the valley, its rivers and the bay, nor pedestrians who wish to reside there. In fact, the City of San Jose has been an archetypical disgrace in the couple hundred years to the very notion of city planning and environmental preservation, resultantly affording its residents a very poor quality of life based on concrete sprawl and ugliness, with some of the worst traffic congestion in the world.

I am appalled to see that Morgan Hill is charging precipitously down the same path. Already, 101 weekday traffic is disgustingly thick in San Martin and Morgan Hill from 5 AM. No lessons have been learned nor is any care being taken to prevent a mini-urban sprawl nightmare from enveloping Morgan Hill. You are destroying whatever semi-rural, country charm remains. All of the recent, publicized Open Space purchases have been made in the deep hills. Now, you think you can annex the SEQ on the valley floor without public input, whether it's for big box stores, sports fields or anything else. There is space within current MH City boundaries, so urban sprawl and making the town a mini-San Jose, is entirely unnecessary and detrimental to no-one but the developers in whose pockets you seem to be so thoroughly ensconced. Furthermore, this should absolutely not be done without wider solicitations for public input. You are being very sneaky rail-roading this over the public, and are mistaken if you think you are serving our interests because you are not.

On the contrary, you have a responsibility to defend the very last vestiges of valley floor open space in the south bay from the incessant development that would pave over every last remaining inch of it in Morgan Hill. It's tragic how incompetent and poor city planning has been in San Jose and Santa Clara Valley over all, and now, stop Morgan Hill from so quickly following suit. Don't touch the Southeast Quadrant, for the love of God -- that is my written request. It is not OK to build over every inch of the valley floor and leave no open space, and I am committed to the protection of farmland, agricultural lands, and the ability of the public to experience the natural environment on Morgan Hill's valley floor. Period. Stay off of it! Massive cities are not meant to be built this way with endless sprawl and no buffering countryside. Just stay away from every last piece of valley land you can set your sights and hands upon.

Thank you,

Lisa Voss

Subject: FW: Annexation

From: Marilyn Dober [mailto:marilyn@windvest.com]
Sent: Wednesday, November 04, 2015 9:15 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Annexation

Please deny the City of Morgan Hill's request for annexation of 215 acres of an area known as the Southeast Quadrant (SEQ). We do not need further urban sprawl in our beautiful town. The city has done enough damage by tearing up the downtown with a very vague purpose. We need our farmlands!
Thank you for granting the request of many who live in Morgan Hill.

Marilyn Dober
WindVest Motorcycle Products, Inc.
16840 Joleen Way B2
Morgan Hill, CA 95037
408-377-7323
408-377-7346 fax
877-370-7326 toll free

Subject: Please deny annexation request

From: Kristyn Greenwood [mailto:kristyngreenwood@gmail.com]
Sent: Monday, November 09, 2015 11:02 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please deny annexation request

Hi - I am writing to request that you deny the City of Morgan Hill's request for annexation of the South East Quadrant. I am opposed to any annexations that are designed to change the zoning of an area. The projects that are proposed for that area could be accommodated within the existing city limits and within current zoning. There is no need for the city to look outside for room to expand. Let the current zoning for these areas stand.

Thanks, Kristyn Greenwood
Morgan Hill Resident

Subject: Morgan Hill SEQ Annexation

From: Ashley Woodworth [mailto:ashleyrosewoodworth@gmail.com]
Sent: Tuesday, November 17, 2015 2:28 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ Annexation

Dear LAFCo Commissioners,

As a Morgan Hill resident, I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant as I value our region's remaining farmland. We need LAFCo's help to protect Morgan Hill's open space resources as both greenspace and productive land. I desperately urge you to deny the annexation of the Southeast Quadrant, we already have too much sprawl in our small town.

Thank you for your consideration,
Ashley Woodworth

Subject: SEQ Morgan Hill

From: Linda Barbosa [mailto:lbarbosagarlic@gmail.com]
Sent: Sunday, November 22, 2015 6:47 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: SEQ Morgan Hill

Dear Director Palacheria,

I am a long time resident of Morgan Hill.

I also believe in preservation of open space and agriculture.

I believe the South East Quadrant of Morgan Hill should maintain it's current designation and NOT be annexed to the city of Morgan Hill.

The current management of that area is fine.

I would rather see the city of Morgan Hill build on open land within city limits.

Sincerely,

Linda Barbosa
1835 Bluebonnet Ct
Morgan Hill, CA 95037

Subject: The East Quadrant of Morgan Hill

From: Debbie Kenyon [mailto:debbiekenyon@mac.com]
Sent: Monday, November 23, 2015 12:05 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; julie@greenfoothills.org
Subject: The East Quadrant of Morgan Hill

To whom it may concern:
I am requesting that the annexation be denied and that my request be forwarded to the LAFCo Commission http://www.santaclara.lafco.ca.gov/about-lafco/commissioners

We have lived in Morgan Hill for 29 years on our 2 1/2 acres happily without being annexed. We have horses and sheep and maintain our property very well. What exactly would annexation mean for us? No more large animals, sidewalks, city water??? We did NOT move to MH to live in a neighborhood!

Where is OUR voice in all of this?

Debbie Kenyon
debbiekenyon@mac.com

Subject: Morgan Hill SEQ

From: John Jenkins [mailto:jenkins5289@gmail.com]
Sent: Tuesday, November 24, 2015 2:30 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ

I have lived in Morgan Hill for 25 years. I have witnessed the population double since then. And it will go higher. Prime agricultural land has been either paved over or developed with a tendency to sprawl type growth rather than high density, multi floor buildings. I moved up here from Southern California and I see Morgan Hill looking more like LA sprawl than a unique city with a heathly, open border separating us from Gilroy and San Jose.
I urge you and the commissioners in LAFCO to preserve what scarce ag. land we have left in the SEQ.
Thank you.

John Jenkins
740 Easy Street
Morgan Hill, CA 95037

Subject: Morgan Hill Development

From: Todd Perry <tapconbuilders@charter.net>
Date: December 10, 2015 at 12:17:21 AM GMT+5:30
To: <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill Development

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Todd Perry

Morgan Hill, CA

Subject: Morgan Hill annexation

From: the Flaggs <brianflg@garlic.com>
Date: December 19, 2015 at 8:51:10 PM GMT+5:30
To: <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill annexation

Dear LAFCO: For some reason the Morgan Hill City Council is hurrying to annex and denvelop land known as the South East Quadrant. Morgan Hill is growing very fast now, and I don't see how we will be able to accommodate even more residents with their need for city services, especially water. Please don't grant the City's request at this time. We need to slow down and develop sensibly. Let's preserve open space for future generations.
Thank you.
Chuck Flagg
2350 Fountain Oaks Drive
Morgan Hill, CA 95037

Subject: SEQ Morgan Hill

From: jmargaretmccann@aol.com
Date: January 2, 2016 at 10:49:51 AM GMT+5:30
To: Neelima.Palacherla@ceo.sccgov.org
Cc: <jmargaretmccann@aol.com>
Subject: SEQ Morgan Hill

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill.

The City did not make it easy to follow what was going on like they have for so many other issues.
This is unacceptable for such an important decision.
My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.
The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Margaret McCann

Learn from the Past
Plan for the Future
BUT
Live in the Present

Subject: SEQ

From: Janet Conrey <jco5nrey@gmail.com>
Date: January 6, 2016 at 12:33:04 PM PST
To: "Neelima.Palacherla@ceo.sccgov.org" <Neelima.Palacherla@ceo.sccgov.org>
Subject: SEQ

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Janet Conrey

Subject: Please deny City of Morgan Hill's request to annex

From: Diane Berney [mailto:jdberney@charter.net]
Sent: Thursday, January 07, 2016 11:38 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please deny City of Morgan Hill's request to annex

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

In addition, with our aquifer under such a huge burden already, not counting the massive residential construction already going on in Morgan Hill, and the water consumption from all those future occupants, we just cannot put any further strain on it. Until that problem, and the roadway problems, have been addressed there should not even be talking of expanding anything. Let's improve, and preserve, our small town, agricultural, Morgan Hill feel.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision. Morgan Hill is our city. We should have a vote on how we envision Morgan Hill in the future.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands. I pray this is the case!

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Diane Berney

408-316-0700

From: Linda Barbosa <lbarbosagarlic@gmail.com>
Sent: Saturday, January 16, 2016 7:00 AM
To: Abello, Emmanuel
Subject: SEQ Morgan Hill

Dear Mr. Abello,

I am a resident of Morgan Hill.

I oppose the addition of the SEQ to the city of Morgan Hill.

I believe that area should remain in it's current designation.

Morgan Hill should use available land with the city for development rather than seek to expand it's boundaries.

Thank you,

Linda Barbosa
1835 Bluebonnet Ct
Morgan Hill, CA 95037

Palacherla, Neelima

From: Green, Mark P. <Mark.Green@gd-ms.com>
Sent: Monday, January 25, 2016 2:36 PM
To: Palacherla, Neelima
Subject: Morgan Hill SEQ Annexation

I am writing as a resident of Morgan Hill bordering the so-called "Southeast Quadrant (SEQ)". I oppose the City's proposed annexation of this land and its plans for development therein. This area constitutes one of the last contiguous agricultural areas in the Morgan Hill area. There are many areas within current Morgan Hill boundaries to build the facilities proposed for this area of prime farmland. Morgan Hill's proposed plan will result in additional sprawl development, which will accelerate the loss of farmland in the SEQ. Please forward this email to the other members of the LAFCo Commission.

Thank you,

Mark Green

From: Myra Kaelin [mailto:myrakaelin@yahoo.com]
Sent: Wednesday, January 27, 2016 8:48 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Protect Morgan Hill

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

Morgan Hill already has a glut of new developments. We do not need more traffic to add to our already growing population. My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

Myra Kaelin

From: Bill Barnhart [mailto:wbarnhart@verizon.net]
Sent: Saturday, January 30, 2016 3:59 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Morgan Hill SEQ

Dear LAFCo Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,

William Barnhart

From: Virginia Pfluger [mailto:virginia@pfluger.org]
Sent: Saturday, February 06, 2016 2:03 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: No to urban sprawl

I think the lives of every citizen would be healthier if we kept things GREEN and natural.

develop instead the urban areas, bring life back to the cities.... do away with urban plight. Make city life attractive.

Thanks

Virginia

From: Chris Monack [mailto:chris.monack@gmail.com]
Sent: Monday, February 15, 2016 2:55 PM
To: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>
Subject: Public Comment re:City of Morgan Hill's SEQ Application

Dear Commissioners,

Attached is a letter regarding the City of Morgan Hill's application for annexation in the Southeast Quadrant which you have as an item on your agenda for your March 11th meeting.

Thank you.

February 15, 2016

Local Agency Formation Commission of Santa Clara County
70 West Hedding St.
8TH Floor, East Wing
San Jose, CA 95110

Re: City of Morgan Hill Urban Service Area Amendment Area 1: Southeast Quadrant

Dear LAFCO Commissioners,

Please accept the following as a public comment to the Commission regarding the City of Morgan Hill's application to expand its urban service boundary by acquiring land in the Tennant-Murphy area, also known as the Southeast Quadrant (SEQ).

As a resident of Morgan Hill, I am concerned about the direction the City is moving with respect to the SEQ. The City has a stated goal of acquiring property in the SEQ to preserve agricultural land and open space. Yet at the same time the City is pursuing development there. I understand that a function of development is to generate revenue, and part of that revenue is earmarked for agricultural land and open space preservation. But I'm finding inconsistency in how the City's message is being delivered throughout the Morgan Hill community. That inconsistency has raised questions and concerns for me about how the City is placing agricultural land and open space preservation at the forefront of their discussions and in the marketing of their proposal to the residents of Morgan Hill.

The City expressed its pride in maintaining a "small town character" in its application to this Commission, along with stressing its desire to protect agricultural land and open space. As I read the application further, the balance of it shifts to growth and development. This creates mixed messages. The City wants to be small, yet grow. The City wants to protect land, yet develop land. And on a more curious note, the City wants to incorporate the SEQ into the city limits, yet it doesn't want the SEQ incorporated into the proposed changes to its General Plan which dictates growth management for the City. I have no doubt the City believes it has good intentions. Good intentions are not enough, in my opinion. What the City does with the SEQ will affect the things the City promotes as important: small town character, rural environment,

sense of community. I have not felt reassured through the City's messaging that those things will be protected.

Reading both past and current documents related to the SEQ has led me to question the City's commitment to land preservation. In 2009, a report by consultants at Economic & Planning Systems recommended to the City that it seek opportunities to partner with agencies whose goals are open space, greenbelt and habitat preservation (such as the Nature Conservancy, Open Space Authority, Committee for Green Foothills, etc). While the City has engaged in dialogue with some of these agencies, appearances are that the City is presenting itself solely for the purpose of gaining vocal support for the SEQ acquisition. I have found nothing to indicate the City is either interested in or has pursued creating a network of partnerships with these agencies. It seems likely that if these agencies had a vested interest in the City's plans, it would solidify both the City's commitment to land preservation and the long-term viability of preservation goals and related programs. Instead, the City seems to have placed more emphasis on interacting with developers for revenue and with land owners in order to secure development rights.

A financial aspect of the City's SEQ plan that concerns me is the use of open space funds to offset mitigation costs. The developers' in-lieu fee, estimated at $15,000, seems incredibly low considering the $47,500 assessed value of SEQ land per acre. The City has indicated it will use millions of dollars from its own open space fund to make up the difference between the assessed value of the involved property and the in-lieu fees. Doing so is consistent with the current city ordinance, however the money currently in the fund was generated from developer fees. That money is in a sense being used to supplement the of cost of development through the manner in which it's being applied, which is to satisfy the requirement of the 1:1 ratio of acreage preserved to acreage converted for development.

Further, there is also the possibility that land mitigation could occur outside of the SEQ. While the City has identified land within the SEQ as an Agricultural Conservation Priority Area, the City has made no assurance of having the ability to secure that land through mitigation. Preserving this land inside the SEQ is what the City has publicly and repeatedly told the residents of Morgan Hill is their primary goal in order to gain support for annexation and development.

Development is not a by-product of land preservation. There are no guidelines for a 1:1 mitigation ratio that dictate developing an equal amount of acreage in conjunction with every acre preserved. But there is no financial benefit to the City in simply preserving land in the SEQ. The City makes no secret that it wants to grow. It is also no secret that the City is running out of available land to do this. In order to acquire land to develop, now and in the future, the City must make a compromise. That compromise appears to be land acquisition and preservation through mitigation and easements. In that respect, preservation becomes a by-product of development, and focusing on development becomes the priority.

This application being considered by the Commission represents a step toward a bigger goal for the City of Morgan Hill. Just because the scope of the current SEQ application was pared down from the previous, larger proposal, it shouldn't negate the knowledge that there is additional SEQ land the City has its eyes on. Knowing there is the likelihood the City will pursue the remainder of that initial proposal should skew the data being used to support the current, scaled down version. To me, the City's attempt to acquire the SEQ land in such a piecemeal manner is manipulative and disingenuous.

The City has crossed its t's and dotted its i's in making sure it complies with guidelines and regulations related to the land acquisition identified in its application to the Commission. But establishing the legal right to do something does not absolve the City of any moral or ethical obligations it owes to its residents to provide and maintain the community-based, rural characteristics the City itself uses to define Morgan Hill.

Thank you for allowing me the opportunity to provide input on this matter. As the City has made no assurances to the residents of Morgan Hill of their stated mission to preserve and protect agricultural land and open space, and as the City has not been able to demonstrate outside of revenue generation any benefits to its residents for the proposed SLR development, I believe the only correct action that can be taken at this time is to deny the City of Morgan Hill's application for annexation of the Southeast Quadrant.

Respectfully,

Christopher Monack
Resident of Morgan Hill

Palacherla, Neelima

From: Rene Spring <rene_spring@hotmail.com>
Sent: Friday, February 26, 2016 12:50 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant at this point.
I am a Planning Commissioner in Morgan Hill, live in the City, and I'm an active member of our community. As many other residents, I value our region's remaining farmland.
Let's work together to protect this wonderful part of our community for generations to come. The current project leaves way too many questions unanswered related to how the City would fund the Ag mitigation project, especially, given that any annexation project approved would be a trigger for land price speculation and make it almost impossible to purchase any easements and/or land to preserve in the SEQ.
I don't want our city to use those funds to preserve Ag land outside of our local area.

The impact on traffic, city services, schools and water conservation is unknown. I very much disagreed with the City's approach not to include the SEQ projects as part of the GP 2035 overhaul just to short-cut the community involvement process.

We can do better than that. We can work out a better plan for the SEQ. Together!

Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Rene Spring
Planning Commissioner Morgan Hill

Palacherla, Neelima

From: jrsimunic@hotmail.com
Sent: Saturday, February 27, 2016 9:44 PM
To: Palacherla, Neelima
Subject: Keep Morgan Hill Rural

Please keep the southeast quadrant in Morgan Hill to be farmland and rural. We must limit population in our region because of the continuing drought. Please take this seriously. Climate change will affect us all and a growing population cannot be sustained in the bay area, especially MorganHill. Richard Simunic

Sent from Outlook Mobile

Palacherla, Neelima

From: streicho@aol.com
Sent: Sunday, February 28, 2016 5:10 PM
To: Palacherla, Neelima
Subject: LAFCO

I agree 100% with Mark Grzan's comments.

Our number one issue is the lack of water. With more building that is continually going on, where are we going to get water without more drilling?

We are still in a drought and the **greedy** developers and city council do not understand. This drought will last another four years or more. It took that long to be in this situation.

* We don't need more sports fields in the S.E. Quadrant.

* We don't need another high school in this same area.

* Another waste of water is a new tree nursery being developed on the north side of Tennant Ave. near Hill Road (statement given to my husband by one of the workers at that location.)

* Our roads are in need of repair yet Dunne Ave. has been repaved a few times!

* Water is continually being wasted on non-water days which I have even reported to the "water waste hot line in Morgan Hill"

The S.E. Quadrant is still farm country. Drive around and you will see many orchards, row crops, hay fields, etc. These are the livelihoods of farmers who have lived in Morgan Hill for many years!

PLEASE DENY THE CITY'S PROPOSAL!

From: Joey Weitz <joey.weitz1@gmail.com>
Sent: Monday, February 29, 2016 4:16 PM
To: Abello, Emmanuel
Subject: Morgan hill annexation proposal - vote no

Hi there!

Quick and sweet. I'm a resident and home owner in Morgan hill. Please say no to any and all annexation of land for/in Morgan hill. The pace of growth is not reasonable and would be grossly negligent and ill advised as it solves nothing other than allowing rich or better off people to buy more cookie cutter houses and commute to Cupertino and Mountain View. Thanks!

-Joey Weitz

Palacherla, Neelima

From: Margot Kakalec <margotk123@verizon.net>
Sent: Monday, February 29, 2016 2:35 PM
To: Palacherla, Neelima
Subject: Southeast Quadrant Decision

I am against annexing this area in to the City of Morgan Hill boundaries. If they need to bring in land for a new school or sports complex this is fine, but to bring in more land for residential construction is not a good idea. We have enough land within the city "boundaries" now to last 8 to 24 years for residential building. We are a "controlled growth city", we are in a major draught, and there is so much building going on now; our "services " (schools, police, fire, roads, etc) will not be able to handle more growth. Please ask LAPCo to vote "no" on this annexation.

Thank you

Margot Kakalec
margotk123@verizon.net

From: LeeAnn Dunn <babiod@hotmail.com>
Sent: Monday, February 29, 2016 4:41 PM
To: Abello, Emmanuel
Cc: LeeAnn Dunn
Subject: Annexation of SE Quadrant

Hello,

I would like you to know we have been residents of Morgan Hill for over 20 years. Please do not annex the SE quadrant. The pace of growth in South County is going too fast. We cannot support such a large project.

Thank you for your time.

LeeAnn Dunn

From: Mary Lai <mary.lai@gmail.com>
Sent: Monday, February 29, 2016 5:00 PM
To: Abello, Emmanuel
Subject: Southeast Quadrant and Area 2

Hi Mr. Abello,

As a concerned Morgan Hill resident, I'd like to let you know that I'm against the city's applications to annex the Southeast Quadrant and Area 2 into the city limits. I hope you'll consider the voices of those who are just a common citizen residing in Morgan Hill, who's stake is in the future lifestyle and culture and country charm of the area, who's preference and choices may not always result in a measurable revenue generating activity but rather a way of life that is very dear to each of us. We aren't people of significance or in a position of great influence, but we are those who make up a significant part of the town and lives here. I hope those in leadership positions can represent also us, the every day Joe. We entrust in your decisions and judgment our future quality of life (not measured by dollar, but rather quality and tranquility of life).

Please let me know if there are any actionable items I can take to take this consideration forward.

Best regards,
Mary Lai

From: Kim Rizzo <kimrizzo4@gmail.com>
Sent: Monday, February 29, 2016 4:08 PM
To: Abello, Emmanuel
Subject: I am against the city of Morgan Hill's application to annex the Southeast Quadrant and Area 2 into the city limits

Please don't let the city of Morgan Hill annex the Southeast Quadrant and Area 2 into the city limits.

Please consider voting "No" and let our town keep its open space open and green.

Kim Rizzo
(408)391-2552

Palacherla, Neelima

From: Tricia Garcia <triciagarcia1@hotmail.com>
Sent: Tuesday, March 01, 2016 3:25 PM
To: Palacherla, Neelima; Abello, Emmanuel; Noel, Dunia; Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district3@openspaceauthority.org; Susan@svwilsonlaw.com; Yeager, Ken
Subject: Preserve our Farmland!! Stop Urban Sprawl

Good Afternoon,

I am a resident in Morgan Hill. I've lived in Morgan Hill for 10 years now. I moved to Morgan Hill so that my children could be raised in a small town community where quality of life matters. Where they could appreciate nature and the beauty of the country. A community where they can be outdoors and be safe. Where there are parks and hiking trails close by. I have an older son that started 3rd grade in Morgan Hill and is now a graduate of Live Oak High School. He played sports and we made amazing friends within the community. He goes out to bike ride and hike regularly. Everyone knows everyone and it's a safe place. I also have a 4th grader who's following in his big brother's footsteps. They can walk anywhere and know people along the way whether it be friends or parents of friends. That's how endearing and this community is to it's residents. My children can take a walk and see deer or other wild life down the street from our home. They love to shop at our farmer's markets and support our friends by purchasing local.

The more housing that get squeezed in is overtaking our beautiful farm land and is making Morgan Hill like San Jose. No one in Morgan Hill wants to live in a place like San Jose. San Jose is crowded, crime riddled and impersonal. It's very rare that your neighbors care who you are in San Jose. I know because that's where I moved from so that I wouldn't have to worry about my kids and keep them locked in the house. Morgan Hill is a place of "family" and of "community". If you continue to allow these ridiculous apartment and condo complexes to be built everywhere there will be no more Morgan Hill. We'll just become South San Jose and the traffic and crime will follow.

Please please please protect our farmland, parks, recreation areas and hiking trails.

Sincerely,
Tricia Garcia
Morgan Hill Resident
Jackson Oaks area

Palacherla, Neelima

From: sinomas <sinomas@gmail.com>
Sent: Tuesday, March 01, 2016 11:04 AM
To: Palacherla, Neelima
Subject: Morgan Hill problems and continued requests for Annexation

Greetings Neelima-

I am a native born resident of Santa Clara County and have been in and around Morgan Hill since the 1960's. My wife and I our proud home owners in Morgan Hill, where I also have a small business in the City.

We have a huge problem down here. The City Council, Planning Commission and City Manager are continuing to push out of control growth in our little town that has no where near the infrastructure to support such grandiose plans. Our population cap number in the last 15 years has become a moving target, with City leaders and their private "Consulting firms" raking in profit over the residents wishes. I'd like to call your attention to this this recent OpEd in the Morgan Hill Times by my fellow concerned resident Mark Grzan - http://www.morganhilltimes.com/opinion/guest-view-lafco-should-reject-se-quad-plan/article_4cc2ff8a-dd01-11e5-8db2-a3da497c23a1.html

Further, lack of best practices continue to plague our City with poor decisions like annexing farm land for un-needed City leaders "pet projects".

As a community leader myself, supporting over 2000 residents in the City of Morgan Hill through our Community Group (see https://www.facebook.com/groups/MorganHillCommunityGroupPage/) I can tell you our residents are furious. You would think Morgan Hill City Leaders would learn from our neighbors in Gilroy, but they continue to ram these annexing and pet projects with certain developers through without due public process at all.

Please, I implore SCC LAFCO to send a strong message to Morgan Hill City Council, Planners and the City Manager that this type of poor judgement and toying against residents wishes will not be tolerated. I ask that LAFCO take strong and decisive action against those in Morgan Hill City Leadership that now choose their own private agendas over the Residents who elected them to keep our town small.

It's bad enough the City Council approved an "insider loan" of City Funds to the City Manager to remodel his own home, or that $400,000 of funds were squandered on "art" instead of fixing much needed broken infrastructure. The word "fraud" is very much tossed around in our discussions here. This is the type of poor back room decision making that is making residents furious.

Therefore, again, we need your support stopping any Annexing of Farm and Open Space for these pet projects, and putting some controls on our out of control City Leaders who refuse to listen resident wishes; "Stop the Growth, please, and fix our towns infrastructure". We all moved and live here for one reason, to keep Morgan Hill small, rural friendly and have open space away from our jobs up in Silicon Valley.

Thank you kindly for your consideration,

Steven P. Chappell
Morgan Hill Resident, Business Owner and
Founder of the Morgan Hill Community Group
email: sinomas@gmail.com

From: Duke Sonderegger <adsonderegger@gmail.com>
Sent: Tuesday, March 01, 2016 8:41 AM
To: Abello, Emmanuel
Subject: Morgan Hill Annexations

Quick and sweet. I'm a resident of Morgan hill. Please say no to any and all annexation of land for/in Morgan hill. The pace of growth is not reasonable and would be grossly negligent and ill advised as it solves nothing other than allowing rich or better off people to buy more cookie cutter houses and commute to Cupertino and Mountain View. Thanks!

Palacherla, Neelima

From: Jean Myers <birdermom@mac.com>
Sent: Tuesday, March 01, 2016 12:03 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Jean

Jean Myers

Gilroy

Palacherla, Neelima

From: Lester Earnest <les@cs.stanford.edu>
Sent: Tuesday, March 01, 2016 5:53 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Lester Earnest

Los Altos Hills

Palacherla, Neelima

From: Stu Nuttall <snuttall@sportsbasement.com>
Sent: Tuesday, March 01, 2016 12:11 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

My daughter, who is attending San Jose State University, summed up Morgan Hill the other day as we rode our bikes through the farmland:" I love coming back home to Morgan Hill, it is so calm here".

It is calm here because of the open space. We moved here for this exact reason.

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely, Stu Nuttall, volunteer president of the San Pedro Perc Ponds Volunteers, and State Park volunteer with the Pine Ridge Association.

Stu Nuttall

Morgan Hill

Palacherla, Neelima

From: John Holton <john@symphonyconsult.com>
Sent: Tuesday, March 01, 2016 3:13 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

Please oppose the City of Morgan Hills request to annex any part of the Southeast Quadrant. If we are going to have a thriving region, we need to have plenty of workable farmland. The city already has plenty of developable land within its limits. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for your consideration of this important issue.

Sincerely,

John Holton

Los Altos

Palacherla, Neelima

From: PETE SIEMENS <PETESIEMENS1@GMAIL.COM>
Sent: Tuesday, March 01, 2016 10:08 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in it's existing urban areas. Development is like drugs: a little is good, but too much or inappropriate USE is bad. The answer in this case is to JUST SAY NO!. Thank you for this opportunity to provide public comment.
Pete Siemens, Director, Ward 1, MROSD
Sincerely,

PETE SIEMENS

LOS GATOS

Palacherla, Neelima

From: Martha Cohn <Haywire.Cabin1920@gmail.com>
Sent: Tuesday, March 01, 2016 3:59 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Martha Cohn

Menlo Park

Palacherla, Neelima

From: Tom Gibboney <Tomgibboney@google.com>
Sent: Tuesday, March 01, 2016 4:24 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners:

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Tom Gibboney

Menlo Park

Palacherla, Neelima

From: alison smith <por850i@verizon.net>
Sent: Tuesday, March 01, 2016 3:00 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

alison smith

morgan hill

Palacherla, Neelima

From: Beth Wyman <bethwym@yahoo.com>
Sent: Tuesday, March 01, 2016 1:56 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of ANY part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens as it should in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Beth Wyman, Former Morgan Hill Mayor

Beth Wyman

Morgan Hill, CA

Palacherla, Neelima

From: Christine LeQuang <christinelequang@yahoo.com>
Sent: Tuesday, March 01, 2016 12:55 PM
To: Palacherla, Neelima
Subject: Please reject City of Morgan Hill's request to annex

Hello LAFCO,
Please REJECT City of Morgan Hill's request to annex the SE Quad Plan for housing development.
I had moved to Morgan Hill for the small town feel and for breathing room.
The city had been growing at such unprecedented rate the last few years and continue to do so, given all the new development. The traffic had become a nightmare going from one place to another, just within a few miles (school to home and back). Some of the main roads are narrow with either one or 2 lanes; had often become a choking point, with no option to expand out. There had not been any mitigating plan to alleviate the problem as such, much less with additional build-out.
I ask for you to reject the City's request to annex for building more housing.
Regards,
cl

Christine T. LeQuang MBA, ABR®, CDPE, SFR
RDCPro™ REO Default Certified Professional®
DREO™ REO Specialist
Certified HAFA Specialist®
CDPE-Certified Distressed Property Expert®
SFR-Short Sales & Foreclosure Resource Certified®
Keller Williams Realty-San Jose Top Agent 2012
Keller Williams Realty-Top 25 Northern CA & Hawaii Region 5/2012
(408) 828-1074 Direct
www.ChristineLeQuangRealEstate.com
CalBRE#01269736

Palacherla, Neelima

From: Debra Kenyon <debbiekenyon@mac.com>
Sent: Tuesday, March 01, 2016 10:52 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Debra Kenyon
[Your Name]

Debra Kenyon

Morgan Hill

Palacherla, Neelima

From: Gabriel Dalbec <gd02@dalbec.net>
Sent: Tuesday, March 01, 2016 11:03 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland and open space. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Gabriel Dalbec
Morgan Hill Homeowner

Gabriel Dalbec

Morgan Hill

Palacherla, Neelima

From: Larry Breniman <Larrythekid1946@yahoo.com>
Sent: Tuesday, March 01, 2016 7:25 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Larry Breniman

Larry Breniman

Morgan Hill

Palacherla, Neelima

From: LeeAnn Dunn <babiod@hotmail.com>
Sent: Tuesday, March 01, 2016 1:06 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I have lived here for over 20 years and strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl, we are not equipped for the Gavilan College Campus on Bailey in addition to annexation of the SE Quadrant. Thank you for this opportunity to provide public comment.

Sincerely,

LeeAnn Dunn

LeeAnn Dunn

Morgan Hill

Palacherla, Neelima

From: Randall Curtis <rscurtis3@gmail.com>
Sent: Tuesday, March 01, 2016 2:29 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. This area already has grid lock every weekend from the existing sports complex making it impossible to get a hamburger, access 101 or drive to the grocery store.
This project will destroy the last level prime open-space farm land in the area that has been producing produce from alfalfa to corn to peppers and much more in every season of the year.
This is one of the highest producing farm land in Morgan Hill.
Please stop this project.
Thank you for this opportunity to provide public comment.

Sincerely,
Randall Curtis

Randall Curtis

Morgan Hill

Palacherla, Neelima

From: Richard C. Scott <mhcherryman@hotmail.com>
Sent: Tuesday, March 01, 2016 8:34 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. This looks like a land grab by the MH City, developers and property owners. Thank you for this opportunity to provide public comment.

Sincerely, Rich Scott

Richard C. Scott

Morgan Hill

Palacherla, Neelima

From: Sandra Lim <wrider100@yahoo.com>
Sent: Tuesday, March 01, 2016 10:31 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Sandra Lim

Morgan Hill

Palacherla, Neelima

From: Teri Morton <golforteri@sbcglobal.net>
Sent: Tuesday, March 01, 2016 5:00 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Teri Morton

Teri Morton

Morgan Hill

Palacherla, Neelima

From: John Brazil <jmbrazil@sbcglobal.net>
Sent: Tuesday, March 01, 2016 8:21 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

John Brazil

Mountain View

Palacherla, Neelima

From: Julie Steury <jsteury919@att.net>
Sent: Tuesday, March 01, 2016 8:47 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I am writing to let you know that I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. We value our region's remaining farmland and open space. Once developed, we never are able to take it back.

Please deny this annexation request so that growth happens in our existing urban areas. There is already too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Julie Steury

Julie Steury

Mountain View

Palacherla, Neelima

From: Liz Snyder <grapenut@gmail.com>
Sent: Tuesday, March 01, 2016 10:57 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

Thank you for this opportunity to provide public comment.

I strongly oppose the annexation of any part of the Southeast Quadrant. Please DENY the City's request. There are so few acres of remaining farmland in Silicon Valley - smart development is preserving these acres while building intelligently around our existing transit systems. Please be responsible for our region's growth - make sure it happens in our existing urban areas. We already have too much sprawl.

Sincerely,
Liz Snyder

Liz Snyder

Mountain View

Palacherla, Neelima

From: Clinton Lewis <bogus@bogus.com>
Sent: Tuesday, March 01, 2016 12:06 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Clinton Lewis

Clinton Lewis

Palo Alto

Palacherla, Neelima

From: Emily M. Renzel <marshmama2@att.net>
Sent: Tuesday, March 01, 2016 11:26 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Emily M. Renzel

Emily M. Renzel

Palo Alto, CA

Palacherla, Neelima

From: Justin Garland <garland.justin@gmail.com>
Sent: Tuesday, March 01, 2016 12:50 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Local farms provide food security to our community, and farmland lost is farmland lost forever. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Justin Garland

Justin Garland

Palo Alto

Palacherla, Neelima

From: Matt Allen <mattmar@pacbell.net>
Sent: Tuesday, March 01, 2016 10:51 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

[Your Name]

Matt Allen

Palo Alto

Palacherla, Neelima

From: Alie Victorine <aliea58@yahoo.com>
Sent: Tuesday, March 01, 2016 5:52 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland.
Although I do not live in Morgan Hill, I do live in South San Jose so losing this precious resource that is so close to our home and is important for maintaining the last vestiges of the Valley of Heart's Delight is an issue I care deeply about. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Alie Victorine

San Jose

Palacherla, Neelima

From: Anne Stauffer <ib_annie@yahoo.com>
Sent: Tuesday, March 01, 2016 10:51 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

[Your Name]

Anne Stauffer

San Jose

Palacherla, Neelima

From: Brian Carr <bc899899@comcast.net>
Sent: Tuesday, March 01, 2016 4:47 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

To LAFCo Commissioners,

Please protect prime farmland in the Southeast Quadrant and prevent continuing sprawl as LAFCO is mandated under law. Your decision is important in maintaining the character of Morgan Hill as well as saving diminishing farmland. I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. Thank you for this opportunity to provide public comment.

Sincerely,

Brian Carr

Brian Carr

San Jose

Palacherla, Neelima

From: Brian Debasitis <bdebasitis@mauby.com>
Sent: Tuesday, March 01, 2016 12:03 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Brian Debasitis

Brian Debasitis

San Jose

Palacherla, Neelima

From: Carol Wolf <carol5885@gmail.com>
Sent: Tuesday, March 01, 2016 11:36 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Carol Wolf

Carol Wolf

San Jose

Palacherla, Neelima

From: Djani Drocic <ki6ayg@gmail.com>
Sent: Tuesday, March 01, 2016 12:16 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Djani Drocic

San Jose

Palacherla, Neelima

From: Roger Rosenberg <r.rosenberg@sbcglobal.net>
Sent: Tuesday, March 01, 2016 3:11 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Dr. Rosenberg

Roger Rosenberg

San Jose

Palacherla, Neelima

From: Justyne Schnupp <justyne.schnupp@gmail.com>
Sent: Tuesday, March 01, 2016 3:30 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Justyne Schnupp

San Jose

Palacherla, Neelima

From: Kirk Vartan <kirk@kvartan.com>
Sent: Tuesday, March 01, 2016 11:32 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Prime Farmland cannot be created again, and when it is gone, it is gone forever.

Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Kirk Vartan

Kirk Vartan

San Jose

Palacherla, Neelima

From: Patricia Blevins <seaglass103@sbcglobal.net>
Sent: Tuesday, March 01, 2016 11:01 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Patricia Blevins

San Jose

Palacherla, Neelima

From: V. Calkins <stripeycat@aol.com>
Sent: Tuesday, March 01, 2016 9:51 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

We must stand against sprawl at all costs! The population continues to grow at an exponential rate ... and to cover even one more acre of prime farmland is insane.

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment on this extremely important issue.

Sincerely,

V. Calkins

San Jose

Palacherla, Neelima

From: Carolyn Straub and Steve McHnery <carolyn.rosyfinch.straub@gmail.com>
Sent: Tuesday, March 01, 2016 11:06 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

We must use the lands that we already have in Morgan Hill before annexing more.

Morgan Hill already has unused lands. Doing this is prudent and frugal and is not a waste of space.

The quest for money from taxation and more buildings, homes and industry is overstated.

We agree with the Committee for Green Foothills (CGF).

We strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. We value our region's remaining farmland.

Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl.

Thank you for this opportunity to provide public comment.

Sincerely,

Carolyn Straub
Steve McHenry

Carolyn Straub and Steve McHnery

San Jose, CA

Palacherla, Neelima

From: Christine Valenti <Kidcrazy@pacbell.net>
Sent: Tuesday, March 01, 2016 2:29 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Christine Valenti

San Martin

Palacherla, Neelima

From: Sharon Luna <luna802@msn.com>
Sent: Tuesday, March 01, 2016 10:39 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. There are several vacant buildings in Morgan Hill that could be utilized for other purposes rather than tear down farmland. We should not let developers tear down valuable farmland for support of strip malls, additional homes etc. Thank you for this opportunity to provide public comment.

Sincerely,
Sharon Luna

Sharon Luna

San Martin

Palacherla, Neelima

From: Nancy Reyering, Martin Walker <Nanzo@me.com>
Sent: Tuesday, March 01, 2016 6:45 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

We strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Nancy Reyering
Martin Walker

Nancy Reyering, Martin Walker

Woodside

Palacherla, Neelima

From: Cheryl Woodward <woodwardcheryl@deanza.edu>
Sent: Tuesday, March 01, 2016 10:31 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

[Your Name]

Palacherla, Neelima

From: Craig Britton <cbhoptoad@gmail.com>
Sent: Tuesday, March 01, 2016 10:36 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

L. Craig Britton

Palacherla, Neelima

From: Lucia Moser <membership@acterra.org>
Sent: Tuesday, March 01, 2016 10:41 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Lucia Moser

Palacherla, Neelima

From: William Scheid <Wlscheid@msn.com>
Sent: Tuesday, March 01, 2016 10:36 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

[Your Name]

Palacherla, Neelima

From: J Stuart <jlynnstuart@gmail.com>
Sent: Tuesday, March 01, 2016 5:52 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

J Stuart

alists@belleheart.com

Palacherla, Neelima

From: Lee Hagan <lee95037@yahoo.com>
Sent: Tuesday, March 01, 2016 11:45 AM
To: Palacherla, Neelima
Cc: Lee Hagan
Subject: Please deny the Morgan Hill SEQ annexation proposal!

I urge LAFCo to deny the Morgan Hill's annexation proposal. It is fiscally and environmentally irresponsible. The LAFCo analysis has already determined that the city has not demonstrated it has the ability to provide and fund services such as water, police, and fire, to the quadrant without adversely affecting the current level of those services to residents. Annexing this land will result in urban sprawl and will not benefit the community.

Please deny the annexation proposal.

Best regards,
Lee Hagan

From: **Armando Be** <barmando3@gmail.com>
Date: Tue, Mar 1, 2016 at 9:27 AM
Subject: City of Morgan Hill request to annex land in AREA Two and Area One, the South East and South West Quadrants.
To: emmanuel.abello@ceo.sccgove.org

Dear LAFCO,

I, my wife Alicia Cortez, and my adult son Armando-Jose Benavides, adamantly oppose the annexation of the two areas commonly referred as South East and South West Quadrants.

As of recent, the Morgan Hill City Council and City Manager have engaged in a pattern of uncontrolled growth with little consideration for the lack of infrastructure. This plan for annexation continues the trend.

The people of Morgan Hill, the majority, seek to preserve as much open land as possible. It appears that the City Manager and the Council have been making all of the decisions in disregard to the priorities of its citizens. Surely, there are other groups that are working hard to preserve as much land as possible but the City has refused to negotiate or work with them in the planning of those quadrants.

So, at this time, I urge every commission member to decline the city's annexation of both quadrant areas and to align their vote with the recommendation of the LAFCO staff to deny the request. This will then hopefully encourage the City to work with groups who are genuinely interested in the preservation of open space.

Armando Benavides
408 829-4798

Palacherla, Neelima

From: Mary Treacy <marymtte@sbcglobal.net>
Sent: Wednesday, March 02, 2016 10:00 PM
To: Palacherla, Neelima; Abello, Emmanuel; Noel, Dunia; Cat.Tucker@ci.gilroy.ca.us; district3@openspaceauthority.org; Susan@svwilsonlaw.com; Yeager, Ken; mikewasserman@bos.sccgov.org
Subject: Morgan Hill

If any of you can help, I would appreciate it. My daughter and I moved to Morgan Hill because it is such a perfect, small community. We have been here only a year and already the beauty is being disturbed with the construction off Hale. It doesn't even look nice, and it is practically in our backyard. Please, stop the growth here. We might as well sell and move back to San Jose if that is what you are going to make Morgan Hill. Why not preserve the land by making parks, or even just let it be as it is, beautiful. Mary Trreacy

Palacherla, Neelima

From: Sarah Hansen <miss_p_830@msn.com>
Sent: Wednesday, March 02, 2016 1:08 PM
To: Palacherla, Neelima
Subject: Morgan Hill urban sprawl

I am writing this email as a very concerned citizen and homeowner in Morgan Hill for over 25 years. When I moved here with my family, it was a quiet beautiful little town. You could actually see stars at night and hear crickets. The "urban sprawl" has gotten out of control . The traffic is horrendous and it seems as though there are new developments and stop lights every few blocks. I believe that Mr. Grzan put it very well when he spoke of "greed not need". When I moved here, it took me 2 minutes to cross town and now it is nearly a half hour.

Please, please think very carefully before annexing more farm lands. Do not choke out the last of the agriculture in our wonderful town. We have enough people, cars, and traffic here, don't you think??

Sincerely,

Sarah P Hansen
2045 Bayo Claros Circle
Morgan Hill, CA 95037
408-607-2990

Palacherla, Neelima

From: Lynne Meyer <bellemaisondesign@msn.com>
Sent: Wednesday, March 02, 2016 8:06 AM
To: Palacherla, Neelima
Subject: Morgan Hill Annex

Dear Ms. Palacherla,
After learning of my cities plan to annex farmland I wish to share my concern with you .
The taxpayers were never informed of this and thus had no input - not a democratic process !
Police have taken as long as half an hour to arrive at our home in emergencies as it is and our fire and police services cannot cover this new area!
Preserving farmland is a huge priority. Yet this will instead be utilized for development !
As a 30 year resident of Morgan Hill, I request that as the minimum you allow us to look at the plans , put them up to a vote before you move forward !
Yours Truly,
Lynne Meyer
Robert Meyer , Deputy District Attorney

Sent from my iPhone

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Dan Melin <Danmelin@comcast.net>
Date: March 2, 2016 at 10:02:23 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <Danmelin@comcast.net>

Dan Melin
976 Foothill Dr
San Jose, CA 95123

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Dan Melin

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Erica Stanojevic <ericast@gmail.com>
Date: March 2, 2016 at 8:19:14 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <ericast@gmail.com>

Erica Stanojevic
611 Centennial St.
Santa Cruz, CA 95060

March 2, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Erica Stanojevic

Palacherla, Neelima

From: Susan Space <sspace@cloudera.com>
Sent: Wednesday, March 02, 2016 7:56 AM
To: Palacherla, Neelima
Subject: Morgan Hill's annexation proposal

Please deny the Morgan Hill annexation proposal. This makes no sense to do and is not based on sound data and reasoning. I have lived in MH for 11 years and can't believe what's going on with the urban sprawl and lack of planning.

Sounds like this effort is based on greed. And, I think that's what ruins towns. This isn't necessary and I urge you to deny the Morgan Hill annexation proposal.

Susan

Palacherla, Neelima

From: Anita Quattrin <aquattrin@yahoo.com>
Sent: Wednesday, March 02, 2016 12:58 PM
To: Palacherla, Neelima
Subject: Morgan Hill Annexation Plan

Dear Members of the Commission,

In light of the fiscal burden which the annexation of these farmlands would cause and the opposition growing to the plan, I ask you to deny the Morgan Hill Annexation Proposal.

Thank you,
Anita Martin

Palacherla, Neelima

From: James Pearson <jpearson@garlic.com>
Sent: Wednesday, March 02, 2016 3:03 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

James Pearson

Gilroy

Palacherla, Neelima

From: Gloria Linder <galinder@verizon.net>
Sent: Wednesday, March 02, 2016 4:14 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. According to a LAFCo staff member there is an abundance of vacant land (enough for 100 years of development) inside the city limits. We already have too much sprawl. This annexation would allow a few to get rich while the rest of us have to suffer to deal with the increasing congestion the annexation would cause.

My husband and I live in Gilroy, a neighboring town to the south. Adding more projects and people will increase the already high traffic gridlock we face when travelling to the cities to the north especially at high traffic hours such as commute hours. This adds to already high amounts of air pollution and frustration of those of us that have to drive through it.

Instead, we highly value the views over open expanses of farmland to distant hills. We find the clutter of additional housing and commercial building unsightly in comparison.

Thank you for this opportunity to provide public comment.

Sincerely,
Gloria Linder

Gloria Linder

1400 Welburn Ave

Palacherla, Neelima

From: Mary J. Silva <jasinta@aol.com>
Sent: Wednesday, March 02, 2016 11:49 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Mary J. Silva

Gilroy

Palacherla, Neelima

From: Jenny frederiksen <jennfred33@yahoo.com>
Sent: Wednesday, March 02, 2016 10:06 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Jenny

Jenny frederiksen

Gilroy

Palacherla, Neelima

From: Danielle Bernier <Bernierd52@yahoo.com>
Sent: Wednesday, March 02, 2016 9:14 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Danielle Bernier

Gilroy

Palacherla, Neelima

From: Erin Cassidy <Erinbradbury77@yahoo.com>
Sent: Wednesday, March 02, 2016 1:32 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Erin Cassidy

Erin Cassidy

Hollister

Palacherla, Neelima

From: John Gurley <Jgurleyus@yahoo.com>
Sent: Wednesday, March 02, 2016 12:38 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
John Gurley

John Gurley

Los Gatos

Palacherla, Neelima

From: Realtor David Frazer <realtorfrazer@gmail.com>
Sent: Wednesday, March 02, 2016 11:42 PM
To: Palacherla, Neelima
Subject: Morgan Hill's SE Quadrant Annexation

Hello Neelima.

Please, please, please do not agree to annex Morgan Hill's SE Quadrant. It's disappointing that our city council has bowed to the wants of prominent landowners & developers. However, it is the job of LAFCO to ensure that this land grab does not get approved.

I am a residential Realtor in Morgan Hill, so I would likely benefit if the SE Quadrant were developed (more homes = more sales). Yet, I could not be more opposed to the idea & I'm puzzled that it has even gotten this far. It is not what the people of Morgan Hill want & it is not what Morgan Hill needs. I am hopeful that your office will not be persuaded by the politics of Morgan Hill's leadership, who seem to be in the pockets of influential developers & those promoting the idea of a Catholic high school in that area.

I have lived in Morgan Hill for 16 years & currently reside at 17790 Manzanita Drive in Morgan Hill. Thank you for your time.

Regards,
Realtor David Frazer
Coldwell Banker
CalBRE #01417036
408-930-2673
www.FrazerSoldit.com

Palacherla, Neelima

From: David Fredericks <david@xumatek.com>
Sent: Wednesday, March 02, 2016 2:44 PM
To: Palacherla, Neelima
Subject: Morgan Hill SE Quadrant

I am a resident of Morgan Hill and believe that the city's proposal to annex the "SE Quadrant" is disingenuous. It claims to save farmland but immediately converts much of it to other uses. This proposal is a benefit to developers and no one else. It is not Morgan Hill's duty to be the savior of farmland in Santa Clara County. I agree with LAFCo that Morgan Hill has plenty of space already within the city limits to use for commercial development. Maybe the developers prefer the cheaper land that the SE Quadrant would give them.

David Fredericks

Palacherla, Neelima

From: Deborah Hernandez <jakeh01@gmail.com>
Sent: Wednesday, March 02, 2016 9:48 PM
To: Palacherla, Neelima
Subject: deny City of Morgan Hill's request for annex

I do not support the City of Morgan Hill's request for annexation. Please deny the request.

Debbie Hernandez
18334 Christeph Drive
Morgan Hill
(408) 776-7979

Palacherla, Neelima

From: Frankldaley <frankldaley@aol.com>
Sent: Wednesday, March 02, 2016 9:37 PM
To: Palacherla, Neelima
Subject: Oppose plan to annex farms in Morgan Hill

I oppose Morgan Hill's plan to annex the Southeast Quadrant for several reasons. First, there is too much land that is undeveloped within the city limits that should first be developed. Our city has made great strides to improve our downtown and should continue to infill all the vacant land along Monterey Road and other major corridors. Second, it was not too long ago that disbanding our police department was contemplated because the city could not afford that essential public service. We cannot spread our police resources so thin and put the public at risk because they have to respond to distant areas. Third, we have not recovered from our water shortage. Our natural resources have limits.

Please make the right decision and fulfill the purpose for which LAFCO was created.

Thank you.

Frank L Daley

Sent from my iPad

Palacherla, Neelima

From: Joshua McCarthy <interdaemon@gmail.com>
Sent: Wednesday, March 02, 2016 4:12 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Joshua McCarthy

Morgan Hill

Palacherla, Neelima

From: Judy Gillingham <jdygarden@aol.com>
Sent: Wednesday, March 02, 2016 4:44 PM
To: Palacherla, Neelima
Subject: Morgan Hill Southeast Quadrant

Please do not allow the City of Morgan Hill to annex the property in the Southeast Quadrant.

My husband and I moved to Morgan Hill 12 years ago. Since that time there has been rampant, irresposible building all over Morgan Hill. The population has nearly doubled in these 12 years and the housing starts that are planned, approved and in the building process are phemominal. There is no need for more development or housing. We don't have the water and we don't have the infrastructure.

Please do not allow the City of Morgan Hill to annex the 225 acres they are requesting. No matter what this present council coucil says, they will build as many houses on that property as they can. Just drive around Morgan Hill and see for yourself.

Judy Gillingham
2850 Hay Loft Way
Morgan Hill, CA

Palacherla, Neelima

From: Kimberly Kenyon <kkenyon1023@yahoo.com>
Sent: Wednesday, March 02, 2016 11:42 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Kimberly Kenyon

Morgan Hill

Palacherla, Neelima

From: Kristin Carlson <kristincarlson@verizon.net>
Sent: Wednesday, March 02, 2016 9:02 PM
To: Palacherla, Neelima
Subject: Deny Morgan Hill's annexation
Attachments: Attachment

Please deny the annexation of the farmland in Morgan Hills' Southeast Quadrant.
Morgan Hill needs to work with land that is available and worry about maintaining its present ways with regard to infrastructure, police, services to its residents for the high taxes paid.

Kristin A.Carlson
560 E.Central Avenue
Morgan Hill, Ca 95037
408 828-8079

Morgan Hill resident 38 years

Palacherla, Neelima

From: Michelle Gordon <Purpleclocks@hotmail.com>
Sent: Wednesday, March 02, 2016 9:07 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment. Please don't make our lovely town just like San Jose!!

Sincerely, Michelle Gordon

Michelle Gordon

Morgan Hill

Palacherla, Neelima

From: Neil Thomas <nthomas17750@gmail.com>
Sent: Wednesday, March 02, 2016 8:55 PM
To: Palacherla, Neelima
Subject: Fwd: Deny Morgan Hill's annexation proposal.

---------- Forwarded message ----------
From: "Neil Thomas" <nthomas17750@gmail.com>
Date: Mar 2, 2016 20:42
Subject: Deny Morgan Hill's annexation proposal.
To: <Nee-lima.Palacherla@ceo.sccgov.org>
Cc:

I have been a Morgan Hill resident since 1984, and l have appreciated having an agricultural environment. Please deny the annexation of farmland in Morgan Hill's Southeast Quadrant.

Thank you
Neil Thomas
17750 Holiday Dr.
MH 95037

Palacherla, Neelima

From: Peggy Toomay <ptoomay@miramarlabs.com>
Sent: Wednesday, March 02, 2016 6:56 PM
To: Palacherla, Neelima
Subject: Deny Morgan Hill Annexation Proposal

Please vote against this misguided plan that the City of MH does not have the ability to support. This urban sprawl all over again and a sure end to the farmland in this area.

Respectfully,

Peggy Toomay
17673 Peak Ave
Morgan Hill

Sent from my iPhone

Palacherla, Neelima

From: Reiner.Kulkowski@lamresearch.com
Sent: Wednesday, March 02, 2016 8:33 AM
To: Palacherla, Neelima
Subject: Morgan Hill land annexation

Hello Neelima,
Please keep the 229 acres as they are, we don't need to have more development when there is a 45% vacancy already existing in commercial property. Looks to me like someone wants to cash in on higher real estate values for land.
Thanks for your consideration.

Reiner Kulkowski
Morgan Hill Resident

Palacherla, Neelima

From: Shawn Barreras <shawn.barreras4@gmail.com>
Sent: Wednesday, March 02, 2016 3:49 PM
To: Palacherla, Neelima
Subject: Save our neighborhood

I am of many who don't want the city of Morgan Hill to move into our area. They are not trust worthy and are very gready. They have plenty of land within the city limits to lie about what there plans are for it. Please keep the city out.
Shawn Barreras
1556 fisher ave.
Morgan hill

Palacherla, Neelima

From: Theresa Warren <twarren200@yahoo.com>
Sent: Wednesday, March 02, 2016 9:03 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Theresa Warren

Morgan Hill

Palacherla, Neelima

From: kelly Byrne <kellyschaos@icloud.com>
Sent: Wednesday, March 02, 2016 5:33 PM
To: Palacherla, Neelima; Abello, Emmanuel; Noel, Dunia; Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district3@openspaceauthority.org; Susan@svwilsonlaw.com; Yeager, Ken
Subject: No annexation for the Southeast Quadrant

To Whom it May Concern;

My husband and I are new residents to Morgan Hill. We moved to Morgan Hill to escape the Urban Sprawl and building that has taken over much of the Santa Clara County area. We lived in South San Jose near the obliterated orchards that once stood near our home. We adamantly oppose the Annexation of the parcel of land in the SouthEast Quadrant into Morgan Hill. We need to keep more open space, the views of the mountains for our future generations. If we continue to build as San Jose has, we will no longer have the gorgeous landscape that makes Morgan Hill the amazing place it is. The serenity of it far surpasses the chaos of the rest of the Bay area. Also to note that further building will continue to congest the 101. We have lived in Morgan Hill for 10 months and in that time we have had 6 rollover accidents at the 101 and Cochrane exit. This does not include the multiple accounts that happen on a daily basis between Bernal Avenue and Gilroy. The 101 has become a dangerous freeway to travel. It can barely hold the amount of cars it currently has, annexing more land for building will create even larger issues for the current residents and make the ability to leave the area more difficult. I have huge concerns about how people would be able to get out of the Bay Area safely in case of a Natural Disaster. The 101 is one of the very few ways, if not the only logical way to leave the Bay area going South. Its two lanes North and South can not handle the immense amounts of traffic more building would create. Please help to preserve our beautiful Landscape for our future generations, consider the safety ramifications, and please please please listen to the people of Morgan Hill.

Sincerely,
Kelly and Tom Byrne

Palacherla, Neelima

From: Blaser Family <blasersfamily@gmail.com>
Sent: Wednesday, March 02, 2016 3:27 PM
To: Palacherla, Neelima
Subject: Annexation of SE Quadrant

Dear LAFCO Executive Director
We reside at 1590 Fisher Avenue and have done so for the past 21 years.
We are strongly opposed to any annexation by the City of Morgan Hill.
We purchased this property because it was zoned agricultural and was outside the city limits of Morgan Hill. We are opposed to development of any commercial or residential type that changes the nature of our neighborhood and the surrounding agricultural areas. We are opposed to any recreational development as well as opposed to a school being located in this area as well. If those things were here when we moved here, then that would have been our choice. But we are committed to the agricultural zoning of the area and support the locals in our area who are still growing crops. Any commercial or recreational or residential development in our area will destroy the open agricultural nature of this area. We do not wish to be annexed and hope that you will strongly advocate against such development. there is plenty of area within the city limits of Morgan Hill as it is currently configured to occupy the development of. While we do not like the expanded growth we have seen in the last few years in the city of Morgan Hill, we certainly do not want to be annexed and come under the same sort of short-sighted, profit-driven decision makers who are ruining Morgan Hill currently. Please top development and allow MOrgan Hill to maintain it's lovely, small town, quaint atmosphere. Traffic is already congested all over town and it is overflowing to our area as well. Leave us alone and out of the control or governance of the City of Morgan Hill. YOu do not need this area for more development. We need it for our peace and quiet and home values. Thank you very much for you attention to this important matter.

Steve and Nancy Blaser
1590 Fisher Avenue
Morgan Hill CA 95037

Palacherla, Neelima

From: Andrea Judge <amjudge21@gmail.com>
Sent: Wednesday, March 02, 2016 3:22 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Andrea Judge

San Jose

Palacherla, Neelima

From: Julie Allingham <julie.allingham@gmail.com>
Sent: Wednesday, March 02, 2016 3:44 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Julie Allingham

Julie Allingham

San Jose

Palacherla, Neelima

From: Larry Ames <LAmes@AOL.com>
Sent: Wednesday, March 02, 2016 1:27 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I join others in asking that you oppose the Morgan Hill annexation of the Southeast Quadrant.
The land would likely be developed as just some more suburban sprawl, adding to traffic through town and on US-101 up to Silicon Valley jobs.

The entire valley needs to deal with the housing and job imbalance, traffic congestion, open space, and the availability of healthy locally-grown foods: please put new housing nearer to where the jobs are and where they can be supported by the existing infrastructure, and keep farmland open for agriculture.

Thank you,

~Larry Ames

Larry Ames

San Jose

Palacherla, Neelima

From: Mary E. Martin <martinmary99@gmail.com>
Sent: Wednesday, March 02, 2016 10:12 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners:

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant.

As a native resident of the Santa Clara Valley and a member of History San Jose, I value our region's very limited remaining farmland. How can we promote a healthy local farm-to-table movement for our grocery stores and restaurants if all the local farmland is gone?

Please deny this annexation request so that growth happens in our existing urban areas. We have always had way too much sprawl and far too little real planning that takes into consideration more than what the greedy developers want.

Thank you for this opportunity to provide public comment.

Sincerely,

Mary E. Martin

Mary E. Martin

San Jose

Palacherla, Neelima

From: Phil Leahey <ssfarmerphil@gmail.com>
Sent: Wednesday, March 02, 2016 9:50 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Phil Leahey

San Jose

Palacherla, Neelima

From: Sylvia Nobbmann <sanjose123@live.com>
Sent: Wednesday, March 02, 2016 7:55 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl and there is not enough water. Thank you for this opportunity to provide public comment.

Sincerely,

Sylvia

Sylvia Nobbmann

San Jose

Palacherla, Neelima

From: Lee Hagan <lee95037@yahoo.com>
Sent: Wednesday, March 02, 2016 6:07 AM
To: Palacherla, Neelima
Cc: Lee Hagan
Subject: Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ).

Dear LAFCo Commissioners,
I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request. The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.
My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.
The City's request is completely counter to those ideals. Please deny their request.

Sincerely,
Lee Hagan

Palacherla, Neelima

From: merri <merri@eclipse.com>
Sent: Wednesday, March 02, 2016 7:25 AM
To: Palacherla, Neelima

Please do not approve the annexing of the 229 acres of land in Morgan Hill. Please help preserve the farmland and support agriculture. Morgan Hill has grown so fast builders have not taken into account the traffic and parking problems that has been created. Please vote to keep Morgan Hill semi-rural.

Merri Muir

Palacherla, Neelima

From: Paula Bringelson <paula.bringel@att.net>
Sent: Wednesday, March 02, 2016 6:51 AM
To: Palacherla, Neelima
Subject: Morgan Hill annexation

The annexation of a portion of southeast Morgan Hill is a BAD idea. The city does not have any plan to support the area. This will result in more traffic yet not providing any additional roads, more water use, no plan to increase police and fire within the city of Morgan Hill to name a few adverse affects this annexation will cause not only to Morgan hill residents but residents of the surrounding communities.

I urge the LAFCO to deny the Morgan Hill's annexation proposal.

Sincerely,

Paula Bringelson
Santa Clara County resident for 47 years

Palacherla, Neelima

From: Traci Monroe-Valdez <valdez3@yahoo.com>
Sent: Wednesday, March 02, 2016 4:05 PM
To: Abello, Emmanuel
Cc: Palacherla, Neelima; Noel, Dunia; Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district3@openspaceauthority.org; Susan@svwilsonlaw.com; Yeager, Ken
Subject: City application to annex Southeast Quadrant and Area 2

I am a 30 year resident of Morgan Hill, and I am are against the city's applications to annex the Southeast Quadrant and Area 2 into the city limits.

Thank you,

Traci Valdez
1565 Peppertree Court
Morgan Hill, CA 95037

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Robert Johnson <Rejberk@icloud.com>
Date: March 3, 2016 at 5:40:41 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <Rejberk@icloud.com>

Robert Johnson
580 Grizzly Peak Blvd
Berkeley, CA 94708

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Robert Johnson

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Peter LaTourrette <petelat1@stanford.edu>
Date: March 3, 2016 at 12:02:45 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <petelat1@stanford.edu>

Peter LaTourrette
1019 Loma Prieta Ct.
Los Altos, CA 94024

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Peter LaTourrette

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Kristal Caidoy <kcaidoy@live.com>
Date: March 2, 2016 at 10:02:27 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <kcaidoy@live.com>

Kristal Caidoy
7 homme way
Milpitas, CA 95035

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I have biked and walked on the Coyote Creek Trail near Anderson Reservoir. There is enough space for in-full development in Morgan Hill. There needs to be open space and farmland for future generations.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Kristal Caidoy

Palacherla, Neelima

From: bruceandtiffany <bruceandtiffany@att.net>
Sent: Thursday, March 03, 2016 9:12 AM
To: Palacherla, Neelima
Subject: Southeast Quadrant DEVELOPMENT

Good Morning, we are Morgan Hill residents and we are 100% ADVERSE to this development ! We also want to mention that the new downtown parking structure is a BLACK EYE on the face of Morgan Hill.

Regards,
Bruce and Tiffany

Sent from my Verizon Wireless 4G LTE smartphone

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Jeff Lawson <jsl@svlg.com>
Date: March 3, 2016 at 10:18:27 AM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <jsl@svlg.com>

Jeff Lawson
18100 Christeph Drive
Morgan Hill, CA 95037

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Jeff Lawson

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Lucinda Lawson <lucinda.lawson8@gmail.com>
Date: March 3, 2016 at 10:28:30 AM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <lucinda.lawson8@gmail.com>

Lucinda Lawson
18100 Christeph Drive
Morgan Hill, CA 95037

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Lucinda Lawson

Palacherla, Neelima

From: james_fam <james_fam@hotmail.com>
Sent: Thursday, March 03, 2016 9:39 PM
To: Palacherla, Neelima
Subject: Morgan Hill's annexation proposal

I'm a Morgan Hill resident and would like to urge LAFCo to deny the Morgan Hill's annexation proposal.

Thank you,

Tracey James

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Lynne Deegan-McGraw <ldeegan@pacbell.net>
Date: March 3, 2016 at 5:29:51 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <ldeegan@pacbell.net>

Lynne Deegan-McGraw
2254 Green Street
San Francisco, CA 94123

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Lynne Deegan-McGraw

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Douglas Daetz <douglas.daetz@aya.yale.edu>
Date: March 3, 2016 at 2:26:49 AM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <douglas.daetz@aya.yale.edu>

Douglas Daetz
1744 Karameos Drive
Sunnyvale, CA 94087

March 3, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City of Morgan Hill has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, MOrgan Hill should instead invest in building on its vacant lands to promote a more vibrant community.

As a person who has lived in the south bay area for 71 years and seen much agricultural land disappear into urban sprawl, I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Douglas Daetz

Abello, Emmanuel

Subject: FW: Strongly Opposed to Morgan Hill's request to annex farmland

From: Robert Kutler <rob@changedynamics.com>
Date: March 3, 2016 at 12:53:08 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Strongly Opposed to Morgan Hill's request to annex farmland
Reply-To: <rob@changedynamics.com>

Robert Kutler
404 Greenwood Beach Rd
Tiburon, CA 94920

March 3, 2016

Dear Mike Wasserman,

This proposal continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely Yours,
Robert Kuter

Palacherla, Neelima

From: Melinda Gedryn <melinda@melindagedryn.com>
Sent: Thursday, March 03, 2016 7:41 AM
To: Palacherla, Neelima
Subject: Annexation

Please vote against annexing farm land. Local farming is a critical need and once lost can never truly be returned. Please make use of the existing, un-occupied commercial space.

Melinda Gedryn, SRES
International President's Circle
408-460-2370
Coldwell Banker Residential Brokerage
1712 Meridian Ave.
San Jose, CA 95125
www.melindagedryn.com
Sent from my iPad

Palacherla, Neelima

From: Camille McCormack <camillemc@verizon.net>
Sent: Thursday, March 03, 2016 2:44 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Camille McCormack

Gilroy

Palacherla, Neelima

From: Tracy Mikolajewski <dtsnmikol@gmail.com>
Sent: Thursday, March 03, 2016 8:42 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Tracy Mikolajewski

Gilroy

Palacherla, Neelima

From: David Lima <amilevad@gmail.com>
Sent: Thursday, March 03, 2016 10:04 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment. This proposed annexation is one of many in the south county area, and we residents of the area are afraid that approval of one would precipitate an avalanche of approvals that would permanently destroy the region we love and cherish for its open space and agriculture.

Sincerely,
David J. Lima

David Lima

Gilroy

Palacherla, Neelima

From: Chris Morrison <cmorrison@kns.com>
Sent: Thursday, March 03, 2016 9:11 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Chris Morrison

Morgan Hill

From: Chris Monack <chris.monack@gmail.com>
Sent: Thursday, March 03, 2016 3:30 PM
To: Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district10@sanjoseca.gov; Susan@svwilsonlaw.com; district3@openspaceauthority.org; board@valleywater.org; Yeager, Ken; Palacherla, Neelima; Abello, Emmanuel
Subject: March 11 Morgan Hill SEQ Application Hearing

Commissioners and Staff,

I am a resident of Morgan Hill, and I am submitting this as a public comment with regard to the upcoming hearing on the City of Morgan Hill's application to annex land in the Southeast Quadrant (SEQ). I have submitted a previous objection to the City's acquisition, and wish to submit additional information I feel is relevant to my continued objection.

I appreciate how thorough the staff report was, but I did not read anything specific to the level of commitment the City of Morgan Hill has demonstrated to one of their publicly stated objectives, which is the preservation and protection of agricultural land and open space. I attempted to obtain information from the City regarding their efforts, but my request was recently extended by them until, ironically, March 11th. The information that follows is based on my own research.

What I found was that other than the 43 acres of El Toro purchased by the City in 1989, I was only able to locate one instance of land acquisition that supports their commitment to land preservation. That was the 2010 purchase of 18 acres, also on El Toro (the former Acton property), purchased with funds from the Open Space Authority (OSA). All El Toro property under the control of the City is still not open to the public.

In 2015, the City Council approved spending $5.3 million for the purchase of 22 acres of agricultural land on the southeast corner of US101 and Tennant Ave., which is outside the city limits. The land, however, was not purchased for preservation. It was purchased for development into baseball and softball fields, and it was done while the City was in the process of formulating this LAFCO application.

On the other hand, other agencies have been proactive in preserving land in and around Morgan Hill. The County of Santa Clara and the OSA purchased 2,748 acres off E. Dunne Ave. in 2015. The Peninsula Open Space Trust, OSA and Santa Clara County Parks purchased 358 acres near Uvas Reservoir. The OSA purchased 1,831 acres of the Coyote Ridge northeast of Morgan Hill. The OSA purchased 33 acres south of El Toro. The OSA purchased 348 acres in Morgan Hill off Palm Ave. All of this land is designated for preservation and protection from development, and includes varying degrees of controlled public access or planned public access.

Out of these 5,318 acres of land, I was unable to find any indication that the City of Morgan Hill contributed money or actively collaborated with these agencies to help acquire and protect these assets. That is <u>not</u> demonstrating a commitment to land preservation.

I would also like to note that on March 2nd, 2016, one week before the upcoming application hearing and four (4) months after submitting the application, the City Council proposed adopting a resolution directing its staff to amend the existing SRL zoning ordinance with an "in perpetuity" clause restricting future residential and industrial development within the SEQ SRL District. I find this action inappropriate and possibly illegal.

The City of Morgan Hill should not be allowed to make any amendments or alter any language directly related to the SEQ application that has the potential to change the application after it was submitted to the Commission and made available as a public document.

Further, the action by the City Council to entertain an "in perpetuity" clause improperly binds the discretion of a future council's ability to act. This is not a contract, it is a zoning ordinance. The City already has the means to control or prevent development through its ability to deny development applications presented to them. There is legal precedent indicating to me that this clause will likely not be upheld if legally challenged in the future.

In closing, I want to repeat my opposition to the City of Morgan Hill's SEQ annexation application.

Sincerely,

Christopher Monack

Palacherla, Neelima

From: Tracy Morrison <tcymorrison@yahoo.com>
Sent: Thursday, March 03, 2016 9:10 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Tracy Morrison

Morgan Hill

Palacherla, Neelima

From: Sherrie Wren <twowrens@earthlink.net>
Sent: Thursday, March 03, 2016 3:30 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Sherrie Wren

Sherrie Wren

Morgan Hill

Palacherla, Neelima

From: Garth Gilmour <garth.gilmour@me.com>
Sent: Thursday, March 03, 2016 10:00 AM
To: Palacherla, Neelima
Subject: Morgan Hill SEQ Annexation

Neelima;

As as resident of Morgan Hill and a resident that has lived in the city for 19 years I would like to express my opposition and concern regarding the annexation and development of the South East Quadrant. Morgan Hill cannot continue on its current growth path without significant improvements in the corridors that lead to San Jose and cities north and we currently have no plans in place that I am aware of to deal with the additional water use requirements and impact on current city services. While I am generally not opposed to development this development is in the wrong place at the wrong time and until plans are put in place to expand 101 and Monterey road we should look at development very carefully before approving projects that the city just cannot support.

Thank you for your consideration.

Garth Gilmour

Abello, Emmanuel

Subject: FW: SE Quad Annexation

From: Realtor David Frazer <realtorfrazer@gmail.com>
Date: March 3, 2016 at 9:50:02 PM PST
To: Mike.Wasserman@bos.sccgov.org
Cc: Cat.Tucker@ci.gilroy.ca.us, district10@sanjoseca.gov, Susan@svwilsonlaw.com, district3@openspaceauthority.org, board@valleywater.org, Ken.Yeager@bos.sccgov.org
Subject: SE Quad Annexation

Dear Mike & LAFCO Commissioners,

I speak for most of the folks I know in Morgan Hill when I say that Morgan Hill residents are against the annexation of the SE Quadrant. It doesn't make sense from a quality of life point of view nor from a fiscal point of view. Common sense appears to have left the Morgan Hill City Council and you have to wonder what their motives are. The Council is tirelessly pushing this proposal & it seems clear that they are being influenced by prominent landowners, the church, and developers. At any rate, LAFCO's staff report seems spot on & this proposed annexation should be stopped in its tracks.

Thank you for your detailed staff report recommending denial of the annexation. Please do not believe that the City Council's position on this matter reflects the wishes of the Morgan Hill's residents. I can assure you that it does not. And as a Realtor, I would personally benefit from the annexation because it would mean more homes & more sales income for me. So hopefully that gives me some credibility when I say that my friends & neighbors in Morgan Hill are sickened and embarrassed by the Council's proposal. We stand against the annexation of the SE Quad, and we stand against any attempt by the City of Morgan Hill to allow large scale development outside the Urban Services Area.

Thank you,
Realtor David Frazer
Coldwell Banker
CalBRE #01417036
408-930-2673
www.FrazerSoldit.com

Palacherla, Neelima

From: Jeanette Millward <jeanette.millward@yahoo.com>
Sent: Thursday, March 03, 2016 8:22 AM
To: Palacherla, Neelima
Subject: Please Vote Against SEQ Annexation

Dear LAFCo and those who will be voting concerning the annexation of the SEQ in Morgan Hill,

We want to add our voices to the many who do not want the city to annex the acreage in the southeast quadrant of Morgan Hill, and ask you to please vote against the city's plan.

We have lived in Morgan Hill for 15 years, and have seen some very unwise planning and growth decisions made by the city, but this would be the worst decision of all. People live in Morgan Hill because it is different than cities such as San Jose, and we are sadly watching as city leaders choose greed over choices that would preserve all that is good about Morgan Hill. We live here *because* of the open spaces, the proximity to agriculture, the slower pace of life, and because of the "small town" feel, all things that would change should the annexation take place.

Please do the right thing to preserve Morgan Hill's open spaces. Please do not support Morgan Hill turning into yet another poorly planned San Jose, Milpitas, or any other city filled with sprawling acres of ugly tract homes and congestion.

Best,

Paul and Jeanette Millward

Palacherla, Neelima

From: Smita Patel <smitspat@gmail.com>
Sent: Thursday, March 03, 2016 4:49 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Smita Patel

San Jose

Palacherla, Neelima

From: Tina Rivera <Iamtrivera@yahoo.com>
Sent: Thursday, March 03, 2016 8:19 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I am from San Jose and hope you can learn from our mistakes. I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Tina Rivera

San Jose

Palacherla, Neelima

From: Julie <jaallen100@yahoo.com>
Sent: Thursday, March 03, 2016 7:40 AM
To: Palacherla, Neelima
Subject: Morgan Hill annexation of SE quadrant

Please do not allow this to happen. I and many others do not want Morgan Hill to lose it's agriculture and small town feel. If this is approved it will only be the first step in merging San Jose and Morgan Hill, making it hard to distinguish which city you are in when you are driving down 101. This is not what people want who moved to Morgan Hill to escape urban sprawl.

Julie A. Allen

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Robert Oxenburgh <boboxenburgh@gmail.com>
Date: March 4, 2016 at 5:47:13 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <boboxenburgh@gmail.com>

Robert Oxenburgh
322 Golden Meadow Place
Alamo, CA 94507

March 4, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Robert Oxenburgh

Palacherla, Neelima

From: Larry Breniman <larrythekid1946@yahoo.com>
Sent: Thursday, February 25, 2016 11:34 AM
To: Palacherla, Neelima
Subject: Morgan Hill's proposal to annex SEQ and Area 2

As a 24 year resident of Morgan Hill, I ask that you vote against these annexations. The impact on the infrastructure, water, sewer, schools, emergency services and the loss of further agricultural lands is not worth the advantages and further contributes to the growing urban sprawl of Morgan Hill.
There is adequate land for residential for between 8-24 years per the land use study.
Please help Morgan Hill retain its quality of life and preservation of a small town amidst a rural setting. Future generations will thank you.
Larry Breniman
275 Burnett Ave
Spc 124
Morgan Hill, CA 95037

Sent from my iPhone

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Mary Yates [mailto:yates4mac@gmail.com]
Sent: Friday, March 04, 2016 3:00 PM
To: Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland

Mary Yates
7280 Carmel St
Gilroy, CA 95020

March 4, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

A vibrant community is one that has clean air as well as locally grown produce for its inhabitants. Keeping this land in agricultural use will help insure the quality of life for citizens living in Morgan Hill.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Mary Yates

Palacherla, Neelima

From: Lore Jung <loredeanjung@gmail.com>
Sent: Friday, March 04, 2016 4:41 PM
To: Palacherla, Neelima
Subject: Morgan Hill's annexation proposa

I am a resident of Morgan Hill and I ask you to please deny the Morgan Hill's annexation proposal. What makes Morgan Hill beautiful is it fields and open space. This proposal will kill what we have created. Please deny this proposal and help us support or way of life.

Respectfully,

Lorena Jung

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Donna Gerber [mailto:Donna.gerber@gmail.com]
Sent: Friday, March 04, 2016 10:35 AM
To: Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland

Donna Gerber
2351 Powell street
San Francisco, CA 94133

March 4, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Donna Gerber

Palacherla, Neelima

From: Jim and Tina Wright <jimtina@yahoo.com>
Sent: Friday, March 04, 2016 7:18 AM
To: Palacherla, Neelima
Subject: Morgan Hill Proposed Annexation

Dear LAFCo,

As a long-time resident of Morgan Hill, I must voice my concern about the Southeast Quadrant proposed annexation.

Wherever I go in Morgan Hill, I hear people asking, "What's happening to our town?" Rapid development is evident in all directions. And yet, along Monterey Road, we see vacant lots and many abandoned commercial buildings.

Our community would be better served if these vacant properties were improved and the precious farmland of the Southeast Quadrant were protected.

Please do what you can to stop the annexation and protect the public's interest on this vital issue.

Thank you.

Jim and Tina Wright
490 La Baree Drive
Morgan Hill, CA 95037

Palacherla, Neelima

From: Wenjun <Adel_wang@hotmail.com>
Sent: Friday, March 04, 2016 4:55 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Wenjun

Morgan hill

Palacherla, Neelima

From: Jing want <Adelharris1224@gmail.com>
Sent: Friday, March 04, 2016 4:46 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Jing want

Morgan hill

Palacherla, Neelima

From: Amy Costanza Marcotullio <amycostanza@gmail.com>
Sent: Friday, March 04, 2016 1:46 PM
To: Palacherla, Neelima
Subject: Please do not allow annexation of the SEQ

Dear LAFCo and
others who will be deciding the outcome of the SEQ annexation in Morgan Hill.

We
moved to Morgan Hill 20 years ago, feeling so fortunate to be able to choose to make this our permanent home. However through the years, we have
been disheartened and frustrated to watch the city make short-sighted and irresponsible planning and growth decisions. These decisions have been aligned with the agendas and profits of a few, rather than being thoughtful, considerate and responsible, as is necessary to maintain the quality of life, natural beauty and agricultural productivity of this unique and very special area.

Like most people, we are busy working and raising kids in Morgan Hill. While I *try* to support causes I believe in, I have stayed mostly on the sidelines. However the coming decisions about the SEQ are so important, so irreversible and so potentially catastrophic that I have to voice my concern and outrage and sadness.

People live in Morgan Hill because it is *not* like San Jose (or any other sprawling city. We live here *because* of the open space, the proximity to agriculture, the slower pace of life, and because of our small town atmosphere and way of life. We love that we can buy local produce at the farmers market (or even better, at produce stands right where it was picked). We don't need or want the additional extraneous amenities, "services" that seem to be around the bend-- particularly because they are so ill-advised and do nothing to enhance what I believe is our community wants for the future of our town.

Please
help us preserve Morgan Hill's open space. Please keep Morgan Hill from being turned into yet another poorly planned city, with it's acres of tract homes, congestion. Some recent decisions already seem to be heading our town in that direction. Annexing the SEQ would seal the deal... We don't want to lose our beautiful home.

P
lease vote against the city's plan
to annex the SEQ

Very Sincerely,
Amy and Peter Marcotullio

--
Amy P. Costanza Marcotullio

Palacherla, Neelima

From: Michelle Lieberman <gardeninglady@gmail.com>
Sent: Friday, March 04, 2016 4:08 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

As a farmer and resident of Morgan Hill, I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. The plan will allow large amounts of land that is currently agriculture and open space to be converted into housing, shopping centers, schools, and a sports complex-- essentially creating more urban sprawl. This is exactly opposite the city's purported purpose to preserve the remaining agriculture and open space in our area.

As a local farmer, I can attest that one of the greatest barriers to preserving agriculture in our area is the price of land. By continuing to consider annexation of the land in the Souteast quadrant, our city is only driving up the speculative land value in the area and thus putting up more barriers to those who would like to become farmers in our area.

The proposed uses can and should be built within city limits on the abundance of available vacant land. I urge you to deny this annexation request so that growth happens responsibly within our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Michelle Lieberman and Gal Mariansky, owners of One Acre Farm

Michelle Lieberman

Morgan Hill

Palacherla, Neelima

From: Marieke Ruys <mariekeruys@yahoo.com>
Sent: Friday, March 04, 2016 7:12 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Marieke Ruys

Marieke Ruys

MORGAN HILL

Palacherla, Neelima

From: Karina Quintero <Oakland94619@gmail.com>
Sent: Friday, March 04, 2016 8:23 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I am a DeAnza college student and I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of ANY part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, take away precious resources from endemic wildlife and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the ABUNDANCE of available vacant land.

I've seen firsthand just how rich in species Morgan Hill is, both plant and wildlife. I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Karina Quintero

Karina Quintero

Oakland

Palacherla, Neelima

From: Mike Gallagher <mgallagher@opesadvisors.com>
Sent: Friday, March 04, 2016 6:43 AM
To: Palacherla, Neelima
Subject: Morgan Hill SE Quad annexation proposal

Please deny this proposal. I've lived in Morgan Hill for 15 years, and most will tell you they moved her for the historical agriculture feel that has remained in tact. This proposal is ill conceived. There is plenty of existing infill that remains to be developed. Thanks for considering.

Mike Gallagher
Senior Mortgage Advisor
Managing Director

17500 Depot St. # 220
Morgan Hill, CA 95037
408-930-6064 Direct
408-762-6600 Fax
NMLS# 120703

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Palacherla, Neelima

From: GrzanFamily <fam.grzan@charter.net>
Sent: Saturday, March 05, 2016 9:26 PM
To: Palacherla, Neelima
Cc: 'Barbara Marshman'
Subject: Letter to LAFCO Commissioners

Please forward the letter below to LAFCO Commissioners

Mark Grzan
408-778-7816
fam.grzan@charter.net

Dear LAFCO Commissioner:

I am writing to you as one elected official to another in an understanding in the weight of the decisions I've made and of that which you will make. During my tenure on the Morgan Hill City Council and all previous civic appointments I felt it was most important to see as far as possible into the future so as to anticipate any unforeseen problems as well as opportunities in order to make the best possible decision for my community.

In the matter of the SEQ there is a heavy decision to be made as we avoid the elephant in the room. It is the one item and hardly ever mentioned yet it is the most important aspect of this and all future land use decisions and that is climate change. We cannot consider how we utilize our lands in the absence of climate change. I am constantly asking myself and others, how will climate change impact our County, region, State, nation and the world. And the answer is always - devastating.

The seemingly daily reports are ominous. Every living thing will be effected. On a recent and personal trip to Glacier National Park there were no glaciers to be found. I read just the other day that our coastal fog bank has declined and our famous redwood trees and supported flora and fauna are threatened. We are still in the midst of a horrendous drought and our reservoirs in their current state cannot support our farms let alone our communities.

The threat is even more difficult when you consider water is used not only for the production of food but a necessity in manufacturing, processing, research and so much more. As this relates to the SEQ, many have said that small farms are not in our future, are inefficient, and best done in the central valley. Yet at the same time I read that every acre will be necessary, small farms and large corporate farms included if we are to mitigate any of the effects of climate change. It has been said that we will need to increase farm output by 50% just to meet the population growth of 2045.

Unique to Morgan Hill and South County is it hydrology. It is our savior if there is one. There is a massive underground basin capable of filtering and storing runoff and recycled water that can be used in every manner conceivable. South County is ideal for row crops and orchards alike. It is amazing AG land in every respect. But is can also support manufacturing needs throughout the bay area.

While I understand the need to preserve I also understand the need to grow. But we don't have to grow out as we have done in the past, but we do need to grow up, with clustered homes, manufacturing and

commercial facilities, schools and alike. With careful planning we can both grow and preserve. But what we cannot do is to grow as if such AG land is in infinite supply. Ninety-five percent of the produce we buy at our super markets are locally grown, processed by local farmers, local labor and packaging plants. Yes, we have processing plants in in Morgan Hill! We can see these major structures along Monterey Road adjacent to the railroad tracks between Morgan Hill and San Martin. They have been there in excess of a half a century and can be there for centuries to come.

Since the mid 1980ies over 200,000 bay area acres have been lost and ever hour of every day 50 acres of AG land is lost to development throughout the United States. It is unstainable and we are at risk.

If I were sitting up on the Board with you today I would reject this effort of urban expansion. At least until we have studied the effects of climate change and have adopted a regional adaptation and mitigation plan. If I were to error in this process, it would be on the side of caution. It would be on the side of our children and theirs, flora and fauna and all species that live in this region and on this planet. To vote any other way could harm us from that which we may never recover.

This is a defining point in Santa Clara Valley, the State and as a nation. It is from this decision that we begin the healing processes of decades of over development, pavement and the abuse of our natural resources. Today with your vote we will actually begin to save mother earth and at the same time save ourselves. Please reject this plan and all others like it. Let this be your proudest moment as an elected official, a county resident and as our neighbor and you will have done the very best that anyone could have expected you to do.

Years ago, First Lady Nancy Regan was asked for her response should someone offer another drugs. Her reply was simple, "just say no". So I ask you to do the same given the option to devastate our county farmlands, just say no.

Thank you

Mark Grzan
Former Councilmember, Mayor Tem Por City of Morgan Hill
Current and past member of the City of Morgan Hill General Plan Advisory Committee
Past member Urban Limit Line Advisory Committee
Too many other Committees and Appointments to list.

Abello, Emmanuel

Subject: FW: No to annexing farmland!

From: Jennifer Haole <Jgursu@gmail.com>
Sent: Saturday, March 5, 2016 1:13 PM
To: Wasserman, Mike
Subject: No to annexing farmland!

Jennifer Haole
4576 Jonquil Drive
San jose, CA 95136

March 5, 2016

Dear Mike Wasserman,

We are trying to undue the effects of urban sprawl in San Jose, why would we encourage more of it in Morgan Hill?

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Jennifer Haole

Palacherla, Neelima

From: david wilber <davidt_4249@yahoo.com>
Sent: Saturday, March 05, 2016 8:49 PM
To: David Wilber; Palacherla, Neelima
Subject: DENY

Deny the Morgan Hill annexation proposal.

Palacherla, Neelima

From: sandie silva <sandieisabel@icloud.com>
Sent: Saturday, March 05, 2016 8:33 AM
To: Palacherla, Neelima
Subject: Seq Morgan hill

Hi there, I am not a Morgan hill resident however, I am a farmer in Gilroy. I am sending you this email as I have read about what Morgan hill is planning on doing and what you are voting on March 11. I am very much AGAINST the land annexation. If farm land keeps being gobbled up to developments whether it's "baseball fields" which by the way are unfunded at this point, or something else, we will continue to lose too much of our land.

LAFCO was put in place to protect such land and I hope that it does so in this case.

Morgan hill pony ball has asked for land WITHIN city limits and was turned down. This is the city's way of putting lipstick on a pig.

My son plays baseball and I am an active member of the Catholic Church and I can still see that land is more valuable and this is a terrible waste of farm land. The city can and should use land within city limits and speak of annexation as a LAST resort.

Again, I can not stress enough how awful this will be if passed on March 11.

Thank you for listening,

Sandie Silva
Silva Farms, Gilroy
Sent from my iPhone

Palacherla, Neelima

From: Chuck Flagg <chuck.flagg.writer@gmail.com>
Sent: Saturday, March 05, 2016 7:20 AM
To: Palacherla, Neelima
Subject: SEQ Mystery

Dear LAFCO Commissioners,

I am a long-time resident of Morgan Hill and value the atmosphere of our city and surrounding countryside. To tell the truth, I can't see through the controvesy surrounding the SEQ proposal to discover what would be best for our city and its residents.

I am asking you, who have access to all the information and are sworn to do what is best for our environment, to please make the right decision to save open space and stop sprawl. I hope you will ignore all the lobbyists and do the right thing for us. Thank you.
Sincerely,
Chuck Flagg
2350 Fountain Oaks Drive
Morgan Hill, CA 95037

Palacherla, Neelima

From: Reyna Monarrez <reynamonarrez@gmail.com>
Sent: Saturday, March 05, 2016 8:17 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Reyna Monarrez

Morgan hill

Palacherla, Neelima

From: Gal Mariansky <gmariansky@gmail.com>
Sent: Sunday, March 06, 2016 6:36 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Gal Mariansky

Morgan hill

Palacherla, Neelima

From: Jim Wright <jimtina@yahoo.com>
Sent: Saturday, March 05, 2016 6:18 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

As a long-time resident of Morgan Hill, I must voice my concern about the Southeast Quadrant proposed annexation.

Wherever I go in Morgan Hill, I hear people asking, "What's happening to our town?" Rapid development is evident in all directions. And yet, along Monterey Road, we see vacant lots and many abandoned commercial buildings.

Our community would be better served if these vacant properties were improved and the precious farmland of the Southeast Quadrant were protected.

Please do what you can to stop the annexation and protect the public's interest on this vital issue.

Thank you.

Jim Wright

Jim Wright

Morgan Hill

Palacherla, Neelima

From: Tabitha Buckner <tabala89@hotmail.com>
Sent: Saturday, March 05, 2016 6:33 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Tabitha Buckner

Redwood City

Palacherla, Neelima

From: Alex Casbara <awcasbara@earthlink.net>
Sent: Saturday, March 05, 2016 9:15 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Alex Casbara

Alex Casbara

San jose

Palacherla, Neelima

From: Joelle Garretson <Joelle.garretson@gmail.com>
Sent: Saturday, March 05, 2016 9:57 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Joelle Garretson

San Jose

Palacherla, Neelima

From: C Riesenbeck <me2150@msn.com>
Sent: Saturday, March 05, 2016 10:27 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely, C. Riesenbeck

C Riesenbeck

San Jose

Palacherla, Neelima

From: Gemma Abels <gamhft@garlic.com>
Sent: Saturday, March 05, 2016 10:47 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

As a teacher in Morgan Hill for over twenty years, I understand this region's history in agriculture and farming. There are not many places where you can eat a tremendous meal, drink a tremendous glass of wine, and still be close enough to the city to enjoy plays and the arts. As Silicon Valley grows, it is important that we also preserve the rich history of the valley.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Gemma Abels

Gemma Abels

San Jose

Palacherla, Neelima

From: Janice Perez <Mrsroboto@gmail.com>
Sent: Saturday, March 05, 2016 11:10 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Janice Perez

San Jose

Palacherla, Neelima

From: Chris Manning <christophr.manning@gmail.com>
Sent: Saturday, March 05, 2016 4:16 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of priceless farmland. Moreover, denying this proposal will achieve two noble goals--preserving prime agricultural land and allowing the proposed developments to be built within city limits on the abundance of available vacant land.

As a lifelong resident of Silicon Valley who is currently employed in high-tech, I recognize the need for our environments to grow and change. There is no good reason, however, for this change and development to be done irresponsibly. I value our region's remaining farmland, and want to protect it whenever possible, and especially in situations where there is ample available land for development within current urban limits. Please deny this annexation request. For too long we've encouraged unsustainable sprawl. Let's not keep making the same mistakes, because they will cost us more in the long-run.

Thank you for this opportunity to provide public comment.

Sincerely,
Christopher Manning

Chris Manning

San Jose

Palacherla, Neelima

From: Garik Iosilevsky <Garik.ios1@gmail.com>
Sent: Saturday, March 05, 2016 4:45 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Garik Iosilevsky

San jose

Palacherla, Neelima

From: Colleen Hotchkiss <colleen.hotchkiss@gmail.com>
Sent: Saturday, March 05, 2016 6:03 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland, and as a young farmer, I am deeply and personally invested in the preservation of what farmland we have left in Santa Clara County. As the Farm Manager at Veggielution Community Farm in San Jose, every day I see the impact of our work to keep the agricultural heritage of our county alive. And as I look to the future, and my goal to start my own small farm within the next few years, what worries me most is the unavailability and financial inaccessibility of agricultural land in the Bay Area.

Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Colleen Hotchkiss

Colleen Hotchkiss

San Jose

Palacherla, Neelima

From: Ruth Merino <ruth2222@aol.com>
Sent: Saturday, March 05, 2016 8:37 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Ruth Merino

San Jose

Palacherla, Neelima

From: Kerri Hamilton <kerrihamilton2004@yahoo.com>
Sent: Saturday, March 05, 2016 4:58 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

Please deny the City of Morgan Hill's request to have LAFCo approve the annexation of the Southeast Quadrant. This plan will increase sprawl, which worsens traffic, air quality, reduce quality of life, and farmland. The proposed should be built within city limits on the abundance of available vacant land.

Our region's remaining farmland will become more important with time. Please deny this annexation request so that growth happens in our existing urban areas which is critical to protect our environment. Thank you for your consideration.

Respectfully,

Kerri Hamilton

San Jose

Palacherla, Neelima

From: Amy Evans <Amyevans32@yahoo.com>
Sent: Saturday, March 05, 2016 11:21 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Amy

Amy Evans

San Jose

Palacherla, Neelima

From: Greg Bringelson <Gregory.bringelson@att.net>
Sent: Saturday, March 05, 2016 10:06 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Greg Bringelson

San Martin

Palacherla, Neelima

From: Brendan Ruiz <brendanruiz720@gmail.com>
Sent: Saturday, March 05, 2016 6:16 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Brendan Ruiz

Brendan Ruiz

Santa Clara

Palacherla, Neelima

From: Julie Ceballos <julie.ceballos@waterstoneprojects.com>
Sent: Saturday, March 05, 2016 10:38 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Julie Ceballos

Sunnyvale

Palacherla, Neelima

From: Nancy Reyering <Nanzo@me.com>
Sent: Saturday, March 05, 2016 8:02 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Nancy Reyering

Woodside

Palacherla, Neelima

From: Tom Conrad <conrad@garlic.com>
Sent: Sunday, March 06, 2016 5:15 PM
To: Palacherla, Neelima
Subject: Please vote no on annexing

Hi Neelima,
I live in the county and I don't want to be in the city of Morgan Hill.
I see this annexing as a way to allow building 160 houses on prime agriculture land. The city of Morgan Hill is already having financial problems delivering the services to it residences. I don't see why including more county land will help.
Please vote against the annexing,

Thomas & Phyllis Conrad
16135 Hill Rd, Morgan Hill, CA 95037
408.607.3844

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Cathy Correia <cathydiana8@gmail.com>
Date: March 6, 2016 at 1:32:43 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <cathydiana8@gmail.com>

Cathy Correia
1699 Hamilton Avenue, APT 28
San Jose, CA 95125

March 6, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Cathy Correia

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: Edgar Lo <ehclo@hotmail.com>
Date: March 5, 2016 at 9:14:05 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <ehclo@hotmail.com>

Edgar Lo
1388 Suzanne Ct.
San Jose, CA 95129

March 6, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Edgar Lo

From: Monica Schwenke <jones322@comcast.net>
Date: March 6, 2016 at 4:53:24 PM PST
To: <Mike.Wasserman@bos.sccgov.org>
Subject: Please oppose Morgan Hill's request to annex farmland
Reply-To: <jones322@comcast.net>

Monica Schwenke
322 N. Murphy Avenue
Sunnyvale, CA 94085

March 6, 2016

Dear Mike Wasserman,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Monica Schwenke

Palacherla, Neelima

From: Victor Ruskovoloshin <Victor.Ruskovoloshin@gmail.com>
Sent: Sunday, March 06, 2016 2:32 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Victor Ruskovoloshin

DUBLIN

Palacherla, Neelima

From: Richard McMurtry <Richard@sccreeks.org>
Sent: Sunday, March 06, 2016 8:01 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I have been involved with trying to prevent the urbanization of prime agricultural land since the 1970s when we sought to protect the orchard lands in the Fairfield, CA area. That effort failed and the result is wall to wall houses covering what was once prime agricultural land.

There is an opportunity to not make that same mistake in Morgan Hill. Please deny Morgan Hill's request to LAFCo to annex any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Richard McMurtry

Richard McMurtry

Los Gatos

From: D. Muirhead <doug.muirhead@stanfordalumni.org>
Sent: Sunday, March 06, 2016 10:03 AM
To: Abello, Emmanuel
Subject: LAFCO March 11 Morgan Hill USA Area 1 (SEQ) comments (deny)

Dear Commissioners and Staff of the Santa Clara County
Local Agency Formation Commission (LAFCO),

Comments for the Public Record submitted by Doug Muirhead, a resident of Morgan Hill, for:
LAFCO Public Hearing
Friday, March 11, 2016
Morgan Hill Urban Service Area Amendment
Area 1: Tennant-Murphy (South East Quadrant)

I am writing to ask the Commission to deny Morgan Hill's Urban Service Area expansion for the area commonly referred to as the South East Quadrant.

The 1987 World Commission on Environment and Development defined sustainability as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

Land is simultaneously a commodity that enjoys legal privileges as private property, and a natural resource that is the repository of public values.
"'Hybrid' Farmland Protection Programs: A New Paradigm
for Growth Management", by Edward Thompson Jr.,
Senior Vice President for Public Policy, American Farmland Trust,
William & Mary Environmental Law and Policy Review(Fall 1999)

I am grateful that we have an organization like LAFCO that can provide an independent and objective review of the Morgan Hill proposal.
Securely protecting farmland requires that we are not subject to changing political winds and that our decisions are not based solely on short-term fiscal considerations.

The LAFCO staff report was comprehensive and provided numerous reasons to support the denial. So I will only list the areas I consider most important to your decision.
a) We cannot allow agricultural land to be destroyed now if we have any expectation that future preservation efforts could succeed.
b) We would not be dealing with the City's plans to annex lands if the City had been a committed partner in the efforts by County Planning, LAFCO, and the Open Space Authority (OSA) to create a workable alternative for preservation and funding.
c) The City did not allow its own General Plan update process to consider the SEQ area and has failed to fully engage with our regional partners and City residents.

a) We cannot allow agricultural land to be destroyed now

We need farmland to retain its usability until the recommendations in past studies:
- 1999 American Planning Association (APA) Agricultural Land Preservation Policy Guide

- 2008 Open Space Authority Citizens Advisory Committee Agricultural Land Conservation Recommendations
- 2012 SAGE Feasibility Study for Coyote Valley and future plans:
- California Sustainable Agricultural Lands Conservation Program funding a Southern Santa Clara County Sustainable Agricultural Lands Policy Framework

get us to a point where we are effectively preserving and benefiting from our agricultural lands.

In terms of policy [from APA]
- Farming is a business that also has environmental, public and aesthetic implications
- Agricultural land should be protected and preserved in large contiguous blocks in order to maintain a "critical mass" of farms and agricultural land
- Agricultural productivity must be allowed to be a viable economic activity

The constant risk for farmers is that changes in surrounding land use can render ordinary agricultural practices nuisance-like.
Farming in the "shadow of suburbs" must deal with: increased vandalism of crops and equipment, greater threat of liability, higher insurance premiums, more downtime, higher production costs, lower crop yields, higher stress levels, lower net farm income, failure to invest in farm upkeep and improvements, increased pressure to sell farms for development, and so on. [from 'Hybrid' Paradigm]

Recommendations in previous studies identified the need to have programs which make land available to new farmers at a cost commensurate with farm income, to provide more acreage for experienced farmers, and to address physical and infrastructure needs, both for businesses which support agriculture and housing for their workers.

The argument that land that could be used for residential estates is too expensive for dedicated farming depends in large part on whether you see farming in the Historical Model: one monoculture crop per year on large (> 50 acres) lots serving national and international markets or in the New Sustainable Model:
multiple diverse crops per year on smaller (5-50 acres)
lots serving the local metropolitan area and other markets [from 2008 OSA CAC study: Changing model of local agriculture]

b) City's lack of commitment to non-annexation alternatives

The traditional all-or-nothing preservation approach engenders conflict. The nation's most effective farmland protection programs marry compensation and regulation.
Incentives: High public cost, Slow, Patchwork
Regulations: Low public cost, Quick, Comprehensive In any community where sprawl is visible on the horizon, effective land use regulations must be adopted to buy time for incentives to provide more permanent farmland protection. Incentives, in turn, can help promote the adoption of such regulations by offering landowners the prospect of compensation for the effect that regulations may have on their property values. [from 'Hybrid' Paradigm]

The 2012 SAGE Feasibility Study for Coyote Valley concluded that it is feasible to sustain agriculture and conservation in the Coyote Valley, provided stakeholders take significant, strategic action.
Programs available at that time included
- "Revitalizing Specialty Crop Agriculture" project funded by the California Department of Food and Agriculture (CDFA) Specialty Crop Block Grant program.
- California FarmLink which had developed a statewide program of

economic development support for beginning, limited-resource,
immigrant and other underserved farmers across the state.

The APA suggested that planners could partner with organizations that promote better understanding of farm life for urban dwellers to reduce the urban/rural divide.

In response to critical comments from LAFCO, OSA and the County on the City's Agricultural Lands Preservation Program, the City agreed to join in an effort to develop a workable alternative for preservation and funding for the SEQ. As reported to LAFCO Commissioners by their staff and to OSA Board members by their General Manager, the City was seen as not making a good faith effort because the City failed to hold off on taking key actions (e.g., SRL pre-zoning) on the SEQ plan while the discussions were in progress. Successful models that the partners' staff were beginning to evaluate would have linked economic incentives and initiatives (such as TDRs, conservation easements) with complementary growth management strategies (i.e. well-defined growth boundaries).

Now you have the California Sustainable Agricultural Lands Conservation Program funding the preparation of a Southern Santa Clara County Sustainable Agricultural Lands Policy Framework.
The study area for the Framework includes Coyote Valley south to the Pajaro River / San Benito County Border and runs from January 2016 through January 2018. The City Council at their March 2 meeting expressed support for this effort. But they have previously endorsed other efforts with our partners while at the same time continuing their unilateral plans for City annexation of SEQ lands.

When staff recommended that the City continue implementing its plans for the SEQ in February 2015, they rejected the alternative of deferring actions on all pending SEQ General Plan Amendments until conclusion of the General Plan Update; their reason for not recommending:
"Staff does not anticipate having any more information in two years
that would alter the City's decision."
Ironically, that same day at LAFCO, the agenda item on SEQ status reported on new funding opportunities for agricultural land planning and conservation easements: "the Strategic Growth Council (SGC) approved guidelines for the Strategic Agricultural Lands Conservation Program (SALC)".

c) The City bypassed its General Plan update process

The City has repeatedly stated that its planning processes included more than 10 years of public hearings and community engagement efforts.
I will call those statements "incomplete truths".

In my August 2012 newspaper opinion letter, I pointed out that the "stakeholders" appointed by the City to the Agricultural Preservation program were not identified. City staff said the intent was to get different perspectives of expertise and knowledge. The Council had a
2012 Goal to expand public decision-making and community problem-solving, yet no attempt was made to get input from nor put information out to the
38,000 of us not considered "stakeholders".

The City prevented the General Plan 2035 Advisory Committee from considering the SEQ land use proposal as part of the next General Plan.

The OSA was forced to remove the SEQ from the list of areas they wanted to have declared Priority Conservation Areas. The city objected to the inclusion, even thought the designation did not affect the City's or private land use decisions, but would have allowed grant funding for conservation of Natural Landscapes and Agricultural Lands.

The Mayor recently used the City email list to say that no houses were included in the LAFCO application for the SEQ.

"Morgan Hill's plans do not add any housing to these areas. None."
Technically true for this application. But the draft 2035 General Plan contains Policy CNF-20.1 Southeast Quadrant Land Use Mix:

Require that SEQ achieve mix of sports- and recreation-related uses including retail and dining establishments, a private high school, and limited residential uses.

He also failed to mention that City staff have been working for months with Mr. Jacoby and the Chialas to build many houses in the NE corner of the SW Quadrant; this was presented to GPAC as Opportunity Site 26 on October 8, 2015. The Morgan Hill 2035 EIR will cover the proposal as an option.

In an August 2013 newspaper opinion letter, Morgan Hill resident Charlyn Perreir noted that vacant land in the City near Cochrane and Butterfield would be an ideal location for ball fields, near existing food establishments and hotels. No annexation and destruction of farmland required. The City instead acquired County land in the SEQ from Mr. Jacoby for additional sports fields and then continued to lease the land to an active farming operation.

My hope is that by denying the Morgan Hill USA Area 1 (SEQ) application, the City will re-commit to being a good-faith partner in efforts by County Planning, LAFCO, the Open Space Authority, and other interested parties (such as the San Martin Neighborhood Alliance), to create a workable alternative for preservation of agricultural lands and operations.

Thank you for your consideration,
Doug Muirhead, 15901 Village Way, Morgan Hill, California 95037-5657

Palacherla, Neelima

From: Adriana Garcia <adrianalapoeta@gmail.com>
Sent: Sunday, March 06, 2016 7:30 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl.

Please take the time to hear more testimony from your residents and the guests and admireres of Morgan Hill. Thank you for this opportunity to provide public comment.

Sincerely,

Adriana Garcia

San Jose

Palacherla, Neelima

From: paulinelp62@gmail.com
Sent: Sunday, March 06, 2016 1:33 PM
To: Palacherla, Neelima
Subject: Fwd: Request for Denial

Sent from my iPad

Begin forwarded message:

> **From:** paulinelp62@gmail.com
> **Date:** March 6, 2016 at 1:28:40 PM PST
> **To:** neelima.palacheria@ceo.sccgov.org
> **Subject: Request for Denial**
>
> As a resident/ agricultural property owner within Morgan Hill's Urban Service Area (Southeast Quadrant), I request LAFCO commissioners DENY the city's USA amendment requests for Area 1 (Tennant- Murphy).
> Thank you.
> Pauline L. Price
>
> Sent from my iPad

Palacherla, Neelima

From: Katie Khera <katie.khera@gmail.com>
Sent: Sunday, March 06, 2016 3:34 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Katie Khera

Katie Khera

Morgan Hill

Palacherla, Neelima

From: Jeff harris <jeffharris8@live.com>
Sent: Friday, March 04, 2016 4:47 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Jeff harris

Morgan hill

Palacherla, Neelima

From: Jackie <Jjsbaby0213@gmail.com>
Sent: Friday, March 04, 2016 4:54 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Jackie

Morgan hill

Palacherla, Neelima

From: Laurie Huth <laurie.huth@gmail.com>
Sent: Sunday, March 06, 2016 4:12 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Laurie Huth

San Jose

Palacherla, Neelima

From: Maureen Spitz <mmspitz@sbcglobal.net>
Sent: Sunday, March 06, 2016 11:15 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Maureen Spitz

San Jose

Palacherla, Neelima

From: Terry Christensen <Terry.Christensen@sjsu.edu>
Sent: Sunday, March 06, 2016 12:33 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I hope you'll give very careful consideration to the request of the City of Morgan Hill to have LAFCo approve the annexation of any part of the Southeast Quadrant. While I strongly support growth in our valley if it efficiently provides greater access to housing, it seem to me that this plan will only exacerbate urban sprawl and traffic congestion and shrink the open space and farmland in what we all loved as the Valley of Hearts Delight.

Thank for your consideration.

Sincerely,
Terry Chrirstensen

Terry Christensen

San Jose

Palacherla, Neelima

From: Yan-Yin Choy <yanyinchoy@gmail.com>
Sent: Sunday, March 06, 2016 2:14 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Yan-Yin Choy

San Jose

Palacherla, Neelima

From: Patrick Mauri <pmauri99@gmail.com>
Sent: Monday, March 07, 2016 11:00 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Patrick Mauri

San Jose

Palacherla, Neelima

From: Galli Basson <galli92@yahoo.com>
Sent: Sunday, March 06, 2016 7:27 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Galli Basson

San Jose

Palacherla, Neelima

From: john thomson <johnthomson302@gmail.com>
Sent: Sunday, March 06, 2016 2:21 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

john thomson

santa clara county

Palacherla, Neelima

From: Ramesh Mantri <ramesh.s.mantri@gmail.com>
Sent: Sunday, March 06, 2016 1:36 PM
To: Palacherla, Neelima
Subject: Please Deny SEQ USA Amendment/Annexation

Dear LAFCO Commissioners,

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of our city if you approve this request.

The City has not demonstrated the need for this land which means it is a plan for sprawl. The City has also not made a concerted effort to get residents' input on the SEQ plan. My information about the City plans for the SEQ has come from Thrive! Morgan Hill. The City did not make it easy to follow what was going on like they have for so many other issues. This is unacceptable for such an important decision.

My understanding is that LAFCo's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands.

The City's request is completely counter to those ideals. Please deny their request.

Sincerely,
Ramesh Mantri

Palacherla, Neelima

From: TODD M BARRERAS <barreras33@verizon.net>
Sent: Monday, March 07, 2016 10:17 AM
To: Palacherla, Neelima

Save our county. as a resident on Fisher Ave in Morgan Hill we do not want to be An axed in to the city limits. the city has many problem of there own and all they will do is create a mess out hear. they have so much property in city limits to utilize they should concern them self's with that. they are not trustworthy and quite trying to spend money that they don't have. sincerely Shawn Barreras
I am concerned that there are property owners that don't live on fisher and rent there homes and land out that need to know about all this.

Palacherla, Neelima

From: Jeff Segall <jeff_segall@yahoo.com>
Sent: Monday, March 07, 2016 10:51 PM
To: Palacherla, Neelima
Subject: Morgan Hill proposed South East Quadrant USA expansion

Dear Ms. Palacherla and members of the LAFCo Commission,

I am very concerned with the proposed annexation of farmlands into the urban service area of Morgan Hill, especially when there is clearly abundant development potential within the current city limits of Morgan Hill. The process the city of Morgan Hill in putting forward this proposal has been deeply flawed, from shoddy environmental documentation to very poor community outreach. To approve this proposed annexation would be a serious error on the merits, and would break with long held precedents, leading to an avalanche of similar proposals in South County.

Please reject this unneeded and unwise proposal for more sprawl onto our little remaining farmlands.

Thank you for consideration of my comments.

Regards,

Jeff Segall
655 California St.
Mountain View, CA

Palacherla, Neelima

From: David Simon <desimon@earthlink.net>
Sent: Monday, March 07, 2016 8:21 AM
To: Palacherla, Neelima
Subject: Morgan Hill annexation of Southeast Quadrant

Commissioners, Local Agency Formation Commission,

I'm writing to oppose the annexation of any part of the Southeast Quadrant to Morgan Hill. The annexation plan will increase sprawl and the associated traffic and cause the unnecessary loss of farmland. The proposed uses for this land can and should be built on available vacant land within the current Morgan Hill city limits.

Thank you for this opportunity to comment.

---- David Simon
---- Los Altos

Palacherla, Neelima

From: David Simon <desimon@earthlink.net>
Sent: Monday, March 07, 2016 8:21 AM
To: Palacherla, Neelima
Subject: Morgan Hill annexation of Southeast Quadrant

Commissioners, Local Agency Formation Commission,

I'm writing to oppose the annexation of any part of the Southeast Quadrant to Morgan Hill. The annexation plan will increase sprawl and the associated traffic and cause the unnecessary loss of farmland. The proposed uses for this land can and should be built on available vacant land within the current Morgan Hill city limits.

Thank you for this opportunity to comment.

---- David Simon
---- Los Altos

Palacherla, Neelima

From: Tanya Diamond <tanya@pathwaysforwildlife.com>
Sent: Monday, March 07, 2016 9:15 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Tanya Diamond

Los Gatos

Palacherla, Neelima

From: Joseph and Ernestine machado <machado0568@sbcglobl.net>
Sent: Monday, March 07, 2016 8:06 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Joseph and Ernestine machado

16685 Trail Dr.

Palacherla, Neelima

From: Carol Frazer <cablfraz@charter.net>
Sent: Monday, March 07, 2016 4:02 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, (the traffic in and around Morgan Hill is making it difficult to get around now) reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Carol Frazer

Morgan Hill

Palacherla, Neelima

From: Lisa Hays <LH02@doctorhays.com>
Sent: Monday, March 07, 2016 4:31 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,
I've delayed writing this letter until now because there are SO many reasons why I oppose incorporating the SEQ into the city limits.
1. I grew up across the street from a peach orchard north of Sacramento in Yuba City. It's all gone. Paved over for apartments. Now I live across from red pepper and napa cabbage fields in Morgan Hill. I'm so glad my triplet children get to enjoy country living before it's snatched away from us.
2. Have you ever been to Lincoln, CA? My parents and sister live there. It reminds me a lot of Morgan Hill. A small town with rice fields and a rodeo arena on the side of the highway. 10 years ago it became a massive urban sprawl with thousands of new homes, each looking exactly like the other. SUVs in all of the driveways with no trees to protect them from the hot sun of the valley. Mall after mall after mall. There's no character left in Lincoln. It's just a flat concrete monopoly board. I hope that doesn't happen to Morgan Hill.
3. I am a biology professor at Evergreen Valley College. Today in my Plants and Human Welfare class we talked about the extinction of plants. "Why are plants becoming extinct?" "Us" a student answered. The whole class agreed. They know that their parents and grandparents are destroying their world in which they hope to live to 100 years old. Politicians can't see the world that they are leaving for their great great grandchildren. Professors can.
4. Have you tried driving home at 5PM M-F on 101 south? Remember when it used to be 2 lanes? Now it's 4 and still an awful backup coming to Cochrane Rd. Building more homes in Morgan Hill will make it even worse.
5. Today in the car on my way home from teaching I heard a song by Counting Crows called Big Yellow Taxi. It inspired me to write to you. The lyrics go like this:
"They paved paradise and put up a parking lot
With a pink hotel, a boutique, and a swingin' hot spot
Don't it always seem to go
That you don't know what you got 'til it's gone
They paved paradise and put up a parking lot
They took all the trees, and put em in a tree museum
And they charged the people a dollar and a half to see them
Hey farmer, farmer, put away your DDT
I don't care about spots on my apples,
Leave me the birds and the bees
Please
Don't it always seem to go
That you don't know what you got 'til it's gone
They paved paradise and put up a parking lot"

I hope you choose to say NO to the city of Morgan Hill.
Sincerely,
Lisa Hays, Ph.D.

Lisa Hays

Palacherla, Neelima

From: Dean Samos <dsamos@gmail.com>
Sent: Monday, March 07, 2016 8:42 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Dean Samos

Palo Alto

Palacherla, Neelima

From: Nancy Hubbart <nhubbart@yahoo.com>
Sent: Monday, March 07, 2016 7:16 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Nancy Hubbart

Redwood City

Palacherla, Neelima

From: Cynthia Leeder <cynthia1952@sbcglobal.net>
Sent: Monday, March 07, 2016 9:29 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Cynthia Leeder

San Jose

Palacherla, Neelima

From: Kirk Vartan <kirk@kvartan.com>
Sent: Monday, March 07, 2016 6:21 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. We need to plan for the density needed in our cities and our county. Suburban sprawl is the death of this area. Building great cities and areas requires smart growth principles. The Comittee for Green Foothills is a great organization and you should follow their lead and ideas.

Thanks for listening to the public.
Sincerely,

Kirk Vartan

San Jose

Palacherla, Neelima

From: Sandy Eaton <sandy_eaton@msn.com>
Sent: Monday, March 07, 2016 2:56 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Sandy Eaton

San Jose

Palacherla, Neelima

From: William Eaton <123_23237@msn.com>
Sent: Monday, March 07, 2016 3:09 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely, William Eaton

William Eaton

San Jose

Palacherla, Neelima

From: Steve McHenry <stephen.l.mchenry@gmail.com>
Sent: Monday, March 07, 2016 3:33 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Steve McHenry

San Jose

Palacherla, Neelima

From: Rhonda Lakatos <brlakatos@comcast.net>
Sent: Monday, March 07, 2016 11:46 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

Please oppose the City of Morgan Hill's request to annex any part of the Southeast Quadrant. I oppose this idea. It would reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

As an urban county dweller I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Rhonda Lakatos

San Jose

Abello, Emmanuel

From: dan djk <danbear2k@yahoo.com>
Sent: Tuesday, March 08, 2016 10:36 AM
To: LAFCO
Cc: Frances Nance
Subject: Morgan Hill SEQ

Related to 3/11/16 meeting
My entire family and 90 % of my neighborhood are Strongly Recommending LAFCO board Deny Morgan Hill petition to expand The SEQ application.
The reasons are as stated:

1 traffic Mitigation is inadequate
Peak loads are intolerable as is!
Local and freeway and any additional traffic will be disastrous!
In my small neighborhood.

Without expanding all roads including 101 Watsonville red Monterey Ed Condit ave Maple ave Hill ave Etc.

And all roads north and south of said project are Inadequate!!

2 Air Quality had rapidly deteriorated in the last few years Due to over building and traffic delays.
My asthma is worse due to
Poor air quality.

3 plant life near the SEQ is dying rapidly And wildlife are being destroyed daily by current traffic.
Imagine what will happen if it goes forward!!.

4 I heard the Open Space Authority has also raised these concerns!!
They ate the Professionals!

5 there is no need to expand city limits There are a large number of vacant lots throughout the city that can be used for all purposes.

6 the Water supply has already been compromised by perchlorate and possible graveyard development projects!
I have seen struggling and dead wildlife in the creeks like never seen before!

7 financial inadequacies in Morgan hill.
The city barely maintains its existing open spaces and parks, Maintenance means throwing a load of ugly bark or rocks on the ground , and many areas are weeded 6 feet high with fire hazards! Why add to this problem??

8 inadequate fresh water is already
An issue.
My water Rate and bill has been doubled since 2015 And I have artificial turf!!
Expansion has the result of quadrupling in town that expenses to pay for poorly designed sewers and failing water lines.

9 why expand now when the city is in
Financial crises? Is there a special interest being given preferential treatment?

We the people want to know!!

Due to the 9 serious and critical issues above as well as lowering our quality of life and turning Morgan Hill into a San Jose, We STRONGLY urge the LAFCO board To DENY this Application indefinitely.

We recommend Morgan Hill learn to digest what lands and waterways it has the opportunity to currently manage in a sociall responsible manner .

Sincerely,

Daniel J Kenney
241 via Naretto
Morgan Hill, Ca 95037
408 778 0951

Sent from my iPhone

Palacherla, Neelima

From: Daniel Scott <danielscott1865@gmail.com>
Sent: Monday, March 07, 2016 9:07 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

Farming is quite valuable to is consumers that enjoy buying local produce. As a person that lives in one of the most developed parts of the entire country, I personally love buying products from the Gilroy region. Please keep this land as farmland.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Daniel

Daniel Scott

Santa Clara

MORGAN HILL USA AMENDMENT 2015

COMMENTS

	FROM	AGENCY/ ORGANIZATION	PROPERTY OWNER IN SUBJECT AREA	DATE	POSITION
1	Erin Gil	Farm Bureau - Santa Clara County		03/01/16	Comments
2	Kirsten Perez	Morgan Hill Unified School District		03/07/16	Comments
3	Julie Driscoll			12/28/15	Comments
4	Julie Driscoll			01/14/16	Comments
5	Julie Driscoll			02/05/16	Comments
6	Julie Driscoll			02/28/16	Comments
7	Julie Driscoll			03/06/16	Comments

Palacherla, Neelima

From: Santa Clara County Farm Bureau <info@sccfarmbureau.org>
Sent: Wednesday, March 02, 2016 9:37 AM
To: Cat.Tucker@ci.gilroy.ca.us
Cc: Palacherla, Neelima; Jess Brown; erin@grassfarminc.com
Subject: Letter from the Santa Clara County Farm Bureau
Attachments: LAFCO Ltr Erin Gil SCCFB 2016.pdf

Please see the attached letter from President Erin Gil and the Santa Clara County Farm Bureau Board of Directors.

Thanks,

Jess Brown
Executive Director
Santa Clara County Farm Bureau
605 Tennant Ave., Suite H
Morgan Hill, CA 95037
(408) 776-1684 (P)
(831) 818-1193 (C)
Jessbrown@sbcglobal.net

Santa Clara County Farm Bureau
605 Tennant Ave., Suite H, Morgan Hill, CA 95037
(408) 776-1684
info@sccfarmbureau.org
www.sccfarmbureau.org

March 1, 2016

Cat Tucker, Chairperson
LAFCO of Santa Clara County
9440 Eagle View Way
Gilroy, CA 95020

Let's save Santa Clara County Agriculture!

Dear Chairperson Tucker & Commissioners,

It is exciting to see so many members of the community in defense of agriculture. As a second generation farmer from Santa Clara County it is great to see; but as a grower, I wish there was more understanding of how agriculture operates safely for our community, it's consumers as well as the diverse benefits it returns to the community.

A frequently asked question comes up ... 'what is the health of the agricultural community or does it really exist?'

At first thought, you may not believe farming & ranching are doing very well. Such endeavors are more and more hidden from Santa Clara County as open lands are replaced by asphalt, concrete, roof lines, etc....

The answer is more complex for urban edge farming; but, fortunately, Santa Clara County has an Agricultural Commissioner, Mr. Joe Deviney, whose forward thinking has brought about great answers to this complex question. In collaboration with ERA Economics and help from local growers and ranchers, a good answer was brought forward through sound economic analysis to quantify Santa Clara Counties Ag Value. Ag's valuation to Santa Clara County in 2015 is 8150 jobs and 1.6 Billion in economic stimulus. More so than many of us in the Ag industry thought at the time it came out.

Agriculture is incredibly responsive to the needs of the community and is currently doing very well. Not to say there are some large threats to the health of these industries, but for now it is showing signs of stabilization. How well is well? Here are some highlights to the report:

> *The resource base of agricultural land declined significantly in the 1980's and 1990's, but has recently stabilized. The value per acre and the value per worker created by Santa Clara County agriculture has continued to increase and has never been higher.*
>
> *Agriculture provides diverse stable employment opportunities for both skilled and unskilled laborers.*
>
> *Like the other high-tech industries in Santa Clara County, agriculture is growing in productivity per unit worker and per unit land.*
>
> *The Santa Clara County Open Space Authority estimated that the total value of Santa Clara County natural capital exceeds $45 billion. Agriculture preserves some of these vital natural processes and adds to the character of the county.*

Agriculture can be viewed as self-financing open space, providing important ecosystem service values to county residents

https://www.sccgov.org/sites/ag/news/Documents/AG_Economic_Report_WEB_Final.pdf

Santa Clara County needs to continue with the stabilization of productive open lands.

When asked about land use policies, mitigation and how best to use areas for productive open space such as farming, ranching and other agricultural uses, the California Farm Bureau Federation (CFBF) uses language in a way that agriculture feels best represents it's thoughts in the following statement:

> *"Proposals to use agricultural land for mitigation should be considered by each county Farm Bureau on their own merits on a case-by-case basis. CFBF supports the use of voluntary agricultural conservation easements, when mitigation is required for farmland conversion. We oppose government mandated deed restrictions or easements acquired by the use of eminent domain. Subsequent easements granted on lands with agricultural easements should not restrict or reduce the agricultural productive capacity of the land, including crop choice."*

The efforts of notable agriculture families, such as the Chialas, is generous and real. Many counties are discovering ways to integrate and weave agriculture into the community. Santa Clara County ought to do the same. Much applause and gratitude should be lauded on those, private and public, who entertain such ideals and work towards improving our community because the environment will benefit.

How you may ask? Equally important are the Eco System Benefits attributable by open lands. And Agriculture plays a role in delivering these benefits to surrounding communities free of charge.

Ecosystem benefits include: Flood Control, Ground Water Recharge, Water Quality, Pollination, bio diversity and Open Space. Benefits that are easily overlooked but have measurable values for our community.

So the next time you visit your favorite local nursery, winery, pumpkin patch or local farmers market, be sure to thank them for doing great things for the economy, environment and the communities health.

We surely love to hear it! Working towards a balanced, healthy community benefits all.

Sincerely,

Erin Gil
President

cc: Neelima Palacherla, Executive Officer

MORGAN HILL UNIFIED SCHOOL DISTRICT
15600 CONCORD CIRCLE • MORGAN HILL, CA 95037 • (408) 201-6023

Delivery: USPS
Email: John.Baty@MorganHill.CA.gov

March 7, 2016

John Baty, Senior Planner
Community Development Department - Planning Division
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

Re: Morgan Hill 2035
Draft EIR (SCH#2015022074)

Mr. John Baty:

Morgan Hill Unified School District ("MHUSD") appreciates the opportunity to communicate with you concerning the Draft Environmental Impact Report for the Morgan Hill 2035 Project ("DEIR"). We oppose the DEIR because it fails to recognize that the City has been unable to identify sufficient land within the City of Morgan Hill ("City") to meet the District's needs thereby requiring the MHUSD to identify land for acquisition outside the current city limits.

The DEIR appears inconsistent with the City's General Plan and General Plan Amendment which indicate that the City shall work in partnership with the MHUSD to develop school facilities. School districts and local government depend on each other. A growing community places greater demands on the school system, thereby creating a need for more or expanded schools. Likewise, a new school often stimulates significant traffic as well as residential development near the new school site. Thus, the actions of one entity affect the interests of the other. Given this fact, it is imperative that MHUSD and the City work together to site schools.

The Santa Clara County Local Agency Formation Commission ("LAFCO") has given written objections to schools being built outside of City limits. As LAFCO is the state mandated local agency established to oversee the boundaries of cities and special districts, MHUSD has shared with LAFCO's its present concerns about lack of available land within the current City of Morgan Hill boundaries as the justification for the need to purchase and develop property in the South East Quadrant ("SEQ").

Insufficient Land

The DEIR fails to recognize that there is not sufficient land within the city limits to accommodate the District's needs. Based on the DEIR, which currently recommends increasing the population limit for the City of Morgan Hill to 64,600, the District anticipates that it would need to construct a minimum of four elementary schools and two secondary schools. According to tables 4.13-4 and 4.13-5 of the DEIR, MHUSD enrollment is projected to be between 11,864 and 13,611 students, which greatly exceeds the current facility capacity of 9,754.

MHUSD has the responsibility of anticipating the changing school facility needs of the Morgan Hill community to ensure a physical environment that is comfortable, safe, secure and accessible. The District believes that "neighborhood schools" enhance the social, economic and physical character of the City. In addition to educating young people, "neighborhood schools" provide physical places for the community to gather for cultural or sporting events, walk the dog, or play in the playground or school field.

Acquiring new school sites is a big challenge, in part because of the California Department of Education's regulations which determine the acreage requirements. According to the California Department of Education, MHUSD is required to obtain a minimum of 10 acres to build an elementary school, 25 acres for a middle school and 40 acres for a high school.

The District has requested the assistance of the City of Morgan Hill Planning Department in determining potential locations within the City's current boundaries for future schools and planning for serving our community with sensible education school building placement. In discussions with the City of Morgan Hill staff, it was determined that they are few available parcels within the City that currently meet District's requirements. The lack of available land within the City's current boundaries has forced the District to examine potential school sites along the urban periphery including the unincorporated county. Locating a school outside of the City is contrary to the District's belief in "neighborhood schools" but at this point the District has very limited options.

Conflicts with the City's Current General Plan

The City's Current General Plan Goal of useful, accessible and high-quality park, recreation and trail facilities and programs includes (page 49 and page 50):

> 18.2 Encourage partnerships with other agencies and organizations, including the Morgan Hill Unified School District (MHUSD) and other schools, Santa Clara Valley Water District, and the Santa Clara County Parks and Recreation Department, to acquire and develop parks and recreation facilities.
>
> 18.3 Work in partnership with MHUSD and other schools where appropriate to identify potential locations for future parks adjacent to future schools in areas currently underserved by parks. Where feasible, the lead agency (MHUSD or the City) shall acquire the full amount of land needed for the school/park, with the other agency

agreeing to pay its fair share. Also consider partnerships to enhance community recreational use of existing and proposed school facilities.

18.4 Joint use agreements between the City and MHUSD shall be developed for all new school/neighborhood parks identifying maintenance responsibilities and maximizing shared use of resources where mutually beneficial. Also consider partnerships to enhance community recreational use of existing and proposed school facilities.

The DEIR fails to recognize the need to develop parks and recreation facilities in partnership with MHUSD and the plan does not identify areas where future facilities and schools can likely be placed for with adequate land needed for a park/school. The areas specified for development and school use are, in fact, ignoring any public school need to meet general plan goals. The document does not recognize any predictable public school placement in the area to be annexed. The DEIR disregards the impacts the necessary school development will have on traffic, land use, noise, and planned recreational facilities.

No conversations or agreements have been reached between the City and MHUSD for cooperative activities and partnerships to enhance community recreational use of proposed school facilities. MHUSD has communicated to City staff that the District is currently seeking to acquire property for future school development. Given where the MHUSD schools are currently located and where the population needs and trajectories are going, we have explained that one of the preferred places for the two additional secondary schools is in the SEQ. .

MHUSD looks forward to working cooperatively with the City to develop a new secondary site in the SEQ which would allow MHUSD access to the City's sports and recreation facilities in accordance with action 18.4 of the current General Plan.

LAFCO's Objections

Due to the land restrains within the city limits of Morgan Hill, building school sites outside of city limits would be necessary. However, MHUSD in receipt of a letter from LAFCO, dated February 2, 2016, regarding their objections to "urban sprawl" and is encouraging the District to look within city limits for future facility needs. The letter also reitterates Santa Clara County's refusal to allow urban developments in unincorporated areas, its inability to provide "urban services such as sewer and water service" as well as the need for LAFCO's approval to provide services outside of its boundaries, per State law.

Without LAFCO's support, expanding MHUSD's school sites outside of the city limits is improbable and increases the burden placed on the District to locate preferred sites within the city limit.

Conclusion
The impact of the DEIR is quite significant to the facility needs of MHUSD. Without proper consideration, it would cause issues in the future as the District will not have sufficient sites to accommodate the projected population growth. MHUSD requests that the DEIR take into account the needs of the students of Morgan Hill for preferred school sites.

Regards,

Kirsten Perez
Assistant Superintendent Business Services

cc: Steve Betando, Morgan Hill Unified School District, Superintendent
Steve Rymer, City of Morgan Hill, City Manager
Neelima Palacherla, Local Agency Formation Commission of Santa Clara County, Executive Director
Anessa Espinosa, Morgan Hill Unified School District, Director Facilities,

Attachments: LAFCO Letter dated February 2, 2016

LAFCO
Local Agency Formation Commission of Santa Clara County

February 2, 2016

VIA EMAIL [betandos@mhusd.org]

Steve Betando, Superintendent
Morgan Hill Unified School District
15600 Concord Circle
Morgan Hill, CA 95037

RE: FEBRUARY 2, 2016 MHUSD BOARD MEETING AGENDA - CLOSED SESSION ITEM A.2.E. "CONFERENCE WITH REAL PROPERTY NEGOTIATORS"

Dear Mr. Betando,

It has come to our attention that the Morgan Hill Unified School District's (MHUSD) February 2, 2016 Board Meeting Agenda includes a Closed Session Item A.2.e. "Conference with Real Property Negotiators" involving six parcels (APNS 817-18-001 & 002; and APNs 817-16-002, 003, 004, & 005) within an unincorporated area known as the Southeast Quadrant, a predominantly agricultural area. It appears that the District may be considering whether to purchase the properties as potential sites for facilities such as a future middle school and/or a high school.

As you may be aware, the Local Agency Formation Commission of Santa Clara County (LAFCO) is a state mandated independent local agency with countywide jurisdiction. Its primary goals are to discourage urban sprawl, preserve agricultural and open space lands, and encourage efficient delivery of services. LAFCO regulates the boundaries of cities and special districts; and the extension of services outside an agency's boundaries. State law and LAFCO policies encourage the development of vacant lands within existing city limits and require that urban development be steered away from existing agricultural lands. Therefore we encourage the District to explore opportunities within the Morgan Hill city limits for future school sites or other facilities.

The subject properties are also part of a major urban service area amendment application from the City of Morgan Hill that is currently under review by LAFCO staff and which will be considered by LAFCO at its March 11, 2016 Public Hearing. According to the documentation that LAFCO received from the City in support of this request, these parcels are planned for sports, recreation, and leisure type of uses and not for a public facility use. If LAFCO does not approve the City's request, these lands will remain unincorporated.

You may also be aware that Santa Clara County does not allow urban development to occur in the unincorporated area and does not provide urban services such as sewer and water service in the unincorporated area, consistent with the longstanding countywide urban development policies which state that urban development should occur only on lands annexed to cities and not within unincorporated areas; and that the cities should be responsible for planning, annexing and providing services to urban development within their urban service areas in an orderly, planned manner.

Additionally, State law does not allow a city to provide services outside of its boundaries without LAFCO's approval and LAFCO policies discourage such extension of services outside jurisdictional boundaries.

Therefore, we respectfully request that you consider these issues prior to considering siting schools or district facilities in the unincorporated area. Please distribute this letter to the District's Board of Directors for their consideration of Agenda Item A.2.e.

If you have any questions regarding the information presented in this letter, please contact me at (408) 299-5127.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Cc:

LAFCO Members
Steve Rymer, City Manager, City of Morgan Hill
Kirk Girard, Director, County Planning and Development Department

Subject: LAFCO Consideration, Please--Labor Commissioner

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Monday, December 28, 2015 1:16 PM
To: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>
Cc: Cortese, Dave <Dave.Cortese@BOS.SCCGOV.ORG>; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Steve Tate <Steve.Tate@morganhill.ca.gov>; Senator.Beall@senate.ca.gov; CA Oosterman John - FSA Davis <John.Oosterman@ca.usda.gov>; mark.hultgren@ca.usda.gov; Stephen Vernon <Stephen@gilfix.com>; jRosen@da.sccgov.org; jBoyarsky@da.sccgov.org; andrew.crabtree@morganhill.ca.gov; Jim.Rowe@morganhill.ca.gov; Leslie.Little@morganhill.ca.gov; Marilyn Librers <Marilyn.Librers@morganhill.ca.gov>; Joseph Mueller <joemueller@verizon.net>; fcilia@dsj.org
Subject: LAFCO Consideration, Please--Labor Commissioner

Dear Emmanuel,

My understanding is that a Meeting
is scheduled by LAFCO in early
February, to discuss the future of the Southeast Quadrant in Morgan Hill.

I believe there are important
matters to take into consideration
throughout, which may be identified
in various governing documents,
as to what has happened -- is it legal,
by all governing documents, at
every government level. The
Initiating principles of 50/50
agricultural mitigation, has shifted
from its originating foundation,
whereby, now, there are drastic valuation differentials that are becoming more and more to be at the loss or expense of the MH SEQ property owners, by imposed agricultural preservation, not being evenly distributed, as initially represented.

All matters equal, all agricultural
properties began with equal status,
with 50/50 agricultural mitigation requirements, identified at outset.

Development happens, certain
properties are enriched, while
MH SEQ properties, bearing the
brunt of the agricultural preservation
requirements, by shift, are suddenly,
unjustly impoverished, because the
50/50 mitigation is now concentrated
in the MH SEQ. Development reaps
much higher returns and value
than agriculture.

I will explain how the

50/50 agricultural mitigation requirement in the City of Morgan Hill, enriches certain properties and financially impoverishes other properties, posing the question, is this unconstitutional in County, State and/or Federal laws, when this form of "mitigation," is imposed as a general "shift" requirement,as an overall City of Morgan Hill stipulation, first initiated on a neutral basis, but becomes a factor of unequal enrichment, benefitting certain areas, benefitting developers, but works to now impoverish MH SEQ property owners?

All of a sudden, the initial foundational base, of agricultural land in City of Morgan Hill, all areas once equal, with development, the agricultural preservation, heavily shifted over to the MH SEQ, while MH development escalates the value, of previously zoned equal agricultural land to development. Property owners in the MH SEQ become victimized by this imposed agricultural preservation shift concentration to the MH SEQ after the development, which technically, now cannot be labelled 50/50, equal for all of Morgan Hill, any longer.

THE AGRICULTURAL MITIGATION AND PRESERVATION IS REALLY NOW BECOMING TO BE AT THE EXPENSE OF THE MH SEQ PROPERTY OWNERS, WITH THIS CONCENTRATED SHIFT.

This alters the initial parameters of 50/50 mitigation, whereby, there may be legal unjust enrichment and legal unjust impoverishment considerations applicable.

The parameters of 50/50 agricultural mitigation is no longer equal property valuation, as it was at the outset. Is this identified in LAFCO guidelines?

Separately, State of California (alone) is attempting to collect around $300M, (which would be more with interest), in unpaid wages.

I believe future proactive prevention is important not to add to the violations in employment law and this wages unpaid figure. Agricultural preservation without strong business or development in the MH SEQ would encourage employment law violations and wages unpaid,

for the future, with agriculture passé.

Many property owners
in the MH SEQ, could not afford to
take crops from seed to harvest,
with the crew necessary to harvest
crops, complying to federal and
state employment laws. I do
not believe it is ethical to affix
a label of agricultural preservation,
if there is not business strong enough
to support agricultural preservation,
on an independent basis.

I have letters enroute to the Offices
of California Senator Jim Beall,
California's Labor Commissioner
Julie Su and US Department of
Labor Secretary, Thomas Perez,
on various issues, in time for after the New Year Holiday. I plan to mention this imposed agricultural preservation mitigation issue when it is so impossible in Silicon Valley 2016, unless there is strong business to support the agricultural preservation as fancy landscaping, with ideas on how future unpaid wages in California can be prevented, using the MH SEQ history and future plans as an example.

I simply believe that all levels of government and officials should be "on standby" to oversee the legal compliance, feasibility calculations of agricultural preserve in the MH Southeast Quadrant, 2016.

All government officials, City,
County, State and Federal, obligated
to promote and facilitate property
zoning, which will be compliant
to employment laws, not promote
zoning and decision making that
will lead to more unpaid wages
to be collected later, that economics
impossible will certainly bring,
with legal violations. This is the
responsibility every government
official owes to our Country
and citizenry--through decision
making processes, to please lead,
with decisions that will benefit,
not mislead, into legal violations.

Where unwise decisions mislead,
causing violations and unpaid wages,
impeachments may become
inevitable, to elect officials who
understand wise zoning decisions
in Silicon Valley radius communities,
modern laws and financial economics, what works and does not longer work.

The property owners in the MH Southeast Quadrant, on an overall basis, have been the "agricultural mitigators," while development builds and thrives in other areas of Morgan Hill. We, in MH SEQ, in essence, are being given short "shrift," bearing the burden of "agricultural mitigation" shift, cast upon the SEQ, while other areas of MH development enjoy lucrative "enrichment" that development brings--at our expense.

Scales in property values, have tipped, with this short shrift and shift of MH SEQ agricultural preservation/ dispositioning over to the MH SEQ-- so how do MH SEQ property owners equalize this property zoning and value shift, economically, which has been imposed, through time and development concentrated in other areas of Morgan Hill?

Do we assert "unjust enrichment" to be victimized in the MH SEQ by the agricultural mitigation rule, by imposition, without consent?

Many property owners cannot economically relive 1930's style agriculture in 2016-- unless there is a very lucrative business on site, to treat the "agricultural preserve" as expensive landscaping, or esthetic hobby.

This is no longer equal, fair 50/50 agricultural mitigation and preservation, as development reaps exponentially higher figures in other areas of now developed Morgan Hill, property appreciation figures, values, while the property owners in the MH SEQ, are unjustly deprived the equal level of "enrichment," with an imposed label of agricultural preservation instead of a 2016 appropriate property zoning label, which will be profitable and lucrative for all.

The scales are now tipped, to be of disadvantage to MH SEQ property owners, even if we implement 50/50 ag mitigation on our own properties. We are still affected, because real estate is affected by neighboring property values, not being equal in value as developed areas of Morgan Hill that have tossed their mitigation requirements upon the MH SEQ property owners to carry the figurative load of agricultural passé consequences 2016, in the MH SEQ.

I believe we need to have federal, state labor officials oversee any

and all future "agricultural preservation" zoning areas, to prevent, at the very outset, labor non -compliance, brought by imposed agricultural deficient profits 2016, high Silicon Valley financial cost of living economics, in the area, so that the figure approaching $300M, in unpaid wages, the State of California is trying to collect, is not compounded, further by agricultural passé.

Federal tax, by definition, is also involved, on wages unpaid, so the US Department of Labor should also be brought in to monitor MH SEQ planning. I believe that setting the precedent, using MH SEQ as a prototype example, would serve as a proactive means to prevent the approaching $300M in unpaid wages, from becoming $500M plus in unpaid wages. In other words, wise planning for high economic Silicon Valley needs to be placed on a proactive and preventative path now with zoning that is compatible to the economics of Santa Clara County, not Yolo County, which is worlds apart in geographical comparisons.

Time is high that the MH SEQ properties are taken out of being the "fall zones" to be the Agricultural Preservation mitigators with consequences at SEQ expense, for developed areas of Morgan Hill, to be greatly enriched, at expense of unjust economic deprivation, shifted over to the MH SEQ, through the label of agricultural preserve-- which really it is not. Take a drive around and view barren fields, as agricultural preservation, it is not. It is not right nor fair to inflict significant economic impoverishment to property owners in the MH SEQ, while developers and development, heavily concentrated in other areas of Morgan Hill, enjoy a form of "unjust enrichment" through this "shift" at the MH SEQ property owners' expense.

Thank you very much for your consideration and review.

Julie Borina Driscoll

From: Julie <julieboridriscoll@sbcglobal.net>
Sent: Sunday, March 06, 2016 6:06 AM
To: Cheung, David; Theis, Shelly
Cc: Hilbrants, Carl; jRosen@da.sccgov.org; jBoyarsky@da.sccgov.org; Abello, Emmanuel; Stephen Vernon; Attorney Bruce Tichinin; Steve Tate; andrew.crabtree@morganhill.ca.gov
Subject: Water Reservoir? West Nile Concerns

Dear Mr. Chueng,

RE: NURSERY ON TENNANT AVE
MORGAN HILL, CA

(Possible concerns of standing water breeding West Nile virus, if water reservoirs are planned around nursery).

ESTABLISHING PURPOSE:
Would you or your staff kindly advise if the following SCC plan has taken into consideration thousands of students in the immediate MH area--if the the property to the east of Borina Tennant Enterprises, LP, has below ground level surface areas being dug up, in what resembles, in appearance, to be small water holding reservoir(s), but application is factually unknown at this time. There still is heavy excavation equipment on site, which may indicate, more work is in progress.

There are school(s), which will be occupied by thousands of students within very close proximity.

Catholic High School, 1600 students.

Morgan Hill Unified has approached neighbors near the former T-1 site, diagonal to the southeast of Catholic Diocese High School Project, on Murphy and Tennant.

(Neighbors have stated preference for a Sports/Leisure Land Use), which may result in future tendency to move eastward on Tennant, area of where there were previous studies performed for a school).

Theoretically, fast forward in time, there could be thousands of

people in the area along Tennant Avenue. Not far from the road, if these are water holding reservoirs, there could be concerns for drowning, as well.

QUESTION: DOES SANTA CLARA COUNTY APPROVE OF THESE BELOW GROUND LEVEL EXCAVATIONS AND, IF SO, CAN YOU PLEASE ESTABLISH FACTUALLY, THE PURPOSE OF THESE BELOW LAND SURFACE EXCAVATED AREAS? THANK YOU.

Julie Borina Driscoll

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Sunday, February 28, 2016 10:00 PM
To: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>
Cc: Cortese, Dave <Dave.Cortese@BOS.SCCGOV.ORG>; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Lopez, Mario <Mario.Lopez@BOS.SCCGOV.ORG>; andrew.crabtree@morganhill.ca.gov; Steve Tate <Steve.Tate@morganhill.ca.gov>; michael moore <mmoore@morganhilltimes.com>; jRosen@da.sccgov.org; jBoyarsky@da.sccgov.org; Stephen Vernon <Stephen@gilfix.com>
Subject: March 11, 2016 LAFCO Meeting

Dear Emmanuel,

The following consideration is
being presented, please.

Will the March 11, 2016 Meeting
be videotaped, available through
the internet, like Board of Supervisors
Meetings, via live stream
video technology?

Example:
February 24, 2016, the President of
the Santa Clara County Board
of Supervisors, Dave Cortese,
presented the State of the County
Address. The presentation, live,
was also captured on video tape,
to be watched, after the Speech.

I was happy to both attend the
Presentation and receive the email
from Supervisor Dave Cortese,
with the video tape link, of
the Presentation later. There are
times one wishes to revisit notes,
and this video capability allows
refreshing facts in notes.

Technology used, is understood
to be called, "live streaming."

This is really ideal, for many
reasons, to include historical
reference, as the County emerges
into surplus budget rebound!

I believe it is optimal to capture

historical Santa Clara County progress on tape, if possible, as society, life, the future, can be transformed at Meetings that happen in the Board of Supervisors Chambers, or other Meeting Rooms at Government Center. It also promotes the ideal--transparency in Government.

The upcoming LAFCO Meeting, believed to be March 11, 2016, is a potential gamechanger of a Meeting for neighbors in Morgan Hill.

I am very happy my family's property, Borina Tennant Enterprises, LP, is under Santa Clara County jurisdiction, with plans to remain status quo, as I seek out potential business/agricultural opportunities for the property, which are allowed land uses, under current Santa Clara County Planning regulations.

Considerable effort has been expended, as is obvious in the approximate ream (491 pages) you have transmitted in preparation for the March 11 Meeting via email.

Truth is that although my family's property s under Santa Clara County jurisdiction, what Morgan Hill neighbors may do with their properties, may, by geographical proximity, affect my family property, so I intend to stay attentive to the evolution of changes in Morgan Hill. Videos of Meetings retrievable through the internet, would be optimal, for reasons aforementioned, as well as for those who may need to tend to business elsewhere during the Meeting date and time, would like to be in attendance, but it is impossible to be in two places at once. They can catch up on the LAFCO Meeting details later, via video by internet.

Thank you for your consideration, efforts and review.

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Friday, February 05, 2016 12:00 AM
To: Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Cortese, Dave <Dave.Cortese@BOS.SCCGOV.ORG>
Cc: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>; andrew.crabtree@morganhill.ca.gov; michael moore <mmoore@morganhilltimes.com>; Steve Tate <Steve.Tate@morganhill.ca.gov>; Marilyn Librers <Marilyn.Librers@morganhill.ca.gov>; CA Oosterman John - FSA Davis <John.Oosterman@ca.usda.gov>; mark.hultgren@ca.usda.gov; CA Barbosa Sylvia - RD Salinas <Sylvia.Barbosa@ca.usda.gov>; Stephen Vernon <Stephen@gilfix.com>
Subject: LAFCO Meeting Commentary--February 3, 2016car

Dear SCC Supervisor Cortese and
SCC Supervisor Wasserman,

The following surfaces the perception that can almost be like biased reporting is in the news media, if cognizance and awareness is not brought to the attention such that all are careful in being objective, leading to fair results for property owners in Morgan Hill.

The February 3, 2016 LAFCO Meeting was attended, in part, about 2 hrs., because parking was limited, restricted to two hours around the Santa Clara County Building. There was construction activity and sidewalk work underway. In the future, when the Meeting addresses MH Southeast Quadrant properties, I will seek out an alternative plan or parking garage.

I did grasp enough of the Meeting in the first portion to raise this request for special cognizance level, however, so that the decision makers are more sensitive to this observation, resulting in decision fairness, on an individualized property owner and property basis, please.

The presentation by Mr. DeVinney was very impressive insofar as the millions commanded in Santa Clara County on an annual basis, for agriculture, promoting agricultural preservation. Presentation could sell anyone on the idea of agricultural preservation. Figures may be all accurate and convincing. The presentation could not have been more positive, in supporting agricultural preservation, where the figures are really applicable and true, in reaping annual profits.

THE IMPORTANT FACTOR TO REMEMBER, IS THAT THESE ARE SPOTS ON THE MAP, NOT THE WHOLE SCC MAP.

The critical distinction is that this does NOT include all property owners, nor does the income reflected represent all properties in Morgan Hill. Wherever there are barren fields, counteracting weeds, the impressive presentation and figures do not apply.

There are property owners who are struggling economically, who have long term generational agricultural land, who have expended considerable amounts of money, to convert their former farmland property into a business, so that as a compromise, the agriculture can be sustained and preserved by the business, with 2016 economics.

Please also note, that many of the aforementioned property owners have owned their land 50-100 years, in their family. This means that even with properties not being recalculated in tax assessment, as typically happens when there is a sale--agricultural preservation is not financially sustainable at the lower tax assessment figures.

Separately, this morning on the radio, to be confirmed in content, there seems to have been a hint in a broadcast that open space property ownership has sold a considerable amount of acreage to development.

I cannot help but question, are there forms of unjust enrichment that occur when there are public announcements such as the aforementioned, when the words open space and development are used in the same context, as typically, these two are like planets apart in land use discussions.

Thank you for your consideration and review.

Julie Borina Driscoll

Subject: FW: Confidential Review, Please--USDA Loan

From: Julie [mailto:julieboridriscoll@sbcglobal.net]
Sent: Thursday, January 14, 2016 12:30 AM
To: <excel_financial@sbcglobal.net> <excel_financial@sbcglobal.net>
Subject: Confidential Review, Please--USDA Loan

Dear Sheldon, Diane, Excel Financial,

This is just information at this
time, pending further review, as
I do have the 2014 private investor loan to consider with hopes that there will be no interference or conflicts with the USDA opportunity.

New year, new government budget,
by the USDA. I was fortunate to receive USDA information via email yesterday. Dependent upon the overall, loans can be up to
$3 million. Opportunity for small
woman owned business, in a
category on its own, as opportunity.

50/50 ag preserve, allowed land use.

I have either a custom home senior
residential or a Montessori /
Challenger type of school, in
mind as a business prospect, the
latter being more compatible with
the area, as the Catholic Diocese
is scheduled to begin construction
of the site for 1600 high school
students, on next corner from
family property, this year, 2016.

Thank you for your review.

Julie Borina Driscoll

SUPPLEMENTAL INFORMATION (MARCH 10, 2016)

Information from the City of Morgan Hill

- Andrew Crabtree, City of Morgan Hill (March 10, 2016)
- Steve Rymer, City of Morgan Hill (March 10, 2016)
- Supplemental Information from the City of Morgan Hill (March 8, 2016)

Letters from Public Agencies

- Letter from the County of Santa Clara (March 8, 2016)

Letters from other organizations

- Morgan Hill Tourism Alliance (requesting approval)
- Morgan Hill Youth Sports Alliance (requesting approval)
- Committee for Green Foothills and Greenbelt Alliance Joint Letter (requesting denial)
- Chatten-Brown and Carstens on behalf of Committee for Green Foothills and Greenbelt Alliance (requesting denial)
- Veggielution Community Farm (requesting denial)
- Save Open Space Gilroy (requesting denial)

Other letters received:

- Letters requesting approval - 16
- Letters requesting denial - 148
- Letters with unstated position - 8

INFORMATION FROM THE
CITY OF MORGAN HILL

Abello, Emmanuel

From: Andrew Crabtree <Andrew.Crabtree@morganhill.ca.gov>
Sent: Thursday, March 10, 2016 4:16 PM
To: Palacherla, Neelima
Cc: Noel, Dunia; Abello, Emmanuel; Steve Rymer
Subject: Additional items for Morgan Hill's USA Expansion Application
Attachments: SE Quad EIR LAFCO Memo 3-10-16.pdf; Ag Mitigation Agreement Forestieri.pdf; Ag Mitigation Agreement City of MH.pdf; Ag Mitigation Agreement Liang.pdf

Neelima,
Please find attached for tomorrow's meeting a peer review of our CEQA process as well as three Property Owner Mitigation Agreements.
Thank you,
Andrew

DAVID J. POWERS & ASSOCIATES, INC.
ENVIRONMENTAL CONSULTANTS & PLANNERS

1871 The Alameda - Suite 200
San Jose, California 95126

(408) 248-3500
Fax (408) 248-9641

M E M O R A N D U M

TO: Andrew Crabtree, Community Development Director
City of Morgan Hill

FROM: Akoni Danielsen, Principal Project Manager

DATE: March 10, 2016

SUBJECT: Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan Final EIR

BACKGROUND

At your request, this memo was prepared to address 1) the City's role as Lead Agency and LAFCO's role as Responsible Agency for the above-referenced Final EIR, 2) the proposed LAFCO Statement of Overriding Considerations in relation to the above project, and 3) the conformance of the City's proposed agricultural mitigation program with the requirements of CEQA.

A. City's Role as Lead Agency and LAFCO's role as Responsible Agency

The California Environmental Quality Act (CEQA) and its implementing Guidelines (Section 15367) define the Lead Agency as the public agency principally responsible for approving or carrying out a proposed project. For the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan Final EIR (SEQ FEIR), the City of Morgan Hill is the Lead Agency. CEQA also defines a Responsible Agency (Section 15381) as a public agency other than the Lead Agency that has discretionary approval power over the project. For the SEQ FEIR, LAFCO is a Responsible Agency.

The CEQA Guidelines specify the Lead Agency prepares the EIR following consultation with any Responsible Agencies in order to assist the Lead Agency in preparing adequate environmental documents for the project. As documented in the City's administrative record, the City as Lead Agency consulted with the LAFCO and other Responsible Agencies in good faith in preparing the SEQ FEIR by, among other things issuing a Notice of Preparation, holding a scoping meeting,

sharing the Draft EIR for comment, and responding to comments received on the Draft EIR in the Final EIR.

CEQA Guidelines Section 15096 identifies the process for a Responsible Agency. This Guideline Section and related Section 15052 (Shift in Lead Agency Designation) are attached to this memo for reference. Section 15096 (e) (Decision on Adequacy of EIR or Negative Declaration) provides that when a Responsible Agency believes that the final EIR or Negative Declaration prepared by the Lead Agency is not adequate for use by the Responsible Agency, the Responsible Agency must either:

(1) Take the issue to court within 30 days after the Lead Agency files a Notice of Determination;
(2) Be deemed to have waived any objection to the adequacy of the EIR or Negative Declaration;
(3) Prepare a subsequent EIR if permissible under Section 15162; or
(4) Assume the Lead Agency role as provided in Section 15052(a)(3).

Concerning the above options for a Responsible Agency,

1) The LAFCO did **not** take the issue to court within the statute of limitations, and

2) therefore the LAFCO is deemed to have **waived** any objection to the adequacy of the EIR.

3) This option is inapplicable unless and until LAFCO were to find, based on substantial evidence since certification of the SEQ FEIR, any of the conditions triggering a subsequent or supplemental EIR were present under Guidelines Section 15162[1]. To date, the SEQ project has **not** changed in any substantive way, and the LAFCO has **not** identified any changed circumstances, that would cause the project to result in any new or substantially more severe impacts than disclosed in the SEQ FEIR, therefore no subsequent EIR shall be prepared.

4) Section 15052(a)(3) allows a Responsible Agency (such as LAFCO) to assume the role of Lead Agency if the initial Lead Agency (i.e. City) prepared inadequate environmental documents without consulting with the Responsible Agency as required by Sections 15072 or 15082, and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency. LAFCO **cannot** assume the Lead Agency role pursuant to Section 15052(a)(3) since the City as Lead Agency did consult with LAFCO as a Responsible Agency during preparation of the SEQ FEIR.

Conclusion: the LAFCO is a Responsible Agency that has waived its right to any objection to the SEQ FEIR, and has not, based on any substantial evidence in the record, identified conditions under Section 15162 that would allow LAFCO to assume the Lead Agency role and prepare a subsequent

[1] Guidelines Section 15162 provides when an EIR has been certified, no subsequent EIR shall be prepared for that project unless 1) substantial changes are proposed in the project or 2) with respect to the circumstances under which the project is undertaken, which will involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects, or 3) new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified, shows the project will result in new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

EIR; therefore, the LAFCO is obligated to rely upon the SEQ FEIR in connection with its decision-making for the SEQ Project.

B. LAFCO's proposed EIR Findings/Statement of Overriding Considerations

CEQA Guidelines Section 15091 (Findings) requires a public agency to make findings concerning the significant environmental effects of a project. In connection with the loss of agricultural lands, the City as Lead Agency made a finding based on the FEIR that the significant impact would be reduced to a less than significant level upon implementation of the identified mitigation, i.e. the Agricultural Lands Preservation Program. Therefore, the City made the finding under Section 15091 (1) that changes or alterations have been required in the project which avoid or substantially lessen the significant environmental effect as identified in the FEIR. Therefore, the Statement of Overriding Consideration, pursuant to Section 15093, adopted by the City in connection with the approval of the SEQ Project did **not** address the significant loss of agricultural lands.

The LAFCO staff's proposed draft Statement of Overriding Considerations includes a finding that the SEQ Project would result in a significant and unavoidable impact due to the loss of agricultural lands. This proposed finding is inconsistent with the findings of the Lead Agency's (City's) FEIR, and not based on substantial evidence in the record. As explained in the preceding section, the LAFCO is now obligated to rely upon the City's SEQ FEIR, and cannot adopt findings under Section 15091 and a Statement of Overriding Considerations under Section 15093 that are not based on substantial evidence and inconsistent with the SEQ FEIR. LAFCO cannot make a finding that the SEQ Project resulted in a significant unavoidable impact due to loss of agricultural land at this point based upon the mitigation to a less than significant level approved in the FEIR.

Conclusion: the LAFCO is a Responsible Agency, and its Section 15091 Findings and 15093 Statement of Overriding Considerations must be based on substantial evidence in the record, i.e. the SEQ FEIR, which the LAFCO staff proposed findings are not.

C. City's Agricultural Lands Preservation Program as CEQA Mitigation

The City, as Lead Agency for the SEQ FEIR, is responsible for developing appropriate, feasible mitigation measures after consultation with Responsible Agencies, including LAFCO. With respect to developing a feasible mitigation program for the loss of agricultural lands, the City relied upon prior guidance received from the California Department of Conservation (CDC) in connection with a recent past private development application (Cochrane Borello, SCH# 2011082039) that was the subject of an EIR in Morgan Hill that also involved significant loss of agricultural lands. The CDC's letter is attached to this memo, and provides important guidance as to the approach, ratio, and location for mitigating the loss of agricultural lands.

It is notable the Department 'adamantly' advises the use of permanent agricultural conservation easements on land of at least "equal quality and size" as compensation for the direct loss of agricultural land. The phrase "equal quality and size" indicates the CDC, as a statewide agency concerned with agricultural land preservation, accepts a 1:1 mitigation ratio, consistent with the City's mitigation program. As noted by the CDC, conservation easements will protect a portion of those remaining land resources and lessen project impacts in accordance with CEQA Guideline §15370 because it follows an established rationale similar to that of wildlife habitat mitigation.

1:1 Mitigation Ratio

Public comments on the SEQ Project note a 1:1 mitigation ratio translates to 50% loss of farmland, and some groups argue a 2:1 ratio is considered full mitigation, and that some jurisdictions have used 3:1. That view notwithstanding, nothing in CEQA, the Guidelines, nor case law say a Lead Agency has to require 2:1 mitigation. The City has discretion as Lead Agency to set the ratio it determines appropriate, and the time to challenge the 1:1 ratio as a means to reduce impacts to less than significant has passed when the SEQ FEIR statute of limitations expired.

Whether the ratio is 1:1, 2:1, or 3:1, there is always a net loss of farmland (since new land is not being created, the impact under any ratio never is reduced to zero), and the question for the Lead Agency is what amount of preservation elsewhere is sufficient to reduce the impact to a less than significant level (again, not a level of zero impact or no net loss). The City was well within its discretion to set a 1:1 ratio (a suggested by CDC), and the timeframe to challenge that has passed since the SEQ FEIR statute of limitations has expired. The SEQ FEIR is now presumed adequate at that ratio.

In-Lieu Fee and Location

Public comments on the SEQ Project state the mitigation (In-lieu) fee is inadequate and will hinder implementation of mitigation goals. According to the CDC, mitigation via agricultural conservation easements can be implemented by at least two alternative approaches: the outright purchase of easements or the donation of mitigation fees to a local, regional, or statewide organization or agency whose purpose includes the acquisition and stewardship of agricultural conservation easements (ACEs). The City's SEQ mitigation program complies with this guidance.

ACE's can be acquired regionally to effectively mitigate under CEQA since farmland is a statewide resource concern (i.e. the 'environment' for agricultural lands is not the particular jurisdiction, it is broader, as evidenced by CDC's statements), though it remains the City's policy preference for the easements to be acquired locally, i.e. in Santa Clara County. However, the ultimate location of the ACEs does not matter for purposes of the SEQ FEIR's conclusion that a 1:1 ratio would adequately mitigate the impact to less than significant (though not zero impact, i.e. no net loss).

The CDC also indicates the conversion of agricultural land should be deemed an impact of at least regional significance. Hence, the search for replacement lands should not be limited strictly to lands within the project's surrounding area. The City's SEQ mitigation program complies with this guidance in that agricultural preservation through conservation easements will not be limited to within the SEQ area itself, nor within the City's SOI, but will protect land where it is most feasible and appropriate to do so.

Stay Ahead Provision

Public comments argue the City's "Stay Ahead" provision does not ensure easements will be acquired in advance of development. The City as Lead Agency is responsible for ensuring the implementation of this EIR mitigation; once individual projects have paid the fee in-lieu of delivering an ACE, the City will either be responsible for acquiring the ACEs or ensure the Qualifying Entity does on City's behalf. The City is requiring each individual developer to mitigate the agricultural loss. Should the developer instead make an in lieu payment the City will not issue a building permit until the agricultural mitigation has been completed and recorded. This is a normal circumstance for mitigation monitoring, the City doesn't have to require individual projects to deliver

the ACEs to the City to 'hold them accountable', rather the City as Lead Agency is ultimately accountable for the mitigation under CEQA, like any mitigation for any project. Nonetheless the City is holding each developer accountable and each developer's agricultural mitigation must be completed prior to the issuance of building permits.

Conclusion: The City's Agricultural Lands Preservation Program was developed according to guidance received from the California Department of Conservation, the particular state agency with expertise and authority on the matter to guide Lead Agencies addressing loss of agricultural lands under CEQA statewide. The City's SEQ Project mitigation program satisfies the requirements of CEQA, consistent with the broad discretion afforded a Lead Agency as to the approach, ratio, and location for mitigating the loss of agricultural lands. As noted above, the SEQ FEIR is now presumed adequate and the LAFCO has waived any objections, including the adequacy of this mitigation.

CEQA Guidelines Section 15096. PROCESS FOR A RESPONSIBLE AGENCY

(a) General. A Responsible Agency complies with CEQA by considering the EIR or Negative Declaration prepared by the Lead Agency and by reaching its own conclusions on whether and how to approve the project involved. This section identifies the special duties a public agency will have when acting as a Responsible Agency.

(b) Response to Consultation. A Responsible Agency shall respond to consultation by the Lead Agency in order to assist the Lead Agency in preparing adequate environmental documents for the project. By this means, the Responsible Agency will ensure that the documents it will use will comply with CEQA.

(1) In response to consultation, a Responsible Agency shall explain its reasons for recommending whether the Lead Agency should prepare an EIR or Negative Declaration for a project. Where the Responsible Agency disagrees with the Lead Agency's proposal to prepare a Negative Declaration for a project, the Responsible Agency should identify the significant environmental effects which it believes could result from the project and recommend either that an EIR be prepared or that the project be modified to eliminate the significant effects.

(2) As soon as possible, but not longer than 30 days after receiving a Notice of Preparation from the Lead Agency, the Responsible Agency shall send a written reply by certified mail or any other method which provides the agency with a record showing that the notice was received. The reply shall specify the scope and content of the environmental information which would be germane to the Responsible Agency's statutory responsibilities in connection with the proposed project. The Lead Agency shall include this information in the EIR.

(c) Meetings. The Responsible Agency shall designate employees or representatives to attend meetings requested by the Lead Agency to discuss the scope and content of the EIR.

(d) Comments on Draft EIRs and Negative Declarations. A Responsible Agency should review and comment on draft EIRs and Negative Declarations for projects which the Responsible Agency would later be asked to approve. Comments should focus on any shortcomings in the EIR, the appropriateness of using a Negative Declaration, or on additional alternatives or mitigation measures which the EIR should include. The comments shall be limited to those project activities which are within the agency's area of expertise or which are required to be carried out or approved by the agency or which will be subject to the exercise of powers by the agency. Comments shall be as specific as possible and supported by either oral or written documentation.

(e) Decision on Adequacy of EIR or Negative Declaration. If a Responsible Agency believes that the final EIR or Negative Declaration prepared by the Lead Agency is not adequate for use by the Responsible Agency, the Responsible Agency must either:

(1) Take the issue to court within 30 days after the Lead Agency files a Notice of Determination;

(2) Be deemed to have waived any objection to the adequacy of the EIR or Negative Declaration;

(3) Prepare a subsequent EIR if permissible under Section 15162; or

(4) Assume the Lead Agency role as provided in Section 15052(a)(3).

(f) Consider the EIR or Negative Declaration. Prior to reaching a decision on the project, the Responsible Agency must consider the environmental effects of the project as shown in the EIR or Negative Declaration. A subsequent or supplemental EIR can be prepared only as provided in Sections 15162 or 15163.

(g) Adoption of Alternatives or Mitigation Measures.

(1) When considering alternatives and mitigation measures, a Responsible Agency is more limited than a Lead Agency. A Responsible Agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve.

(2) When an EIR has been prepared for a project, the Responsible Agency shall not approve the project as proposed if the agency finds any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment. With respect to a project which includes housing development, the Responsible Agency shall not reduce the proposed number of housing units as a mitigation measure if it determines that there is another feasible specific mitigation measure available that will provide a comparable level of mitigation.

(h) Findings. The Responsible Agency shall make the findings required by Section 15091 for each significant effect of the project and shall make the findings in Section 15093 if necessary.

(i) Notice of Determination. The Responsible Agency should file a Notice of Determination in the same manner as a Lead Agency under Section 15075 or 15094 except that the Responsible Agency does not need to state that the EIR or Negative Declaration complies with CEQA. The Responsible Agency should state that it considered the EIR or Negative Declaration as prepared by a Lead Agency.

CEQA Guidelines Section 15052. SHIFT IN LEAD AGENCY DESIGNATION

(a) Where a Responsible Agency is called on to grant an approval for a project subject to CEQA for which another public agency was the appropriate Lead Agency, the Responsible Agency shall assume the role of the Lead Agency when any of the following conditions occur:

(1) The Lead Agency did not prepare any environmental documents for the project, and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency.

(2) The Lead Agency prepared environmental documents for the project, but the following conditions occur:

(A) A subsequent EIR is required pursuant to Section 15162,

(B) The Lead Agency has granted a final approval for the project, and

(C) The statute of limitations for challenging the Lead Agency's action under CEQA has expired.

(3) The Lead Agency prepared inadequate environmental documents without consulting with the Responsible Agency as required by Sections 15072 or 15082, and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency.

(b) When a Responsible Agency assumes the duties of a Lead Agency under this section, the time limits applicable to a Lead Agency shall apply to the actions of the agency assuming the Lead Agency duties.

DEPARTMENT OF CONSERVATION

Managing California's Working Lands

DIVISION OF LAND RESOURCE PROTECTION

801 K STREET • MS 18-01 • SACRAMENTO, CALIFORNIA 95814

PHONE 916 / 324-0850 • **FAX** 916 / 327-3430 • **TDD** 916 / 324-2555 • **WEBSITE** conservation.ca.gov

September 12, 2011

VIA FACSIMILE (408) 779-7236
Ms. Terry Linder, Senior Planner
City of Morgan Hill, Planning Department
17555 Peak Ave
Morgan Hill, CA 95037

Subject: Notice of Preparation for the Cochrane-Borello Residential Development Project - SCH# 2011082039

Dear Ms. Linder:

The Department of Conservation's (Department) Division of Land Resource Protection (Division) has reviewed the Notice of Preparation for the Cochrane-Borello Residential Development Project. The Division monitors farmland conversion on a statewide basis and administers the California Land Conservation (Williamson) Act and other agricultural land conservation programs. We offer the following comments and recommendations with respect to the proposed project's potential impacts on agricultural land and resources.

Project Description:

The proposed project includes removal of existing orchards and associated agricultural uses for the development of a gated community consisting of 244 residences, with up to 180 secondary residences, a private recreation center, 23 acres of open space, parks, and landscaping. The residential lots would range in size from 10,000 to 30,000 square feet.

Per the Santa Clara 2008 Important Farmland Maps, prepared by the Department of Conservation, Farmland Mapping and Monitoring Program, the site appears to be designated Prime Farmland and Other Land.

Division Comments:

Therefore, the Division recommends that the DEIR address the following items to provide a comprehensive discussion of potential impacts of the project on agricultural land and activities:

Agricultural Setting of the Project

- Location and extent of Prime Farmland in and adjacent to the project area.
- Current and past agricultural use of the project area. Please include data on the types of crops grown.

Project Impacts on Agricultural Land

The Department's data on land use conversion[1] shows that Santa Clara County lost a total of 22,805 acres of Important Farmland from 1984 to 2010, with an annual average loss of 877 acres per year. This cumulative loss represents a significant and permanent impact to the agricultural resources of the County and the State, and shows why the remaining agricultural resources in the County should be protected whenever feasible. In 2009, approximately $260,139,000 in farm sales was generated in Santa Clara County[2]. That value demonstrates the significance of agriculture to the economy of Solano County. The City of Morgan Hill has important farmland spread throughout different sections of the City. Any loss of this agricultural land should be avoided or mitigated whenever possible.

When determining the agricultural value of the land, it is important to recognize that the value of a property may have been reduced over the years due to inactivity, but it does not mean that there is no longer any agricultural value. The *inability* to farm the land for agriculture, rather than the choice not to do so, is what could constitute a reduced agricultural value. The Division recommends the following discussion under the Agricultural Resources section of the Draft EIR:

- Type, amount, and location of farmland conversion resulting directly and indirectly from project implementation and growth inducement, respectively.
- Impacts on current and future agricultural operations; e.g., land-use conflicts, increases in land values and taxes, etc.
- Incremental project impacts leading to cumulative impacts on agricultural land. This would include impacts from the proposed project, as well as impacts from past, current, and likely projects in the future.

Under California Code of Regulations Section 15064.7, impacts on agricultural resources may also be both quantified and qualified by use of established thresholds of significance. As such, the Division has developed a California version of the USDA Land Evaluation and Site Assessment (LESA) Model. The California LESA model is a semi-quantitative rating system for establishing the environmental significance of project-specific impacts on farmland. The model may also be used to rate the relative value of alternative project sites. The LESA Model is available on the Division's website at:

http://www.consrv.ca.gov/DLRP/qh_lesa.htm

Mitigation Measures

CEQA is the State's main policy tool for agricultural land preservation. If a project is deemed significant, lead agencies are required to adopt feasible mitigation measures to avoid or substantially lessen them. The loss of agricultural land represents a permanent reduction in the

[1] Department of Conservation. "Important Farmland Data Availability. Land Use Conversion Table" http://redirect.conservation.ca.gov/dlrp/fmmp/county_info_results.asp
[2] California Agricultural Resource Directory 2010-2011 http://www.cdfa.ca.gov/statistics/PDFs/ResourceDirectory_2010-2011.pdf

State's agricultural land resources. As such, the Department adamantly advises the use of permanent agricultural conservation easements on land of at least equal quality and size as compensation for the direct loss of agricultural land. Conservation easements are an available mitigation tool and considered a standard practice in many areas of the State.

Conservation easements will protect a portion of those remaining land resources and lessen project impacts in accordance with CEQA Guideline §15370. The Department highlights this measure because of its acceptance and use by lead agencies as an appropriate mitigation measure under CEQA and because it follows an established rationale similar to that of wildlife habitat mitigation.

Although direct conversion of agricultural land is often an unavoidable impact under California Environmental Quality Act (CEQA) analysis, mitigation measures must be considered. In some cases, the argument is made that mitigation cannot reduce impacts to below the level of significance because agricultural land will still be converted by the project, and, therefore, mitigation is not required. However, reduction to a level below significance is not a criterion for mitigation under CEQA. Rather, the criterion is feasible mitigation that lessens a project's impacts. Even partial compensation can be accomplished for most projects.

A Statement of Overriding Considerations is not a substitute for the requirement to prepare findings (CEQA Guidelines §15091). CEQA states that the Lead Agency shall describe the specific reasons for rejecting identified mitigation measures. Therefore, all mitigation measures allegedly feasible should be included in the DEIR. A measure brought to the attention of the Lead Agency should not be left out unless it is infeasible based on its elements. It is a failure to ignore feasible mitigation measures, which can lessen a project's impacts. Because agricultural conservation easements are an available mitigation tool they should always be considered.

Mitigation via agricultural conservation easements can be implemented by at least two alternative approaches: the outright purchase of easements or the donation of mitigation fees to a local, regional, or statewide organization or agency whose purpose includes the acquisition and stewardship of agricultural conservation easements. The conversion of agricultural land should be deemed an impact of at least regional significance. Hence, the search for replacement lands should not be limited strictly to lands within the project's surrounding area.

One source that has proven helpful for regional and statewide agricultural mitigation banks is the California Council of Land Trusts, which can be found at:

http://www.calandtrusts.org

The California Council of Land Trusts deals with all types of mitigation banks. It is suggested that the County contact them to get an understanding of the fees associated with mitigation banking and the options available.

Another source is the Division's California Farmland Conservancy Program (CFCP), which has participated in bringing about conservation easements throughout the State of California involving Land Trust Alliance, the California Council of Land Trusts, and the American Farmland Trust. If the County were not able to make arrangements for easement mitigation through one

of these or many other land trusts operating in California, the Department would be glad to help. Of course, the use of conservation easements is only one form of mitigation that should be considered. Any other feasible mitigation measures should also be considered.

Thank you for giving us the opportunity to comment on the Notice of Preparation for the Cochrane-Borello Residential Development Project. Please provide this Department with the date of any hearings for this particular action, and any staff reports pertaining to it. If you have questions regarding our comments, or require technical assistance or information on agricultural land conservation, please contact Meri Meraz, Environmental Planner, at 801 K Street, MS 18-01, Sacramento, California 95814, or by phone at (916) 445-9411.

Sincerely,

John M. Lowrie
Program Manager
Williamson Act Program

cc: State Clearinghouse

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

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

No fee for recording pursuant to Government Code Section 27383

ABOVE AREA FOR RECORDER'S USE

168-04-16-004

AGRICULTURAL MITIGATION AGREEMENT AND DECLARATION OF COVENANTS

Steve and Julie Forestieri Trust and Marc and Ann Minton Trust

This Agricultural Mitigation Agreement and Declaration of Covenants ("Agreement") is made and entered into as of this 4th day of March, 2016, by and between the City of Morgan Hill, a municipal corporation ("City") and Steve and Julie Forestieri Trust and Marc and Ann Minton Trust ("Owner").

RECITALS

WHEREAS, Owner is the owner of real property having agricultural value in an unincorporated part of County of Santa Clara, California, commonly known as APN 817-14-019, and more particularly described on Exhibit "A" attached hereto (the "Parcel");

WHEREAS, application has been made to the Santa Clara County Local Agency Formation Commission ("LAFCO") to annex the Parcel into the City of Morgan Hill;

WHEREAS, the annexation of the Parcel is conditioned, in part, upon Owner's agreement to adhere to the City's current Agricultural Lands Mitigation Ordinance, a copy of which is attached hereto as Exhibit "B" (the "Ordinance") in order to mitigate the impact of the loss of the agricultural value of the Parcel;

WHEREAS, compliance with the Ordinance will mitigate the agricultural impacts that may occur due to the annexation of the Parcel and its subsequent development. In order to ensure that agricultural mitigation for the annexation and subsequent development of the Parcel occurs, the City and the Owner desire to enter into this Agreement; and

WHEREAS, the effectiveness of this Agreement is contingent upon approval of the application to annex the Parcel into the City of Morgan Hill by LAFCO.

NOW THEREFORE, in consideration of the recitals, hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Owner hereby agree as follows.

ARTICLE 1
DEFINITIONS

Section 1.01 When used in this Agreement, the following terms have the respective meanings assigned to them in this Article 1.

(a) "Agreement" means this Agricultural Mitigation Agreement and Declaration of Restrictive Covenants.

(b) "Owner" means Steve and Julie Forestieri Trust and Marc and Ann Minton Trust and its successors and assigns to the Parcel.

(c) "City" means the City of Morgan Hill.

(d) "Parcel" means the real property described in Exhibit "A", attached hereto and incorporated herein.

(e) "Term" means the duration of this Agreement, which commences on the date of LAFCO's approval of the annexation of the Parcel into the City of Morgan Hill and continues until the City determines that the requirements of the Agreement and Ordinance have been satisfied by the recording of the Agricultural Conservation Easement.

(f) "Agricultural Conservation Easement" shall have the meaning set forth in the Ordinance.

ARTICLE 2
COVENANTS

Section 2.01 Owner agrees to abide by the Ordinance in effect as of the date of this Agreement.

Section 2.02 The Parties agree that the farmlands on the Parcel will no longer be available for agriculture use after the Parcel has been annexed and physical alteration of the Parcel for development purposes pursuant to subsequent City approvals occurs. The Owner agrees to mitigate such farmland loss at a 1:1 ratio, with either (a) an Agricultural Conservation Easement(s) on real property elsewhere within Santa Clara County or, (b) the payment of an In-lieu fee to the City pursuant to the Ordinance. In the event that Owner pays an In-lieu fee, the City will take on the responsibility for acquiring and recording the Agricultural Conservation Easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity. In either event, the Agricultural Conservation Easement must be recorded prior to the City's issuance of the first of a Grading Permit or a Building Permit for development of the Parcel. In the event that the Owner pays an In-lieu fee, the City or the Qualifying Entity, as the case may be, will make a reasonable, good faith effort to acquire and record the Agricultural Conservation Easement in a reasonable timeframe. In the event that Owner records the

Agricultural Conservation Easement, Owner agrees to submit the Agricultural Conservation Easement document to the City for its approval prior to recording such Easement.

Section 2.03 The Agricultural Conservation Easement(s) document shall include the street address, if any, the APN, and the legal description of the property(s) subject to the Easements(s). Upon the recording of said Easement by either Owner or the City, pursuant to the Ordinance, Owner will have fully satisfied the requirements of the Ordinance, and shall have no further obligations pursuant to this Agreement. At such time, the parties shall cooperate in the recording of a document terminating the Agreement so that it no longer burdens title to the Parcel.

ARTICLE 3
MISCELLANEOUS

Section 3.01 Term.

The provisions of this Agreement apply to the Parcel for the entire Term. This Agreement binds any successor, heir or assign of the Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the City.

Section 3.02 Covenants to Run With the Land.

The City and the Owner hereby declare their express intent that the covenants set forth in this Agreement run with the land, and bind all successors in title to the Parcel until the City determines that Owner has satisfied the requirements of the Agreement and Ordinance.

Section 3.03 Enforcement.

If the Owner fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the City has notified the Owner in writing of the default or, if the default is not capable of being cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, the City shall have the right to enforce this Agreement by any remedy provided by law or equity, including, but not limited to, termination of the Agreement.

Section 3.04 Attorneys' Fees and Costs.

In any action brought to enforce this Agreement, the prevailing Party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 3.05 Recording and Filing.

The City and the Owner shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Santa Clara.

Section 3.06 Governing Law.

California law governs this Agreement.

Section 3.07 Waiver of Requirements.

The City may waive any of the requirements of this Agreement only in writing, but no waiver by the City of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 3.08 Amendments.

The Parties may amend this Agreement only by a written instrument executed by both Parties hereto or their successors in title, and duly recorded in the Official Records of the County of Santa Clara.

Section 3.09 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States mail, postage prepaid, addressed to the appropriate party as follows:

Owner: Steve and Julie Forestieri Trust and Marc and Ann Minton Trust
1315 Sonny's Way
Hollister, CA 95023

City: City of Morgan Hill
c/o Agency Secretary
17575 Peak Avenue
Morgan Hill, CA 95037

A Party may change its address by giving written notice to the other Party given in the same manner as provided above.

Section 3.10 Severability.

If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

Intentionally Left Blank

Section 3.11 Authorized Signers.

Each signer below represents and warrants that he or she is an authorized signer on behalf the Party for which he or she signs.

IN WITNESS WHEREOF, the City and the Owner have executed this Agreement all on the date first written above.

CITY:

CITY OF MORGAN HILL

By: _____
City Manager

Date: 3/10, 2016

OWNER:

Steve and Julie Forestieri

By: _____

Date: March 4, 2016

ATTEST:

_____

Marc and Ann Minton Trust

_____

Date: March 4, 2016

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of **CALIFORNIA**

County of **SANTA CLARA**

On March 4, 2016, before me, Karen Nelson a Notary Public in and for said County and State, personally appeared Steven Forestieri and Ann Marie Minton

proved to me on the basis of satisfactory evidence to be the person/s whose name/s is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity/ies, and that by his/her/their signature/s on the instrument the person/s, or the entity upon behalf of which the person/s acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

KAREN NELSON
Commission # 2107242
Notary Public - California
Santa Clara County
My Comm. Expires May 14, 2019

Karen Nelson
SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of **CALIFORNIA**

County of **SANTA CLARA**

On_____, 20__, before me,_____a Notary Public in and for said County and State, personally appeared _____

proved to me on the basis of satisfactory evidence to be the person/s whose name/s is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity/ies, and that by his/her/their signature/s on the instrument the person/s, or the entity upon behalf of which the person/s acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

A notary or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

On March 10, 2016, before me, Michelle Wilson, a Notary Public in and for said County and State, personally appeared Steve Rymer, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MICHELLE WILSON
Commission # 2081745
Notary Public - California
Santa Clara County
My Comm. Expires Sep 15, 2018

SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

EXHIBIT "A"

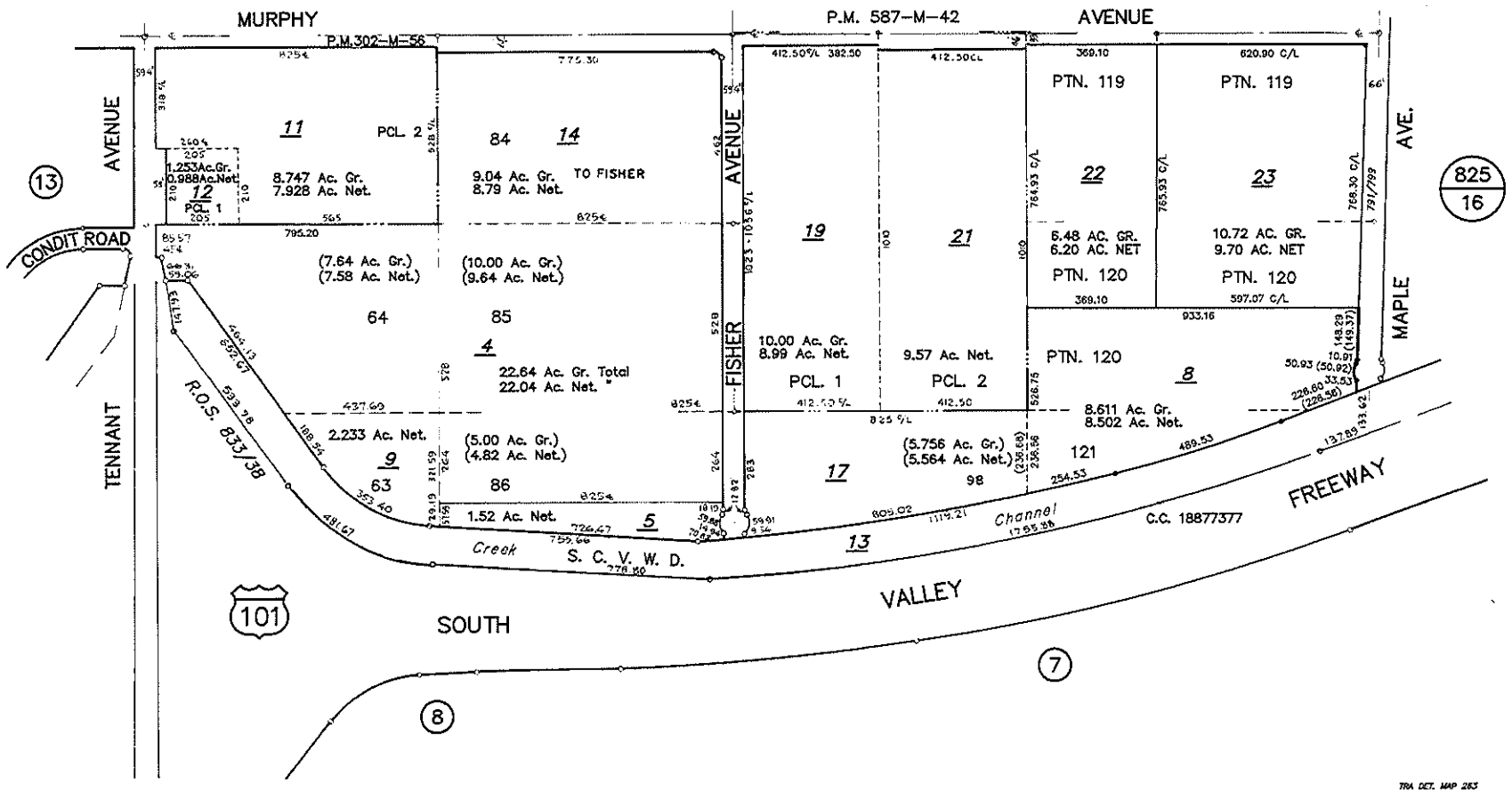
OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

BOOK	PAGE
817	14

CATHERINE DUNNE RANCH MAP NO. 7

L-M-26

1" = 300'



TRA DCT. MAP 283

LAWRENCE E. STONE — ASSESSOR
Cadastral map for assessment purposes only.
Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2015-2016

EXHIBIT "B"

18.08.070 Agricultural Mitigation Ordinance
The ordinance codified in this Chapter shall be known and may be cited as the "Agricultural Lands Preservation Program" of the City of Morgan Hill.

18.85.020 Purpose
The City of Morgan Hill has determined that small-scale agriculture is viable in the Morgan Hill Sphere of Influence (SOI) if land use tools are used effectively to protect an adequate agricultural land use supply. Establishing land use policies and an implementation program to preserve agricultural lands will help to preserve open space, provide access to locally grown foods, promote sustainable food production, contribute to a unique cultural environment within Morgan Hill, and address regional land use planning policy objectives. For Morgan Hill, an effective agricultural preservation program will need to focus upon the use of agricultural land use easements supported by agricultural preservation land use policies.
The Morgan Hill Agricultural Lands Preservation Program is intended to promote continued and viable agricultural activities in and around Morgan Hill through a comprehensive set of land use policies and implementation activities that together accomplish the following:
1. Preserve open space agricultural lands and agricultural activity within the Morgan Hill Sphere of Influence.
2. Promote the viability of small-scale agriculture through the preservation of agricultural land and the implementation of supporting General Plan policies.
3. Identify the combination of tools, techniques, mechanisms, and funding sources that form the best agricultural/open space land preservation program for the City of Morgan Hill.
4. Establish CEQA mitigation procedures to mitigate the loss of agricultural lands.
5. Focus land preservation in the City's Southeast Quadrant

18.85.030 Definitions
The following terms when used in this chapter shall have the following respective meanings:

A. Agricultural Land
For "Agricultural Land" that requires off-setting preservation/mitigation under this Agricultural Lands Preservation Program, Agricultural Land is defined as land that is depicted on the 2010 map of the Farmland Mapping and Monitoring Program (FMMP) of the California Department of Conservation as Prime Farmland, Farmland of Statewide Importance, Unique Farmland, and Farmland of Local Importance and that was not subsequently developed for non-Agricultural Use prior to August 1, 2014 or subsequently developed per the provisions of this Ordinance. Lands identified as Grazing Land are not subject to the offsetting preservation/mitigation requirements set forth in this Policy.

B. Agricultural Conservation Easement
An Agricultural Conservation Easement is a specific type of easement whose purpose is to enable the encumbered property to remain in productive Agricultural Use by preventing any use or activity that would diminish or impair the agriculturally productive capacity. Therefore, the terms of an agricultural- conservation easement restrict the use of the encumbered property to agriculture, while prohibiting development, subdivision, and commercial use of the property other than as agriculture. Agricultural conservation easements are perpetual, running with the land so that their terms are binding on all future fee-title owners of the property.

C. Agricultural Mitigation Land
Agricultural Land (as defined above) that is encumbered by an Agricultural Conservation Easement or other farmland conservation mechanism acceptable to the City. If the Agricultural Land is also being used to meet Open Agricultural Land preservation goals, the easement or other mechanism must ensure that at least 90% of any property being used as Agricultural Mitigation Land remain as open space free of structures or other impervious surfaces so that it retains its value as Agricultural Land under the FMMP criteria. Uses allowed on Agricultural Mitigation Land shall be consistent with the Agricultural Use described below and pertaining land use regulations, and as further defined in the applicable Agricultural Conservation Easement or other farmland conservation mechanism.

D. Agricultural Priority Area
The Agricultural Priority Area is an area within the SEQ that has been identified within the Agricultural Lands Preservation Program as a priority location to preserve and encourage the long-term viability of agriculture and Open Agricultural Lands, recognizing both the vital contributions agriculture makes to the economy and quality of life within the county and the community preference for maintenance of open space areas. By designating this area, the Program identifies those lands within the Morgan Hill SOI most suitable for agricultural production and related uses. Designating the Agricultural Priority Area provides stability for ongoing agricultural operations and supports new uses necessary to support a viable local agriculture industry. The Agricultural Priority Area is also intended to retain in open space uses any lands that are not being actively farmed until agricultural activities resume on those lands.

E. Agricultural Use
Agricultural Use is defined as the use of the land for agricultural purposes, including crops, or crop trees, including floriculture, horticulture, viticulture, crops grown within greenhouses or other buildings, vineyards, crop harvesting, raising of animals (including apiaries, aviaries, dairying, pasturage, and fish farms), and grazing, and including necessary accessory uses for packing, processing, treating or storing of produce, and consistent with the governing jurisdiction's pertaining land use regulations. Qualifying Agricultural Use activities may include:
1. Agricultural Processing: Processing facilities for the handling, processing, packing, packaging, storing and shipping of agricultural commodities grown primarily in Santa Clara County. Does not include processing of meat, poultry, or animal products (butcheries), nor timber or wood processing. Does not include routine harvesting and handling activities incidental to agriculture.
2. Agriculturally Related Entertainment & Commercial Uses: Visitor-oriented services, sales and attractions with an agricultural theme that are conducted in conjunction with on-site Agricultural Uses. Such uses include but are not limited to food and retail sales, tasting rooms, reception facilities, outdoor entertainment areas.
3. Agricultural Research: Establishments for experimental greenhouse and field growing of agricultural commodities, landscaping and seeds, including experimental use of herbicides, pesticides and other agricultural practices. Agricultural research excludes experiments involving livestock and other animals.
4. Dairy: Establishments where cows or goats are maintained for the production of milk or other dairy products for commercial distribution or sale.
5. Feed Lot: Establishments primarily engaged in the fattening of livestock in a confined area.
6. Field Research: Research activities, field studies and educational activities (e.g., student field research) that are dependent on a natural, open setting. Examples include biological, geological or atmospheric studies.
7. Mushroom Farm: Establishments primarily used for the cultivation and subsequent distribution and sale of mushrooms.

8. Nursery: an area where agricultural products are grown for transplanting, for use of stock for building and grafting, or for sale on the premises. Nurseries may include sale and cultivation of ornamental trees, shrubs, and plants, and incidental sale or rental of garden and landscape materials and equipment.
9. Poultry and Egg Farms: Establishments where fowl are raised or kept in confined areas or facilities for the purpose of commercial distribution or sale of birds or eggs.
10. Wildlife Refuge: undeveloped land kept as natural habitat for the purpose of supporting a species or multiple species of wildlife.
11. Wineries: Facilities for the production of wine from fruit or fruit juices through fermentation that are subject to Type 02 licenses by the California Department of Alcoholic Beverage Control. Wineries shall be entitled to all uses and activities provided under the Type 02 license. Wineries may also include related storage, blending and bottling activities, as well as administrative offices, marketing, tours, public tasting, wholesale and retail sales of wine, and ancillary distilling of wine to produce brandy or similar distilled spirits. Wineries may include outdoor areas for picnics, gatherings and other activities incidental to wine-tasting. Incidental sale of marketing products and accessories related to the winery's brand identity, wine drinking, food paring, local agriculture and local history is also permitted.
12. Ancillary Uses: Uses conducted subordinate to the primary Agricultural Use being conducted upon a property and which do not occupy in total more than 10% of the property, including:
a) Direct sales of locally produced agricultural products.
b) One dwelling of persons regularly employed on the premises for farming or domestic duties;
c) Ancillary private garages and other structures for parking and storage of equipment, private stables, and other accessory buildings;
d) Quarters, accommodations or areas for transient labor, such as labor cabins or camps.

F. Agricultural Preservation In-lieu Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency solely for the purpose of acquiring Agricultural Conservation Easements. The Program provides for an in-lieu fee in order to allow the utilization of funding from multiple sources and to maximize the City's ability to preserve open space Agricultural Lands within the Agricultural Priority Area.

G. Agricultural Lands Preservation Program Surcharge Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency for the purpose of administering the Agricultural Lands Preservation Program and/or to cover ongoing management and monitoring of the easements. The Surcharge fee is either incorporated into the overall In-lieu Fee for projects that make use of this option, or charged directly to projects which independently establish an Agricultural Conservation Easement.

H. Open Agricultural Land
Open Agricultural Land is defined as Agricultural Land that is at least 90% free of buildings, structures or other impervious surface and therefore available for planting of outdoor crops, grazing, or other Agricultural Use. The City may make use of open space funding sources to acquire Agricultural Conservation Easements where that Easement specifies that the encumbered property be maintained as Open Agricultural Land.

18.85.040 Applicability
The provisions of this chapter shall apply to all new development/activities under the jurisdiction of the City of Morgan Hill, including both private development and public development projects that directly result in the conversion of Agricultural Land (as defined above) will be required to mitigate loss of Agricultural Land per the provisions of this Policy. This includes projects within the existing City boundaries as well as projects that propose annexation into Morgan Hill. Projects which have received discretionary land use approval prior to the adoption August 1, 2014, including completion of the CEQA process, are not subject to this Policy unless specifically required as mitigation or a condition of project approval.

18.85.050 Mitigation Ratio
A minimum of one (1) acre of Agricultural Land (1:1 mitigation ratio) shall be preserved for each acre of Agricultural Land changed to a non-agricultural use. The required acreage of area to be protected through an Agricultural Conservation Easement or agricultural preservation in-lieu fee will depend on the measurement of affected area as defined below.

18.85.060 "Stay Ahead" Provision
Conservation easements will be established at least at a 1:1 mitigation ratio in advance of the development of Agricultural Lands. Development occurs with either the issuance of Grading Permit or Building Permits that would result in the loss of Agricultural Land. To meet this provision the City may utilize existing open space funding to establish Agricultural Conservation Easements, or individual projects may establish such easements in advance of development activity.

18.85.070 Measurement of Affected Area
Areas subject to agricultural mitigation requirements will be the developed footprint for properties with a General Plan land use designation of Open Space, Public Facilities, or Sports Recreation/Leisure. Areas proposed to be so reserved shall have an aggregated area of at least 10 acres in size to qualify for exclusion from the developed footprint calculation. For the remaining land use designations of residential, commercial, and industrial, the entire site will be used for calculating the required mitigation. Disturbed footprint will include irrigated fields for proposed sports fields or facilities.

18.85.080 Mitigation Mechanism
Conversion of Agricultural Land will require off-setting acquisition and/or dedication of Agricultural Conservation Easements over approved Agricultural Mitigation Land, or payment to the City of the Agricultural Preservation In-lieu Fee, to support agricultural preservation. In addition to land acquisition/dedication, or payment of the Agricultural Preservation In-lieu Fee, in either case developers are also required to pay an Agricultural Lands Preservation Program Surcharge Fee (on a per acre basis) to cover administrative costs and ongoing management and monitoring of the easements.

18.85.090 Eligible Mitigation Lands
In order to meet the goals of this Ordinance, lands proposed to be used as agricultural mitigation shall conform to the above definitions for Agricultural Mitigation Land and/or Open Agricultural Land and shall meet the following criteria:
a) Agricultural conservation easements resulting from this program shall be acquired from willing sellers only; eminent domain will not be used to acquire lands for conservation;

b) The property is of adequate size, configuration and location to be viable for continued Agricultural Use;

c) The land shall have access to an adequate water supply to maintain the purposes of the easement, i.e., to irrigate farmland if the converted farmland is irrigated or capable of irrigation. The water supply shall be sufficient to support ongoing Agricultural Uses, and the water rights on the Agricultural Mitigation Land shall be protected in the Agricultural Conservation Easement;
d) Other considerations for appropriate conserved Agricultural Lands include: soil type, parcel size, existing irrigation supplies, strong agricultural production history, proximity to agricultural infrastructure, proximity to the first point of processing, uses on surrounding lands, and proximity to urban areas now and into the foreseeable future;

e) The mitigation land shall be located within Santa Clara County; and

f) The mitigation land may not overlap with land being acquired as habitat mitigation by the Santa Clara Valley Habitat Agency.

18.85.100 Ineligible Mitigation Lands
A property is ineligible to serve as agricultural mitigation if any of the circumstances below apply:
a) The property is currently encumbered by a conservation, flood, or other type of easement or deed restriction that legally or practicably prevents converting the property to a nonagricultural use; or
b) The property is currently under public ownership and will remain so in the future, except to the extent it is included within a mitigation bank that may subsequently be established by the City or other public agency; or
c) The property is subject to conditions that practicably prevent utilizing the property for a viable Agricultural Use.

18.85.110 Agricultural Priority Area
Dedications inside the Morgan Hill Sphere of Influence (SOI) will be strongly encouraged within the Southeast Quadrant (SEQ) as the first priority. The City has identified an Agricultural Priority Area within the SEQ as the City's first priority for conservation. The City's secondary priority is the preservation of other rural County Agricultural Lands within the Morgan Hill SOI. Dedications outside the SOI are less desirable and must be inside Santa Clara County as described under 'Eligible Mitigation Lands' above. The Agricultural Priority Area encompasses approximately 650 acres of land.

18.85.120 Responsibility for Easement Acquisition
a) In cases where the mitigation fee is paid, the City of Morgan Hill will either take on responsibility for acquiring the easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity.
b) Developments requiring less than 10 acres of agricultural mitigation are required to pay the Agricultural Preservation In-lieu Fee on a per acre basis except that acquisition of Agricultural Conservation Easements of less than 10 acres may be allowed when located immediately adjacent to an existing Agricultural Conservation Easement area that when combined, exceeds 10 acres in size.
c) Developers may independently establish an Agricultural Conservation Easement on Eligible Mitigation Lands within the County. In such cases, the developer will be required to pay all acquisition costs, the costs of establishing the easement, and the Agricultural Lands Preservation Program Surcharge Fee.

18.85.130 Management and Monitoring Fee
The developer shall pay a one-time per acre fee (Agricultural Lands Preservation Program Surcharge Fee) to cover the average cost administration of the program.

18.85.140 Implementing Entity
The City will hold the easements and collect management and monitoring fees until an alternative implementing entity (Qualifying Entity), such as a nonprofit conservation organization or agricultural consultant, has been identified.

18.85.150 Mitigation Timing and Implementation
Agricultural mitigation will be required prior to the acceptance of a final parcel or subdivision map or prior to issuance of a building permit or grading permit that results in physical development involving the conversion of Agricultural Lands, whichever occurs first.

18.85.160 Planned Developments / Development Agreements
Developers may provide agricultural mitigation through a planned development project that consolidates existing development rights onto a portion of the property so that the remaining undeveloped portion is then reserved for agricultural use. Such an approach may be used within the SEQ or within other areas of the City's SOI in which Agricultural Lands are present. Such a project must be governed by a development agreement. This method of mitigation will only be considered if it results in an equal or greater agricultural benefit as would have resulted from the mitigation measures described above. Factors that may be considered include, but are not limited to: (1) the number, size, and location of permissible clustered home sites; (2) the amount of land dedicated for agricultural conservation; (3) the location of agricultural land in relation to the Agricultural Priority Area and contiguity with existing and already conserved agricultural land; and (4) commitments to actively farm agricultural land within the development agreement area. The developer will be required to enter into a development agreement with the City specifying the terms of the agreement and the extraordinary benefits accruing to the City

18.85.170 Funding for Easements
Given the City's policy objective of agricultural land preservation within the Morgan Hill Sphere of Influence and within the Southeast Quadrant in particular, it is anticipated that the City will need to use multiple funding sources to support the acquisition of easements within the desired area. In addition to use of money obtain through grants and other contributions, the City will use open space funds collected through administration of its Residential Development Control System (RDCS) to supplement the acquisition of conservation easements.

18.85.180 Clustering of Development
The City may work with land owners or developers through the land use entitlement process to preserve agricultural lands by allowing a clustering of existing development rights onto a portion of a site so that a large portion of the site may be preserved for agricultural use. The City should allow such alternate methods of agricultural mitigation through Planned Development Zoning and/or a Development Agreement so that it will result in equal or greater agricultural benefit than would result from standard mitigation requirements. At a minimum, mitigation shall still be required at a ratio of 1:1, but may allow flexibility with respect to timing and location. Also, an Agricultural Conservation Easement shall be recorded over the Agricultural Mitigation Lands subject to the Planned Development Zoning and/or Development Agreement.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

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

No fee for recording pursuant to
Government Code Section 27383

ABOVE AREA FOR RECORDER'S USE

168-04-16-003

AGRICULTURAL MITIGATION AGREEMENT AND DECLARATION OF COVENANTS

City Ball Field Site

This Agricultural Mitigation Agreement and Declaration of Covenants ("Agreement") is made and entered into as of this 10th day of March, 2016, by the City of Morgan Hill, a municipal corporation, acting as both ("City") and ("Owner").

RECITALS

WHEREAS, Owner is the owner of real property having agricultural value in an unincorporated part of County of Santa Clara, California, commonly known as APN 817-14-004, 817-14-005, 817-14-009, and more particularly described on Exhibit "A" attached hereto (the "Parcel");

WHEREAS, application has been made to the Santa Clara County Local Agency Formation Commission ("LAFCO") to annex the Parcel into the City of Morgan Hill;

WHEREAS, the annexation of the Parcel is conditioned, in part, upon Owner's agreement to adhere to the City's current Agricultural Lands Mitigation Ordinance, a copy of which is attached hereto as Exhibit "B" (the "Ordinance") in order to mitigate the impact of the loss of the agricultural value of the Parcel;

WHEREAS, compliance with the Ordinance will mitigate the agricultural impacts that may occur due to the annexation of the Parcel and its subsequent development. In order to ensure that agricultural mitigation for the annexation and subsequent development of the Parcel occurs, the City and the Owner desire to enter into this Agreement; and

WHEREAS, the effectiveness of this Agreement is contingent upon approval of the application to annex the Parcel into the City of Morgan Hill by LAFCO.

NOW THEREFORE, in consideration of the recitals, hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Owner hereby agree as follows.

ARTICLE 1
DEFINITIONS

Section 1.01 When used in this Agreement, the following terms have the respective meanings assigned to them in this Article 1.

(a) "Agreement" means this Agricultural Mitigation Agreement and Declaration of Restrictive Covenants.

(b) "Owner" means the City of Morgan Hill and its successors and assigns to the Parcel.

(c) "City" means the City of Morgan Hill.

(d) "Parcel" means the real property described in Exhibit "A", attached hereto and incorporated herein.

(e) "Term" means the duration of this Agreement, which commences on the date of LAFCO's approval of the annexation of the Parcel into the City of Morgan Hill and continues until the City determines that the requirements of the Agreement and Ordinance have been satisfied by the recording of the Agricultural Conservation Easement.

(f) "Agricultural Conservation Easement" shall have the meaning set forth in the Ordinance.

ARTICLE 2
COVENANTS

Section 2.01 Owner agrees to abide by the Ordinance in effect as of the date of this Agreement.

Section 2.02 The Parties agree that the farmlands on the Parcel will no longer be available for agriculture use after the Parcel has been annexed and physical alteration of the Parcel for development purposes pursuant to subsequent City approvals occurs. The Owner agrees to mitigate such farmland loss at a 1:1 ratio, with either (a) an Agricultural Conservation Easement(s) on real property elsewhere within Santa Clara County or, (b) the payment of an In-lieu fee to the City pursuant to the Ordinance. In the event that Owner pays an In-lieu fee, the City will take on the responsibility for acquiring and recording the Agricultural Conservation Easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity. In either event, the Agricultural Conservation Easement must be recorded prior to the City's issuance of the first of a Grading Permit or a Building Permit for development of the Parcel. In the event that the Owner pays an In-lieu fee, the City or the Qualifying Entity, as the case may be, will make a reasonable, good faith effort to acquire and record the Agricultural Conservation Easement in a reasonable timeframe. In the event that Owner records the Agricultural Conservation Easement, Owner agrees to submit the Agricultural Conservation Easement document to the City for its approval prior to recording such Easement.

Section 2.03 The Agricultural Conservation Easement(s) document shall include the street address, if any, the APN, and the legal description of the property(s) subject to the Easements(s). Upon the recording of said Easement by either Owner or the City, pursuant to the Ordinance, Owner will have fully satisfied the requirements of the Ordinance, and shall have no further obligations pursuant to this Agreement. At such time, the parties shall cooperate in the recording of a document terminating the Agreement so that it no longer burdens title to the Parcel.

ARTICLE 3
MISCELLANEOUS

Section 3.01 Term.

The provisions of this Agreement apply to the Parcel for the entire Term. This Agreement binds any successor, heir or assign of the Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the City.

Section 3.02 Covenants to Run With the Land.

The City and the Owner hereby declare their express intent that the covenants set forth in this Agreement run with the land, and bind all successors in title to the Parcel until the City determines that Owner has satisfied the requirements of the Agreement and Ordinance.

Section 3.03 Enforcement.

If the Owner fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the City has notified the Owner in writing of the default or, if the default is not capable of being cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, the City shall have the right to enforce this Agreement by any remedy provided by law or equity, including, but not limited to, termination of the Agreement.

Section 3.04 Attorneys' Fees and Costs.

In any action brought to enforce this Agreement, the prevailing Party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 3.05 Recording and Filing.

The City and the Owner shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Santa Clara.

Section 3.06 Governing Law.

California law governs this Agreement.

Section 3.07 Waiver of Requirements.

The City may waive any of the requirements of this Agreement only in writing, but no waiver by the City of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 3.08 Amendments.

The Parties may amend this Agreement only by a written instrument executed by both Parties hereto or their successors in title, and duly recorded in the Official Records of the County of Santa Clara.

Section 3.09 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States mail, postage prepaid, addressed to the appropriate party as follows:

Owner: City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

City: City of Morgan Hill
c/o Agency Secretary
17575 Peak Avenue
Morgan Hill, CA 95037

A Party may change its address by giving written notice to the other Party given in the same manner as provided above.

Section 3.10 Severability.

If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

Intentionally Left Blank

Section 3.11 Authorized Signers.

Each signer below represents and warrants that he or she is an authorized signer on behalf the Party for which he or she signs.

IN WITNESS WHEREOF, the City and the Owner have executed this Agreement all on the date first written above.

CITY:

CITY OF MORGAN HILL

By: _____
City Manager

Date: 3/10, 2016

OWNER:

CITY OF MORGAN HILL

By: _____
City Manager

Date: 3/10, 2016

ATTEST:

_____

A notary or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

On March 10, 2016, before me, Michelle Wilson, a Notary Public in and for said County and State, personally appeared Steve Rymer, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MICHELLE WILSON
Commission # 2081745
Notary Public - California
Santa Clara County
My Comm. Expires Sep 15, 2018

SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

A notary or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

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Santa Clara County
My Comm. Expires Sep 15, 2018

SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

EXHIBIT "A"

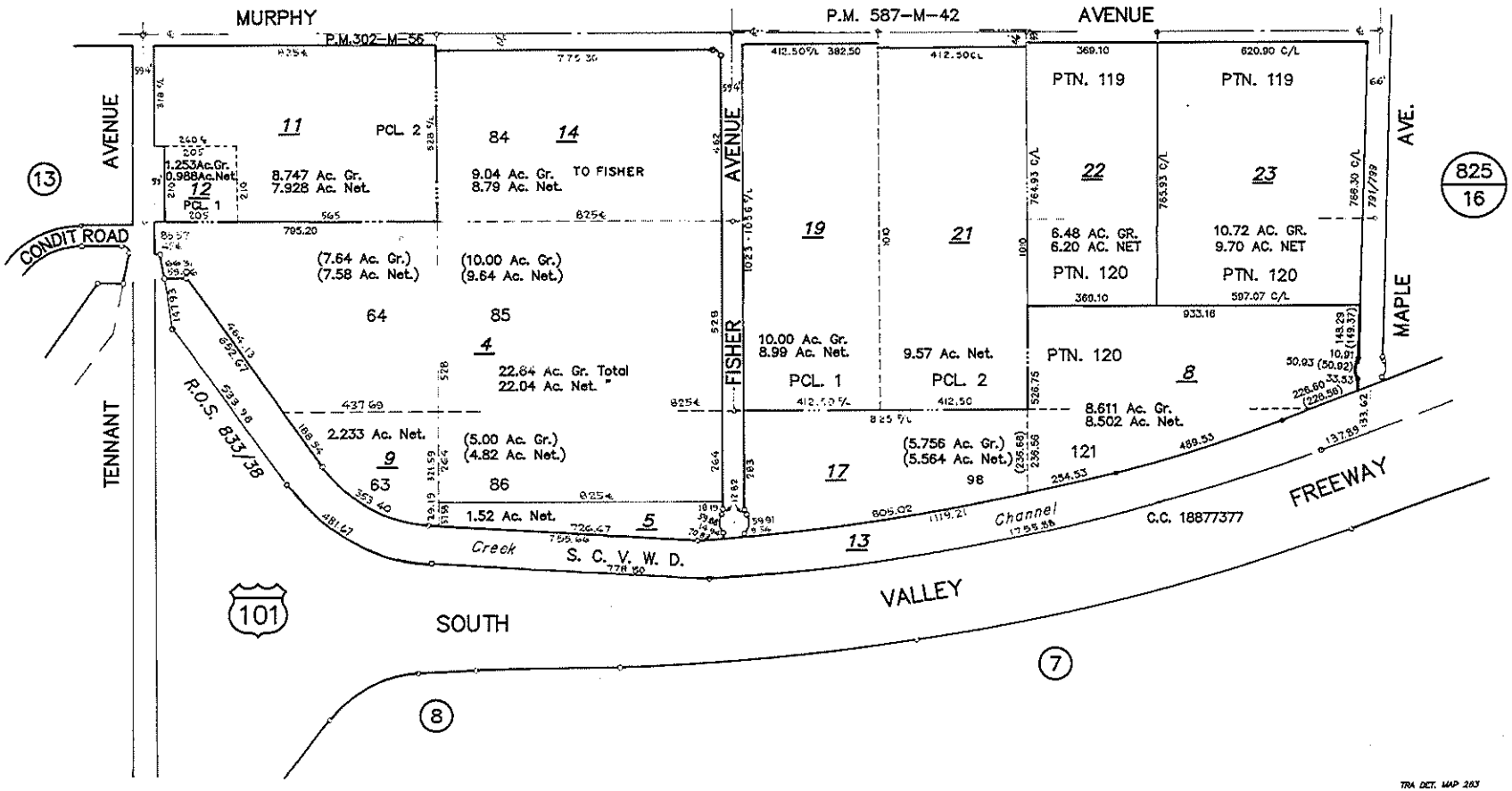
OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

BOOK	PAGE
817	14

CATHERINE DUNNE RANCH MAP NO. 7

L–M–26

1" = 300'



TRA DCT. MAP 263

LAWRENCE E. STONE – ASSESSOR
Cadastral map for assessment purposes only.
Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2015–2016

EXHIBIT "B"

18.08.070 Agricultural Mitigation Ordinance
The ordinance codified in this Chapter shall be known and may be cited as the "Agricultural Lands Preservation Program" of the City of Morgan Hill.

18.85.020 Purpose
The City of Morgan Hill has determined that small-scale agriculture is viable in the Morgan Hill Sphere of Influence (SOI) if land use tools are used effectively to protect an adequate agricultural land use supply. Establishing land use policies and an implementation program to preserve agricultural lands will help to preserve open space, provide access to locally grown foods, promote sustainable food production, contribute to a unique cultural environment within Morgan Hill, and address regional land use planning policy objectives. For Morgan Hill, an effective agricultural preservation program will need to focus upon the use of agricultural land use easements supported by agricultural preservation land use policies.
The Morgan Hill Agricultural Lands Preservation Program is intended to promote continued and viable agricultural activities in and around Morgan Hill through a comprehensive set of land use policies and implementation activities that together accomplish the following:
1. Preserve open space agricultural lands and agricultural activity within the Morgan Hill Sphere of Influence.
2. Promote the viability of small-scale agriculture through the preservation of agricultural land and the implementation of supporting General Plan policies.
3. Identify the combination of tools, techniques, mechanisms, and funding sources that form the best agricultural/open space land preservation program for the City of Morgan Hill.
4. Establish CEQA mitigation procedures to mitigate the loss of agricultural lands.
5. Focus land preservation in the City's Southeast Quadrant

18.85.030 Definitions
The following terms when used in this chapter shall have the following respective meanings:

A. Agricultural Land
For "Agricultural Land" that requires off-setting preservation/mitigation under this Agricultural Lands Preservation Program, Agricultural Land is defined as land that is depicted on the 2010 map of the Farmland Mapping and Monitoring Program (FMMP) of the California Department of Conservation as Prime Farmland, Farmland of Statewide Importance, Unique Farmland, and Farmland of Local Importance and that was not subsequently developed for non-Agricultural Use prior to August 1, 2014 or subsequently developed per the provisions of this Ordinance. Lands identified as Grazing Land are not subject to the offsetting preservation/mitigation requirements set forth in this Policy.

B. Agricultural Conservation Easement
An Agricultural Conservation Easement is a specific type of easement whose purpose is to enable the encumbered property to remain in productive Agricultural Use by preventing any use or activity that would diminish or impair the agriculturally productive capacity. Therefore, the terms of an agricultural- conservation easement restrict the use of the encumbered property to agriculture, while prohibiting development, subdivision, and commercial use of the property other than as agriculture. Agricultural conservation easements are perpetual, running with the land so that their terms are binding on all future fee-title owners of the property.

C. Agricultural Mitigation Land
Agricultural Land (as defined above) that is encumbered by an Agricultural Conservation Easement or other farmland conservation mechanism acceptable to the City. If the Agricultural Land is also being used to meet Open Agricultural Land preservation goals, the easement or other mechanism must ensure that at least 90% of any property being used as Agricultural Mitigation Land remain as open space free of structures or other impervious surfaces so that it retains its value as Agricultural Land under the FMMP criteria. Uses allowed on Agricultural Mitigation Land shall be consistent with the Agricultural Use described below and pertaining land use regulations, and as further defined in the applicable Agricultural Conservation Easement or other farmland conservation mechanism.

D. Agricultural Priority Area
The Agricultural Priority Area is an area within the SEQ that has been identified within the Agricultural Lands Preservation Program as a priority location to preserve and encourage the long-term viability of agriculture and Open Agricultural Lands, recognizing both the vital contributions agriculture makes to the economy and quality of life within the county and the community preference for maintenance of open space areas. By designating this area, the Program identifies those lands within the Morgan Hill SOI most suitable for agricultural production and related uses. Designating the Agricultural Priority Area provides stability for ongoing agricultural operations and supports new uses necessary to support a viable local agriculture industry. The Agricultural Priority Area is also intended to retain in open space uses any lands that are not being actively farmed until agricultural activities resume on those lands.

E. Agricultural Use
Agricultural Use is defined as the use of the land for agricultural purposes, including crops, or crop trees, including floriculture, horticulture, viticulture, crops grown within greenhouses or other buildings, vineyards, crop harvesting, raising of animals (including apiaries, aviaries, dairying, pasturage, and fish farms), and grazing, and including necessary accessory uses for packing, processing, treating or storing of produce, and consistent with the governing jurisdiction's pertaining land use regulations. Qualifying Agricultural Use activities may include:
1. Agricultural Processing: Processing facilities for the handling, processing, packing, packaging, storing and shipping of agricultural commodities grown primarily in Santa Clara County. Does not include processing of meat, poultry, or animal products (butcheries), nor timber or wood processing. Does not include routine harvesting and handling activities incidental to agriculture.
2. Agriculturally Related Entertainment & Commercial Uses: Visitor-oriented services, sales and attractions with an agricultural theme that are conducted in conjunction with on-site Agricultural Uses. Such uses include but are not limited to food and retail sales, tasting rooms, reception facilities, outdoor entertainment areas.
3. Agricultural Research: Establishments for experimental greenhouse and field growing of agricultural commodities, landscaping and seeds, including experimental use of herbicides, pesticides and other agricultural practices. Agricultural research excludes experiments involving livestock and other animals.
4. Dairy: Establishments where cows or goats are maintained for the production of milk or other dairy products for commercial distribution or sale.
5. Feed Lot: Establishments primarily engaged in the fattening of livestock in a confined area.
6. Field Research: Research activities, field studies and educational activities (e.g., student field research) that are dependent on a natural, open setting. Examples include biological, geological or atmospheric studies.
7. Mushroom Farm: Establishments primarily used for the cultivation and subsequent distribution and sale of mushrooms.

8. Nursery: an area where agricultural products are grown for transplanting, for use of stock for building and grafting, or for sale on the premises. Nurseries may include sale and cultivation of ornamental trees, shrubs, and plants, and incidental sale or rental of garden and landscape materials and equipment.
9. Poultry and Egg Farms: Establishments where fowl are raised or kept in confined areas or facilities for the purpose of commercial distribution or sale of birds or eggs.
10. Wildlife Refuge: undeveloped land kept as natural habitat for the purpose of supporting a species or multiple species of wildlife.
11. Wineries: Facilities for the production of wine from fruit or fruit juices through fermentation that are subject to Type 02 licenses by the California Department of Alcoholic Beverage Control. Wineries shall be entitled to all uses and activities provided under the Type 02 license. Wineries may also include related storage, blending and bottling activities, as well as administrative offices, marketing, tours, public tasting, wholesale and retail sales of wine, and ancillary distilling of wine to produce brandy or similar distilled spirits. Wineries may include outdoor areas for picnics, gatherings and other activities incidental to wine-tasting. Incidental sale of marketing products and accessories related to the winery's brand identity, wine drinking, food paring, local agriculture and local history is also permitted.
12. Ancillary Uses: Uses conducted subordinate to the primary Agricultural Use being conducted upon a property and which do not occupy in total more than 10% of the property, including:
a) Direct sales of locally produced agricultural products.
b) One dwelling of persons regularly employed on the premises for farming or domestic duties;
c) Ancillary private garages and other structures for parking and storage of equipment, private stables, and other accessory buildings;
d) Quarters, accommodations or areas for transient labor, such as labor cabins or camps.

F. Agricultural Preservation In-lieu Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency solely for the purpose of acquiring Agricultural Conservation Easements. The Program provides for an in-lieu fee in order to allow the utilization of funding from multiple sources and to maximize the City's ability to preserve open space Agricultural Lands within the Agricultural Priority Area.

G. Agricultural Lands Preservation Program Surcharge Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency for the purpose of administering the Agricultural Lands Preservation Program and/or to cover ongoing management and monitoring of the easements. The Surcharge fee is either incorporated into the overall In-lieu Fee for projects that make use of this option, or charged directly to projects which independently establish an Agricultural Conservation Easement.

H. Open Agricultural Land
Open Agricultural Land is defined as Agricultural Land that is at least 90% free of buildings, structures or other impervious surface and therefore available for planting of outdoor crops, grazing, or other Agricultural Use. The City may make use of open space funding sources to acquire Agricultural Conservation Easements where that Easement specifies that the encumbered property be maintained as Open Agricultural Land.

18.85.040 Applicability
The provisions of this chapter shall apply to all new development/activities under the jurisdiction of the City of Morgan Hill, including both private development and public development projects that directly result in the conversion of Agricultural Land (as defined above) will be required to mitigate loss of Agricultural Land per the provisions of this Policy. This includes projects within the existing City boundaries as well as projects that propose annexation into Morgan Hill. Projects which have received discretionary land use approval prior to the adoption August 1, 2014, including completion of the CEQA process, are not subject to this Policy unless specifically required as mitigation or a condition of project approval.

18.85.050 Mitigation Ratio
A minimum of one (1) acre of Agricultural Land (1:1 mitigation ratio) shall be preserved for each acre of Agricultural Land changed to a non-agricultural use. The required acreage of area to be protected through an Agricultural Conservation Easement or agricultural preservation in-lieu fee will depend on the measurement of affected area as defined below.

18.85.060 "Stay Ahead" Provision
Conservation easements will be established at least at a 1:1 mitigation ratio in advance of the development of Agricultural Lands. Development occurs with either the issuance of Grading Permit or Building Permits that would result in the loss of Agricultural Land. To meet this provision the City may utilize existing open space funding to establish Agricultural Conservation Easements, or individual projects may establish such easements in advance of development activity.

18.85.070 Measurement of Affected Area
Areas subject to agricultural mitigation requirements will be the developed footprint for properties with a General Plan land use designation of Open Space, Public Facilities, or Sports Recreation/Leisure. Areas proposed to be so reserved shall have an aggregated area of at least 10 acres in size to qualify for exclusion from the developed footprint calculation. For the remaining land use designations of residential, commercial, and industrial, the entire site will be used for calculating the required mitigation. Disturbed footprint will include irrigated fields for proposed sports fields or facilities.

18.85.080 Mitigation Mechanism
Conversion of Agricultural Land will require off-setting acquisition and/or dedication of Agricultural Conservation Easements over approved Agricultural Mitigation Land, or payment to the City of the Agricultural Preservation In-lieu Fee, to support agricultural preservation. In addition to land acquisition/dedication, or payment of the Agricultural Preservation In-lieu Fee, in either case developers are also required to pay an Agricultural Lands Preservation Program Surcharge Fee (on a per acre basis) to cover administrative costs and ongoing management and monitoring of the easements.

18.85.090 Eligible Mitigation Lands
In order to meet the goals of this Ordinance, lands proposed to be used as agricultural mitigation shall conform to the above definitions for Agricultural Mitigation Land and/or Open Agricultural Land and shall meet the following criteria:
a) Agricultural conservation easements resulting from this program shall be acquired from willing sellers only; eminent domain will not be used to acquire lands for conservation;

b) The property is of adequate size, configuration and location to be viable for continued Agricultural Use;

c) The land shall have access to an adequate water supply to maintain the purposes of the easement, i.e., to irrigate farmland if the converted farmland is irrigated or capable of irrigation. The water supply shall be sufficient to support ongoing Agricultural Uses, and the water rights on the Agricultural Mitigation Land shall be protected in the Agricultural Conservation Easement;
d) Other considerations for appropriate conserved Agricultural Lands include: soil type, parcel size, existing irrigation supplies, strong agricultural production history, proximity to agricultural infrastructure, proximity to the first point of processing, uses on surrounding lands, and proximity to urban areas now and into the foreseeable future;

e) The mitigation land shall be located within Santa Clara County; and

f) The mitigation land may not overlap with land being acquired as habitat mitigation by the Santa Clara Valley Habitat Agency.

18.85.100 Ineligible Mitigation Lands
A property is ineligible to serve as agricultural mitigation if any of the circumstances below apply:
a) The property is currently encumbered by a conservation, flood, or other type of easement or deed restriction that legally or practicably prevents converting the property to a nonagricultural use; or
b) The property is currently under public ownership and will remain so in the future, except to the extent it is included within a mitigation bank that may subsequently be established by the City or other public agency; or
c) The property is subject to conditions that practicably prevent utilizing the property for a viable Agricultural Use.

18.85.110 Agricultural Priority Area
Dedications inside the Morgan Hill Sphere of Influence (SOI) will be strongly encouraged within the Southeast Quadrant (SEQ) as the first priority. The City has identified an Agricultural Priority Area within the SEQ as the City's first priority for conservation. The City's secondary priority is the preservation of other rural County Agricultural Lands within the Morgan Hill SOI. Dedications outside the SOI are less desirable and must be inside Santa Clara County as described under 'Eligible Mitigation Lands' above. The Agricultural Priority Area encompasses approximately 650 acres of land.

18.85.120 Responsibility for Easement Acquisition
a) In cases where the mitigation fee is paid, the City of Morgan Hill will either take on responsibility for acquiring the easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity.
b) Developments requiring less than 10 acres of agricultural mitigation are required to pay the Agricultural Preservation In-lieu Fee on a per acre basis except that acquisition of Agricultural Conservation Easements of less than 10 acres may be allowed when located immediately adjacent to an existing Agricultural Conservation Easement area that when combined, exceeds 10 acres in size.
c) Developers may independently establish an Agricultural Conservation Easement on Eligible Mitigation Lands within the County. In such cases, the developer will be required to pay all acquisition costs, the costs of establishing the easement, and the Agricultural Lands Preservation Program Surcharge Fee.

18.85.130 Management and Monitoring Fee
The developer shall pay a one-time per acre fee (Agricultural Lands Preservation Program Surcharge Fee) to cover the average cost administration of the program.

18.85.140 Implementing Entity
The City will hold the easements and collect management and monitoring fees until an alternative implementing entity (Qualifying Entity), such as a nonprofit conservation organization or agricultural consultant, has been identified.

18.85.150 Mitigation Timing and Implementation
Agricultural mitigation will be required prior to the acceptance of a final parcel or subdivision map or prior to issuance of a building permit or grading permit that results in physical development involving the conversion of Agricultural Lands, whichever occurs first.

18.85.160 Planned Developments / Development Agreements
Developers may provide agricultural mitigation through a planned development project that consolidates existing development rights onto a portion of the property so that the remaining undeveloped portion is then reserved for agricultural use. Such an approach may be used within the SEQ or within other areas of the City's SOI in which Agricultural Lands are present. Such a project must be governed by a development agreement. This method of mitigation will only be considered if it results in an equal or greater agricultural benefit as would have resulted from the mitigation measures described above. Factors that may be considered include, but are not limited to: (1) the number, size, and location of permissible clustered home sites; (2) the amount of land dedicated for agricultural conservation; (3) the location of agricultural land in relation to the Agricultural Priority Area and contiguity with existing and already conserved agricultural land; and (4) commitments to actively farm agricultural land within the development agreement area. The developer will be required to enter into a development agreement with the City specifying the terms of the agreement and the extraordinary benefits accruing to the City

18.85.170 Funding for Easements
Given the City's policy objective of agricultural land preservation within the Morgan Hill Sphere of Influence and within the Southeast Quadrant in particular, it is anticipated that the City will need to use multiple funding sources to support the acquisition of easements within the desired area. In addition to use of money obtain through grants and other contributions, the City will use open space funds collected through administration of its Residential Development Control System (RDCS) to supplement the acquisition of conservation easements.

18.85.180 Clustering of Development
The City may work with land owners or developers through the land use entitlement process to preserve agricultural lands by allowing a clustering of existing development rights onto a portion of a site so that a large portion of the site may be preserved for agricultural use. The City should allow such alternate methods of agricultural mitigation through Planned Development Zoning and/or a Development Agreement so that it will result in equal or greater agricultural benefit than would result from standard mitigation requirements. At a minimum, mitigation shall still be required at a ratio of 1:1, but may allow flexibility with respect to timing and location. Also, an Agricultural Conservation Easement shall be recorded over the Agricultural Mitigation Lands subject to the Planned Development Zoning and/or Development Agreement.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

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

No fee for recording pursuant to Government Code Section 27383

ABOVE AREA FOR RECORDER'S USE

108-04-16-005

AGRICULTURAL MITIGATION AGREEMENT AND DECLARATION OF COVENANTS

Liang Trust

This Agricultural Mitigation Agreement and Declaration of Covenants ("Agreement") is made and entered into as of this 4th day of March, 2016, by and between the City of Morgan Hill, a municipal corporation ("City") and Liang Trust ("Owner").

RECITALS

WHEREAS, Owner is the owner of real property having agricultural value in an unincorporated part of County of Santa Clara, California, commonly known as APN 817-16-014, and more particularly described on Exhibit "A" attached hereto (the "Parcel");

WHEREAS, application has been made to the Santa Clara County Local Agency Formation Commission ("LAFCO") to annex the Parcel into the City of Morgan Hill;

WHEREAS, the annexation of the Parcel is conditioned, in part, upon Owner's agreement to adhere to the City's current Agricultural Lands Mitigation Ordinance, a copy of which is attached hereto as Exhibit "B" (the "Ordinance") in order to mitigate the impact of the loss of the agricultural value of the Parcel;

WHEREAS, compliance with the Ordinance will mitigate the agricultural impacts that may occur due to the annexation of the Parcel and its subsequent development. In order to ensure that agricultural mitigation for the annexation and subsequent development of the Parcel occurs, the City and the Owner desire to enter into this Agreement; and

WHEREAS, the effectiveness of this Agreement is contingent upon approval of the application to annex the Parcel into the City of Morgan Hill by LAFCO.

NOW THEREFORE, in consideration of the recitals, hereof, and other mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Owner hereby agree as follows.

ARTICLE 1
DEFINITIONS

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(a) "Agreement" means this Agricultural Mitigation Agreement and Declaration of Restrictive Covenants.

(b) "Owner" means Liang Trust and its successors and assigns to the Parcel.

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(d) "Parcel" means the real property described in Exhibit "A", attached hereto and incorporated herein.

(e) "Term" means the duration of this Agreement, which commences on the date of LAFCO's approval of the annexation of the Parcel into the City of Morgan Hill and continues until the City determines that the requirements of the Agreement and Ordinance have been satisfied by the recording of the Agricultural Conservation Easement.

(f) "Agricultural Conservation Easement" shall have the meaning set forth in the Ordinance.

ARTICLE 2
COVENANTS

Section 2.01 Owner agrees to abide by the Ordinance in effect as of the date of this Agreement.

Section 2.02 The Parties agree that the farmlands on the Parcel will no longer be available for agriculture use after the Parcel has been annexed and physical alteration of the Parcel for development purposes pursuant to subsequent City approvals occurs. The Owner agrees to mitigate such farmland loss at a 1:1 ratio, with either (a) an Agricultural Conservation Easement(s) on real property elsewhere within Santa Clara County or, (b) the payment of an In-lieu fee to the City pursuant to the Ordinance. In the event that Owner pays an In-lieu fee, the City will take on the responsibility for acquiring and recording the Agricultural Conservation Easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity. In either event, the Agricultural Conservation Easement must be recorded prior to the City's issuance of the first of a Grading Permit or a Building Permit for development of the Parcel. In the event that the Owner pays an In-lieu fee, the City or the Qualifying Entity, as the case may be, will make a reasonable, good faith effort to acquire and record the Agricultural Conservation Easement in a reasonable timeframe. In the event that Owner records the Agricultural Conservation Easement, Owner agrees to submit the Agricultural Conservation Easement document to the City for its approval prior to recording such Easement.

Section 2.03 The Agricultural Conservation Easement(s) document shall include the street address, if any, the APN, and the legal description of the property(s) subject to the Easements(s). Upon the recording of said Easement by either Owner or the City, pursuant to the Ordinance, Owner will have fully satisfied the requirements of the Ordinance, and shall have no further obligations pursuant to this Agreement. At such time, the parties shall cooperate in the recording of a document terminating the Agreement so that it no longer burdens title to the Parcel.

ARTICLE 3
MISCELLANEOUS

Section 3.01 Term.

The provisions of this Agreement apply to the Parcel for the entire Term. This Agreement binds any successor, heir or assign of the Owner, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the City.

Section 3.02 Covenants to Run With the Land.

The City and the Owner hereby declare their express intent that the covenants set forth in this Agreement run with the land, and bind all successors in title to the Parcel until the City determines that Owner has satisfied the requirements of the Agreement and Ordinance.

Section 3.03 Enforcement.

If the Owner fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the City has notified the Owner in writing of the default or, if the default is not capable of being cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, the City shall have the right to enforce this Agreement by any remedy provided by law or equity, including, but not limited to, termination of the Agreement.

Section 3.04 Attorneys' Fees and Costs.

In any action brought to enforce this Agreement, the prevailing Party shall be entitled to all costs and expenses of suit, including attorneys' fees. This section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

Section 3.05 Recording and Filing.

The City and the Owner shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records of the County of Santa Clara.

Section 3.06 Governing Law.

California law governs this Agreement.

Section 3.07 Waiver of Requirements.

The City may waive any of the requirements of this Agreement only in writing, but no waiver by the City of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

Section 3.08 Amendments.

The Parties may amend this Agreement only by a written instrument executed by both Parties hereto or their successors in title, and duly recorded in the Official Records of the County of Santa Clara.

Section 3.09 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States mail, postage prepaid, addressed to the appropriate party as follows:

Owner: Liang Trust

City: City of Morgan Hill
c/o Agency Secretary
17575 Peak Avenue
Morgan Hill, CA 95037

A Party may change its address by giving written notice to the other Party given in the same manner as provided above.

Section 3.10 Severability.

If any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

Intentionally Left Blank

Section 3.11 Authorized Signers.

Each signer below represents and warrants that he or she is an authorized signer on behalf the Party for which he or she signs.

IN WITNESS WHEREOF, the City and the Owner have executed this Agreement all on the date first written above.

CITY:

CITY OF MORGAN HILL

By: _____
City Manager

Date: 3/10, 2016

OWNER:

Liang Trust

By: _____

Date: March 4th, 2016

ATTEST:

_____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of **CALIFORNIA**

County of **SANTA CLARA**

On March 4, 2016, before me, Karen Nelson a Notary Public in and for said County and State, personally appeared Fu Mei Alice Liang

proved to me on the basis of satisfactory evidence to be the person/s whose name/s is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity/ies, and that by his/her/their signature/s on the instrument the person/s, or the entity upon behalf of which the person/s acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

KAREN NELSON
Commission # 2107242
Notary Public - California
Santa Clara County
My Comm. Expires May 14, 2019

KAREN NELSON
Commission # 2107242
Notary Public - California
Santa Clara County
My Comm. Expires May 14, 2019

Karen Nelson

SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of **CALIFORNIA**

County of **SANTA CLARA**

On_____, 20__, before me,_____a Notary Public in and for said County and State, personally appeared _____

proved to me on the basis of satisfactory evidence to be the person/s whose name/s is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity/ies, and that by his/her/their signature/s on the instrument the person/s, or the entity upon behalf of which the person/s acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

SIGNATURE OF NOTARY PUBLIC

(ABOVE AREA FOR NOTARY SEAL)

A notary or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

On March 10, 2016, before me, Michelle Wilson, a Notary Public in and for said County and State, personally appeared Steve Rymer, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

MICHELLE WILSON
Commission # 2081745
Notary Public - California
Santa Clara County
My Comm. Expires Sep 15, 2018

SIGNATURE OF NOTARY PUBLIC

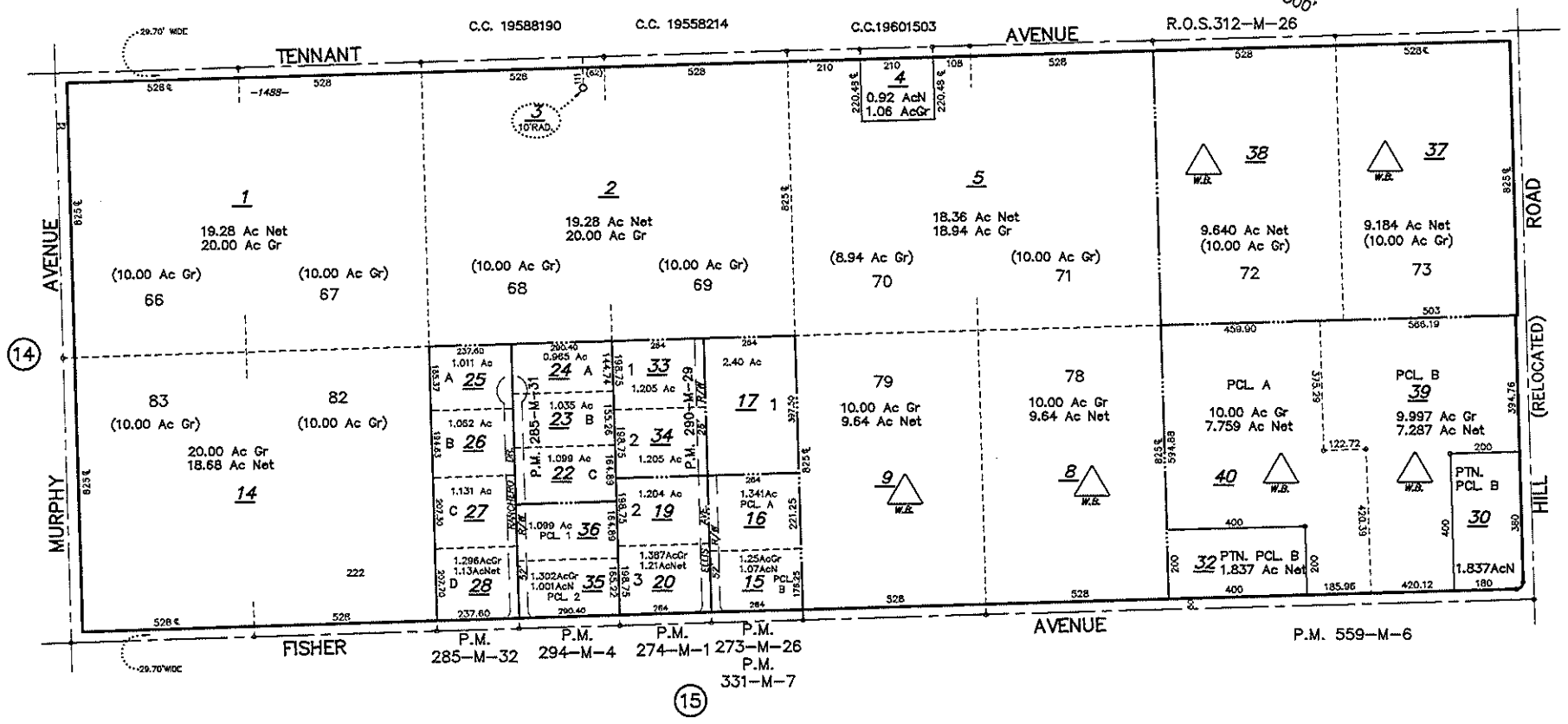
(ABOVE AREA FOR NOTARY SEAL)

EXHIBIT "A"

OFFICE OF COUNTY ASSESSOR — SANTA CLARA COUNTY, CALIFORNIA

BOOK	PAGE
817	16

CATHERINE DUNNE RANCH MAP NO. 7
L–M–26



TRA DCT. MAP 263

LAWRENCE E. STONE – ASSESSOR
Cadastral map for assessment purposes only.
Compiled under R. & T. Code, Sec. 327.
Effective Roll Year 2015–2016

EXHIBIT "B"

18.08.070 Agricultural Mitigation Ordinance
The ordinance codified in this Chapter shall be known and may be cited as the "Agricultural Lands Preservation Program" of the City of Morgan Hill.

18.85.020 Purpose
The City of Morgan Hill has determined that small-scale agriculture is viable in the Morgan Hill Sphere of Influence (SOI) if land use tools are used effectively to protect an adequate agricultural land use supply. Establishing land use policies and an implementation program to preserve agricultural lands will help to preserve open space, provide access to locally grown foods, promote sustainable food production, contribute to a unique cultural environment within Morgan Hill, and address regional land use planning policy objectives. For Morgan Hill, an effective agricultural preservation program will need to focus upon the use of agricultural land use easements supported by agricultural preservation land use policies.
The Morgan Hill Agricultural Lands Preservation Program is intended to promote continued and viable agricultural activities in and around Morgan Hill through a comprehensive set of land use policies and implementation activities that together accomplish the following:
1. Preserve open space agricultural lands and agricultural activity within the Morgan Hill Sphere of Influence.
2. Promote the viability of small-scale agriculture through the preservation of agricultural land and the implementation of supporting General Plan policies.
3. Identify the combination of tools, techniques, mechanisms, and funding sources that form the best agricultural/open space land preservation program for the City of Morgan Hill.
4. Establish CEQA mitigation procedures to mitigate the loss of agricultural lands.
5. Focus land preservation in the City's Southeast Quadrant

18.85.030 Definitions
The following terms when used in this chapter shall have the following respective meanings:

A. Agricultural Land
For "Agricultural Land" that requires off-setting preservation/mitigation under this Agricultural Lands Preservation Program, Agricultural Land is defined as land that is depicted on the 2010 map of the Farmland Mapping and Monitoring Program (FMMP) of the California Department of Conservation as Prime Farmland, Farmland of Statewide Importance, Unique Farmland, and Farmland of Local Importance and that was not subsequently developed for non-Agricultural Use prior to August 1, 2014 or subsequently developed per the provisions of this Ordinance. Lands identified as Grazing Land are not subject to the offsetting preservation/mitigation requirements set forth in this Policy.

B. Agricultural Conservation Easement
An Agricultural Conservation Easement is a specific type of easement whose purpose is to enable the encumbered property to remain in productive Agricultural Use by preventing any use or activity that would diminish or impair the agriculturally productive capacity. Therefore, the terms of an agricultural- conservation easement restrict the use of the encumbered property to agriculture, while prohibiting development, subdivision, and commercial use of the property other than as agriculture. Agricultural conservation easements are perpetual, running with the land so that their terms are binding on all future fee-title owners of the property.

C. Agricultural Mitigation Land
Agricultural Land (as defined above) that is encumbered by an Agricultural Conservation Easement or other farmland conservation mechanism acceptable to the City. If the Agricultural Land is also being used to meet Open Agricultural Land preservation goals, the easement or other mechanism must ensure that at least 90% of any property being used as Agricultural Mitigation Land remain as open space free of structures or other impervious surfaces so that it retains its value as Agricultural Land under the FMMP criteria. Uses allowed on Agricultural Mitigation Land shall be consistent with the Agricultural Use described below and pertaining land use regulations, and as further defined in the applicable Agricultural Conservation Easement or other farmland conservation mechanism.

D. Agricultural Priority Area
The Agricultural Priority Area is an area within the SEQ that has been identified within the Agricultural Lands Preservation Program as a priority location to preserve and encourage the long-term viability of agriculture and Open Agricultural Lands, recognizing both the vital contributions agriculture makes to the economy and quality of life within the county and the community preference for maintenance of open space areas. By designating this area, the Program identifies those lands within the Morgan Hill SOI most suitable for agricultural production and related uses. Designating the Agricultural Priority Area provides stability for ongoing agricultural operations and supports new uses necessary to support a viable local agriculture industry. The Agricultural Priority Area is also intended to retain in open space uses any lands that are not being actively farmed until agricultural activities resume on those lands.

E. Agricultural Use
Agricultural Use is defined as the use of the land for agricultural purposes, including crops, or crop trees, including floriculture, horticulture, viticulture, crops grown within greenhouses or other buildings, vineyards, crop harvesting, raising of animals (including apiaries, aviaries, dairying, pasturage, and fish farms), and grazing, and including necessary accessory uses for packing, processing, treating or storing of produce, and consistent with the governing jurisdiction's pertaining land use regulations. Qualifying Agricultural Use activities may include:
1. Agricultural Processing: Processing facilities for the handling, processing, packing, packaging, storing and shipping of agricultural commodities grown primarily in Santa Clara County. Does not include processing of meat, poultry, or animal products (butcheries), nor timber or wood processing. Does not include routine harvesting and handling activities incidental to agriculture.
2. Agriculturally Related Entertainment & Commercial Uses: Visitor-oriented services, sales and attractions with an agricultural theme that are conducted in conjunction with on-site Agricultural Uses. Such uses include but are not limited to food and retail sales, tasting rooms, reception facilities, outdoor entertainment areas.
3. Agricultural Research: Establishments for experimental greenhouse and field growing of agricultural commodities, landscaping and seeds, including experimental use of herbicides, pesticides and other agricultural practices. Agricultural research excludes experiments involving livestock and other animals.
4. Dairy: Establishments where cows or goats are maintained for the production of milk or other dairy products for commercial distribution or sale.
5. Feed Lot: Establishments primarily engaged in the fattening of livestock in a confined area.
6. Field Research: Research activities, field studies and educational activities (e.g., student field research) that are dependent on a natural, open setting. Examples include biological, geological or atmospheric studies.
7. Mushroom Farm: Establishments primarily used for the cultivation and subsequent distribution and sale of mushrooms.

8. Nursery: an area where agricultural products are grown for transplanting, for use of stock for building and grafting, or for sale on the premises. Nurseries may include sale and cultivation of ornamental trees, shrubs, and plants, and incidental sale or rental of garden and landscape materials and equipment.
9. Poultry and Egg Farms: Establishments where fowl are raised or kept in confined areas or facilities for the purpose of commercial distribution or sale of birds or eggs.
10. Wildlife Refuge: undeveloped land kept as natural habitat for the purpose of supporting a species or multiple species of wildlife.
11. Wineries: Facilities for the production of wine from fruit or fruit juices through fermentation that are subject to Type 02 licenses by the California Department of Alcoholic Beverage Control. Wineries shall be entitled to all uses and activities provided under the Type 02 license. Wineries may also include related storage, blending and bottling activities, as well as administrative offices, marketing, tours, public tasting, wholesale and retail sales of wine, and ancillary distilling of wine to produce brandy or similar distilled spirits. Wineries may include outdoor areas for picnics, gatherings and other activities incidental to wine-tasting. Incidental sale of marketing products and accessories related to the winery's brand identity, wine drinking, food paring, local agriculture and local history is also permitted.
12. Ancillary Uses: Uses conducted subordinate to the primary Agricultural Use being conducted upon a property and which do not occupy in total more than 10% of the property, including:
a) Direct sales of locally produced agricultural products.
b) One dwelling of persons regularly employed on the premises for farming or domestic duties;
c) Ancillary private garages and other structures for parking and storage of equipment, private stables, and other accessory buildings;
d) Quarters, accommodations or areas for transient labor, such as labor cabins or camps.

F. Agricultural Preservation In-lieu Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency solely for the purpose of acquiring Agricultural Conservation Easements. The Program provides for an in-lieu fee in order to allow the utilization of funding from multiple sources and to maximize the City's ability to preserve open space Agricultural Lands within the Agricultural Priority Area.

G. Agricultural Lands Preservation Program Surcharge Fee
A fee paid to the City of Morgan Hill which will be credited to the City's Open Space Fund or other City fund created for the purpose of acquiring Agricultural Mitigation Land or transferred to a Qualifying Entity and used by either agency for the purpose of administering the Agricultural Lands Preservation Program and/or to cover ongoing management and monitoring of the easements. The Surcharge fee is either incorporated into the overall In-lieu Fee for projects that make use of this option, or charged directly to projects which independently establish an Agricultural Conservation Easement.

H. Open Agricultural Land
Open Agricultural Land is defined as Agricultural Land that is at least 90% free of buildings, structures or other impervious surface and therefore available for planting of outdoor crops, grazing, or other Agricultural Use. The City may make use of open space funding sources to acquire Agricultural Conservation Easements where that Easement specifies that the encumbered property be maintained as Open Agricultural Land.

18.85.040 Applicability
The provisions of this chapter shall apply to all new development/activities under the jurisdiction of the City of Morgan Hill, including both private development and public development projects that directly result in the conversion of Agricultural Land (as defined above) will be required to mitigate loss of Agricultural Land per the provisions of this Policy. This includes projects within the existing City boundaries as well as projects that propose annexation into Morgan Hill. Projects which have received discretionary land use approval prior to the adoption August 1, 2014, including completion of the CEQA process, are not subject to this Policy unless specifically required as mitigation or a condition of project approval.

18.85.050 Mitigation Ratio
A minimum of one (1) acre of Agricultural Land (1:1 mitigation ratio) shall be preserved for each acre of Agricultural Land changed to a non-agricultural use. The required acreage of area to be protected through an Agricultural Conservation Easement or agricultural preservation in-lieu fee will depend on the measurement of affected area as defined below.

18.85.060 "Stay Ahead" Provision
Conservation easements will be established at least at a 1:1 mitigation ratio in advance of the development of Agricultural Lands. Development occurs with either the issuance of Grading Permit or Building Permits that would result in the loss of Agricultural Land. To meet this provision the City may utilize existing open space funding to establish Agricultural Conservation Easements, or individual projects may establish such easements in advance of development activity.

18.85.070 Measurement of Affected Area
Areas subject to agricultural mitigation requirements will be the developed footprint for properties with a General Plan land use designation of Open Space, Public Facilities, or Sports Recreation/Leisure. Areas proposed to be so reserved shall have an aggregated area of at least 10 acres in size to qualify for exclusion from the developed footprint calculation. For the remaining land use designations of residential, commercial, and industrial, the entire site will be used for calculating the required mitigation. Disturbed footprint will include irrigated fields for proposed sports fields or facilities.

18.85.080 Mitigation Mechanism
Conversion of Agricultural Land will require off-setting acquisition and/or dedication of Agricultural Conservation Easements over approved Agricultural Mitigation Land, or payment to the City of the Agricultural Preservation In-lieu Fee, to support agricultural preservation. In addition to land acquisition/dedication, or payment of the Agricultural Preservation In-lieu Fee, in either case developers are also required to pay an Agricultural Lands Preservation Program Surcharge Fee (on a per acre basis) to cover administrative costs and ongoing management and monitoring of the easements.

18.85.090 Eligible Mitigation Lands
In order to meet the goals of this Ordinance, lands proposed to be used as agricultural mitigation shall conform to the above definitions for Agricultural Mitigation Land and/or Open Agricultural Land and shall meet the following criteria:
a) Agricultural conservation easements resulting from this program shall be acquired from willing sellers only; eminent domain will not be used to acquire lands for conservation;

b) The property is of adequate size, configuration and location to be viable for continued Agricultural Use;

c) The land shall have access to an adequate water supply to maintain the purposes of the easement, i.e., to irrigate farmland if the converted farmland is irrigated or capable of irrigation. The water supply shall be sufficient to support ongoing Agricultural Uses, and the water rights on the Agricultural Mitigation Land shall be protected in the Agricultural Conservation Easement;
d) Other considerations for appropriate conserved Agricultural Lands include: soil type, parcel size, existing irrigation supplies, strong agricultural production history, proximity to agricultural infrastructure, proximity to the first point of processing, uses on surrounding lands, and proximity to urban areas now and into the foreseeable future;

e) The mitigation land shall be located within Santa Clara County; and

f) The mitigation land may not overlap with land being acquired as habitat mitigation by the Santa Clara Valley Habitat Agency.

18.85.100 Ineligible Mitigation Lands
A property is ineligible to serve as agricultural mitigation if any of the circumstances below apply:
a) The property is currently encumbered by a conservation, flood, or other type of easement or deed restriction that legally or practicably prevents converting the property to a nonagricultural use; or
b) The property is currently under public ownership and will remain so in the future, except to the extent it is included within a mitigation bank that may subsequently be established by the City or other public agency; or
c) The property is subject to conditions that practicably prevent utilizing the property for a viable Agricultural Use.

18.85.110 Agricultural Priority Area
Dedications inside the Morgan Hill Sphere of Influence (SOI) will be strongly encouraged within the Southeast Quadrant (SEQ) as the first priority. The City has identified an Agricultural Priority Area within the SEQ as the City's first priority for conservation. The City's secondary priority is the preservation of other rural County Agricultural Lands within the Morgan Hill SOI. Dedications outside the SOI are less desirable and must be inside Santa Clara County as described under 'Eligible Mitigation Lands' above. The Agricultural Priority Area encompasses approximately 650 acres of land.

18.85.120 Responsibility for Easement Acquisition
a) In cases where the mitigation fee is paid, the City of Morgan Hill will either take on responsibility for acquiring the easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity.
b) Developments requiring less than 10 acres of agricultural mitigation are required to pay the Agricultural Preservation In-lieu Fee on a per acre basis except that acquisition of Agricultural Conservation Easements of less than 10 acres may be allowed when located immediately adjacent to an existing Agricultural Conservation Easement area that when combined, exceeds 10 acres in size.
c) Developers may independently establish an Agricultural Conservation Easement on Eligible Mitigation Lands within the County. In such cases, the developer will be required to pay all acquisition costs, the costs of establishing the easement, and the Agricultural Lands Preservation Program Surcharge Fee.

18.85.130 Management and Monitoring Fee
The developer shall pay a one-time per acre fee (Agricultural Lands Preservation Program Surcharge Fee) to cover the average cost administration of the program.

18.85.140 Implementing Entity
The City will hold the easements and collect management and monitoring fees until an alternative implementing entity (Qualifying Entity), such as a nonprofit conservation organization or agricultural consultant, has been identified.

18.85.150 Mitigation Timing and Implementation
Agricultural mitigation will be required prior to the acceptance of a final parcel or subdivision map or prior to issuance of a building permit or grading permit that results in physical development involving the conversion of Agricultural Lands, whichever occurs first.

18.85.160 Planned Developments / Development Agreements
Developers may provide agricultural mitigation through a planned development project that consolidates existing development rights onto a portion of the property so that the remaining undeveloped portion is then reserved for agricultural use. Such an approach may be used within the SEQ or within other areas of the City's SOI in which Agricultural Lands are present. Such a project must be governed by a development agreement. This method of mitigation will only be considered if it results in an equal or greater agricultural benefit as would have resulted from the mitigation measures described above. Factors that may be considered include, but are not limited to: (1) the number, size, and location of permissible clustered home sites; (2) the amount of land dedicated for agricultural conservation; (3) the location of agricultural land in relation to the Agricultural Priority Area and contiguity with existing and already conserved agricultural land; and (4) commitments to actively farm agricultural land within the development agreement area. The developer will be required to enter into a development agreement with the City specifying the terms of the agreement and the extraordinary benefits accruing to the City

18.85.170 Funding for Easements
Given the City's policy objective of agricultural land preservation within the Morgan Hill Sphere of Influence and within the Southeast Quadrant in particular, it is anticipated that the City will need to use multiple funding sources to support the acquisition of easements within the desired area. In addition to use of money obtain through grants and other contributions, the City will use open space funds collected through administration of its Residential Development Control System (RDCS) to supplement the acquisition of conservation easements.

18.85.180 Clustering of Development
The City may work with land owners or developers through the land use entitlement process to preserve agricultural lands by allowing a clustering of existing development rights onto a portion of a site so that a large portion of the site may be preserved for agricultural use. The City should allow such alternate methods of agricultural mitigation through Planned Development Zoning and/or a Development Agreement so that it will result in equal or greater agricultural benefit than would result from standard mitigation requirements. At a minimum, mitigation shall still be required at a ratio of 1:1, but may allow flexibility with respect to timing and location. Also, an Agricultural Conservation Easement shall be recorded over the Agricultural Mitigation Lands subject to the Planned Development Zoning and/or Development Agreement.

Abello, Emmanuel

Subject: FW: Moving Forward

From: Steve Rymer [mailto:Steve.Rymer@morganhill.ca.gov]
Sent: Thursday, March 10, 2016 2:22 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; Andrea Mackenzie <amackenzie@openspaceauthority.org>; Girard, Kirk <kirk.girard@pln.sccgov.org>; Eastwood, Rob <Rob.Eastwood@PLN.SCCGOV.ORG>
Subject: Moving Forward

Hi Neelima, Andrea, Kirk, and Rob…

I wanted to touch base with all of you prior to tomorrow's meeting and thank you for your efforts and focus on our application. We do appreciate the fact that all of us want to preserve agriculture for generations to come. Regardless of the Commission's decision, Morgan Hill is excited to work with all of you (and many others) on the OSA/County led planning process. My teammates and I are committed to a collaborative effort where we spend our time and energy working together. Thanks again and I look forward to seeing all of you tomorrow. Enjoy the rest of your Thursday.

Steve

Steve Rymer
City Manager
CITY OF MORGAN HILL
17575 Peak Avenue, 95037
(P) 408.310.4625 (C) 651.485.2072 (F) 408.779.3117
(E) steve.rymer@morganhill.ca.gov (W) www.morganhill.ca.gov

CITY OF MORGAN HILL

March 8, 2016

Local Agency Formation Commission of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

Re: City of Morgan Hill Urban Service Area Amendment, Supplemental Information

Dear LAFCO Commissioners,

The City of Morgan Hill appreciates the work of LAFCO staff in preparing its report for your consideration of our *Morgan Hill Urban Service Area Amendment 2015* application. We also appreciate the Open Space Authority (OSA) and County for their dedication to preserving agriculture throughout the County. In summary, as you consider our application, please understand that Morgan Hill:

- Is asking LAFCO to allow us to build ball fields, a high school, and other recreational facilities that will bring real benefit to our community and region
- Must keep its vacant industrial and commercial land for job growth to assist in the region's efforts to reduce traffic congestion and greenhouse gas emissions
- Has adopted an Agricultural Lands Preservation Program based on best practices and which is fully compliant with the California Environmental Quality Act (CEQA)
- Is making a significant and atypical contribution of its own conservation resources to achieve the City's goal of agricultural preservation in the Southeast Quadrant (SEQ)
- Is eager to work in partnership with the OSA, County, and others on the "sustainable agricultural lands policy framework"

Morgan Hill has a long and proud history of environmental stewardship within the Silicon Valley. From successfully protecting over 500 acres of open space and being a leader in water conservation, to participating in the Habitat Conservation Plan and the recently established Community Choice Energy Joint Powers Authority, the City's actions serve as confirmation that we should be trusted when it comes to preserving viable agriculture. We believe that our environmental leadership should be further acknowledged as Morgan Hill is the only agency in the County to invest significant resources to actively pursue agricultural preservation from both a policy and funding perspective. We are proud that Morgan Hill's proposal is based on widely accepted best practices, while also grounded in legal and economic practicality.

As part of the City Council's communications and engagement priority, the City encourages open dialogue, diverse views, and differing opinions for all public policy decisions. However, over the course of the last weeks, there has been a significant amount of communication from many sources to LAFCO, the general public, and local leaders about Morgan Hill's LAFCO application, agricultural mitigation program, and its intentions for the SEQ. Unfortunately, some of the comments directed at the City suggest we are "greedy," approval of our application would "undermine LAFCO's goal of preserving agricultural land" and "hinder efforts to establish a county-wide framework for conserving farmland and ranchland," and our "adopted mitigation policy that aims to preserve some agricultural land is inadequate." These statements have been made by many who have never discussed or contacted the City to learn about our perspective and common goal to preserve viable agriculture. Many of these positions have led to miscommunication and mischaracterization of the City's efforts.

Regardless, the City still believes that we all have the same noble goal; to preserve viable agricultural land in perpetuity for the benefit of the Morgan Hill community, the region, and the state. The City believes that it is responsible to move forward with our conservation efforts immediately as the necessary relationships with land owners and the farming community have been established. At the same time, the City is excited to participate in the OSA/County led "sustainable agricultural lands policy framework" to further our collective goal.

The purpose of this letter is to address issues raised by others in communication to LAFCO, provide the Commission with supplemental information related to the City's application, and update the Commission on City Council actions taken on March 2, 2016. In the following pages, the City is providing additional information regarding the following topics:

1. City Council March 2, 2016 Actions
2. Supplemental Commercial and Industrial Vacant Land Analysis
3. Agriculture Mitigation Consistency
4. Agriculture Conservation Easements
5. City's Financial Position

1. City Council March 2, 2016 Actions

As has been publicly stated for many years in City Council discussions and policy decisions, Morgan Hill is committed to preserving agricultural lands and enhancing its youth and family serving sports, recreation, and leisure services in the SEQ of the City's Sphere of Influence. Even though the City Council has reiterated its position on numerous occasions, there remain questions about the sincerity of the City's commitment to develop sports, recreation, leisure, and public facility uses as currently proposed, both in the near term and into the future for the lands included in the City's LAFCO application.

Questions exist as to whether the City will eventually convert land in the SEQ to permit housing and industrial uses if LAFCO approves the City's USA Amendment application. To address these concerns, and to clarify and unequivocally state that it has never been the City Council's objective to allow housing or industrial uses in the SEQ, the City Council adopted a resolution directing staff to immediately amend the existing zoning ordinance to restrict future land uses, in perpetuity, within the southeast quadrant for sports-recreation-leisure district or public facilities, by requiring that any future development, including that by the City, as a condition of approval include a covenant prohibiting development of residential or industrial uses.

Additionally, the Council took the following actions at the March 2 meeting:

- Renamed the existing Open Space Fund to the "Agriculture and Open Space Preservation Fund"
- Directed staff to establish an Agricultural Lands Mitigation Bank and directed staff to work with the selected consultant to establish the same
- Dedicated an initial amount of $6 million from the City's Agriculture and Open Space Preservation Fund for Agricultural Land Conservation
- Directed staff to evaluate agricultural land preservation partnership opportunities within the County as detailed in the Open Space Authority's (OSA) "Santa Clara Valley Greenprint" and other complementary plans, especially those in close proximity to Morgan Hill.

2. Supplemental Commercial and Industrial Vacant Land Analysis

The City has very limited vacant land available for development within its borders. Much of this is industrial land that must be preserved for job growth that is critical to our fiscal future and our desire to be a balanced community. Furthermore, loss of this job base would further exacerbate the regional commute imbalances.

Many have suggested that Morgan Hill develop its envisioned sports, recreation, leisure, and public facilities within the City borders. The required acreage for recreational and educational facilities and the availability of appropriate sized parcels makes this problematic. It is not as simple as "develop everything in the City boundary first." It would be extremely difficult for Morgan Hill to maintain an appropriate land use balance if it were required to utilize its existing vacant land for healthy sports, recreation, leisure, and education purposes because the only land large enough to accommodate these 20+ acres would:

- Require the City to choose between land reserved for industrial development (and a healthy jobs-housing balance) and recreation and schools
- Impact the City's ability to create jobs (the City currently has a jobs per employed resident balance of 0.8:1) to meet its greenhouse gas emissions goals by providing residents with opportunities to work in the community

Specifically, there are currently 97 vacant parcels with General Plan designations of commercial or industrial within the City limits of Morgan Hill. The smallest individual vacant parcel is .06 acres to the largest, 18.1 acres. When analyzing all vacant parcels that have adjacencies that could be assembled for a larger development, there are only seven opportunity sites that are a minimum of 20 acres. As currently identified in the General Plan, sports and recreational activities are not an allowed use within the industrial districts, therefore only leaving five commercial opportunity sites that are 20 acres or greater. Two of the five commercial opportunity sites have Letters of Intent with active development and master planning. As a result, there are three vacant commercial opportunity sites that are in excess of 20 acres or more. However, they are more suitable for commercial development to assist in Morgan Hill's economic sustainability.

Regarding jobs, the 147 commercially vacant acres will produce between 3,000-4,000 jobs. Within the industrial designated 220 acres of land (which is slightly lower than previously reported), the amount of job capacity is between 5,000 and 6,500 jobs. Combined, this equates to 8,000 to 10,000 jobs that will be extremely beneficial for the City and the region as we collectively work towards reducing regional traffic congestion and greenhouse gas emissions.

3. Agriculture Mitigation Consistency

It has been suggested that the City's adopted "Agricultural Lands Preservation Program" and "Agricultural Lands Mitigation Ordinance" will not result in preserving agriculture and contain "serious deficiencies." These statements are concerning as the City has incorporated the best practices of existing policies throughout the state and the proposed actions are consistent with LAFCO's advisory agricultural lands policy.

The City recognizes that when comparing any public policies, there are slight variations due to local circumstances. This is the case when comparing agriculture mitigation policies. On the following page is the City's adopted mitigation policies compared to LAFCO's advisory policy, Yolo County's recently updated Policy (considered by many to be a leader in this area), and the California Council of Land Trust model program. The City's mitigation is substantially consistent with all three, and in some areas may be more comprehensive.

Policies	CA Council of Land Trusts Model Ordinance	Yolo County*	LAFCO Advisory Policy	Morgan Hill
Minimum Mitigation Ratio 1:1	✓	✓	✓	✓
Conservation Easements w/i SOI	✓	✓	✓	✓
Stay Ahead Provision	✓	✓	✓	✓
In-Lieu fees	✓	✓	✓	✓
Third Party Administrator	✓	✓	✓	✓
Right to Farm Ordinance		✓	✓	✓
Public Uses Subject to Mitigation			✓	✓
Cortese Knox Farmland			✓	
DOC/DOA Farmland Map	✓	✓		✓
Transfer of Development Rights				✓
Mitigation Land Bank		✓		✓
Local Funding (RDCS)				✓
Administrative Costs Paid	✓	✓	✓	✓
Priority Conservation Area		✓		✓

*Requires up to 3:1 in locations outside its Priority Conservation Area

Additionally, some have expressed concern that the City's Agricultural Lands Preservation Program would not comply with the requirements of the CEQA. Under CEQA law, if an Environmental Impact Report (EIR) has been certified by a local jurisdiction without a legal challenge per the provisions of CEQA (Government Code Section 21167.2), the EIR is deemed to fully meet the legal requirements of CEQA. As required under CEQA, the City prepared a response to all comments received during the EIR circulation period. As no legal challenge was made to the City's response, the EIR must be deemed adequate under CEQA provisions.

Morgan Hill's Agricultural Lands Preservation Program was specifically designed to be consistent with best practice standards as established either in the enacting CEQA legislation or in subsequent CEQA case law. Specifically, the use of the Department of Agriculture definition of farmlands to determine impact, the use of a 1:1 mitigation ratio, and the allowance that mitigation may occur anywhere within the County (Masonite Corporation vs. County of Mendocino and Building Industry Association of Central California vs. County of Stanislaus) are all standards prompted by CEQA compliance. The City's decision to use City conservation resources to favor mitigation within the Southeast Quadrant is a City policy decision and not a CEQA issue. Because the City's Policy allows mitigation to potentially occur elsewhere within the County, it is also directly consistent with established legal precedent.

4. Agriculture Conservation Easements

The City is proud of the fact that it currently has voluntary, developer paid, conservation dollars, coupled with agriculture mitigation funds, to purchase conservation easements. Such funding is an unusual advantage within California. This fact is significant as Morgan Hill is the only organization to both have an adopted Agricultural Lands Preservation Program and to pledge City conservation funds to preserve agriculture, notably outside of the city limits in the Southeast Quadrant.

As demonstrated below, the City anticipates $12.5M of developer paid fees to be available in its "Agriculture and Open Space Preservation" fund within five years, excluding agriculture mitigation fees, and conservatively projects a total of $15.5M available when taking into consideration agriculture mitigation fees from the Sports, Recreation, and Leisure District and other locations in the city.

Current "Agriculture and Open Space Preservation Fund" balance	$ 6.0M
Anticipated developer funds paid from FY17-21	$ 6.5M
Estimated agriculture mitigation fees	$ 3.0M
	$15.5M

While the City is not dependent upon grants to achieve its preservation goal, it would be shortsighted and irresponsible to not participate in leveraging the developer paid fees with other funding sources. As previously mentioned, the City is very interested in participating in the OSA and County led sustainable agricultural lands policy framework discussion and believes the City's work completed to date will be beneficial to the process.

5. City's Financial Position

The City has provided numerous pages on how we fund City service delivery and the expansion of essential infrastructure. It is concerning that LAFCO staff reported that "the City has not adequately demonstrated the ability to provide and fund" our services. We respectfully take exception with these claims as our history clearly demonstrates the contrary and unconditional fiscal prudence.

The City Council and the Leadership Team have a long history of being responsible stewards of public resources, resulting in financial sustainability from both a capital and operating standpoint. As evidenced in our adopted fiscal policies, "the City shall maintain unappropriated fund balance or working capital in the General Fund, Water and Sewer operating funds, Water and Sewer rate stabilization funds, Community Development Fund, and certain internal service funds." For many years, the City has been well served by all of its fiscal policies.

Adherence to these fiscal policies was confirmed in 2015, when Standards & Poor's rating services provided the City with an "AA" long-term rating due to "very strong management,

strong budgetary performance, very strong budget flexibility, very strong liquidity." Furthermore, it was stated that the rating could be raised with continued economic growth. This directly relates to the need to move vacant industrial and commercial land into jobs and the City's responsibility to factor in many variables as part of land use decisions.

In closing, the City is committed to ensuring that we amend our City limits in a thoughtful and deliberate manner as we strive to improve Morgan Hill's high quality of life by preserving our agricultural lands and providing healthy recreational options for our community and region now and in the years to come. We are looking forward to playing a significant role in the OSA/County sustainable agriculture framework process and believe LAFCO approval of our application will allow the City to meet its recreation responsibilities and be beneficial for all agriculture preservation efforts. Furthermore, new recreational and educational facilities would provide a real benefit to the community and region by furthering the City's and County's goals for youth, and health and wellness, among other benefits.

We respectfully request that the LAFCO Commissioners take the above information into account, while also carefully considering the impact to Morgan Hill's responsibility to provide recreation services, support education, create jobs, and protect our environment.

Thank you for your consideration.

Sincerely,

Steve Rymer
City Manager

CC: Morgan Hill City Council
Neelima Palacherla, LAFCO

LETTERS FROM PUBLIC AGENCIES

County of Santa Clara

Department of Planning and Development
County Government Center, East Wing
70 West Hedding Street, 7th Floor
San Jose, California 95110

Administration	Building Inspection	Fire Marshal	Land Development Engineering	Planning
Ph: (408) 299-6740	(408) 299-5700	(408) 299-5760	(408) 299-5730	(408) 299-5770
Fax: (408) 299-6757	(408) 279-8537	(408) 299-6757	(408) 279-8537	(408) 288-9198

March 8, 2016

LAFCO Commission Members
LAFCO
70 West Hedding, 11th Floor
San Jose, CA 95110

Re: Morgan Hill Urban Service Area Amendment 2015

Dear LAFCO Members:

Thank you for the opportunity to provide comments on the proposed Morgan Hill Urban Service Area Amendment that will be considered by LAFCO on March 11, 2016. This letter summarizes our Department's review of the proposed Urban Service Amendment, specifically the portion of the proposed Amendment known as the Southeast Quadrant ("SEQ"). We previously communicated to the City of Morgan Hill in November 2014 during the SEQ Plan preparation process, our view and concerns of the project as initially proposed.

The SEQ project remains inconsistent with the County's growth management and resource conservation policies and the South County Joint Area Plan, but we want to recognize the significant modifications made to the project since its inception and express our continued commitment to work collaboratively with both Morgan Hill and LAFCO on urban expansion and protection of agricultural lands.

Our analysis of the SEQ proposal in relation to County policies is provided below.

Conversion of Agricultural Lands

The proposed SEQ Plan will transfer 229 acres of rural unincorporated land into the Urban Service Area of Morgan Hill for future annexation, urban infrastructure extensions, and urban development. As outlined within the SEQ Plan, this land will be developed as either Sports/Recreation/Leisure land uses or Public Facilities Uses (high school). Development of these lands for urban uses will result in the conversion and loss of over 229 acres of valuable farmland.

As our Department recently highlighted during a presentation regarding the Agricultural Lands Framework for Southern Santa Clara County ("Framework") before the LAFCO Committee in February, the ongoing conversion of agricultural lands continues to be a significant issue in southern Santa Clara County. According to the California Farmland Mapping and Monitoring Program, the County lost almost 50 percent of its prime cropland between 1990 and 2008. More recently, the Department of Conservation has estimated that over 1,000 acres of farmland were converted to other uses between 2008 and 2010.

Modification of SEQ to exclude Agricultural Lands in the Urban Growth Boundary

We would like to recognize Morgan Hill for modifying the SEQ proposal to remove approximately 454 acres of land that were originally intended to be included within Morgan Hill's jurisdiction, but remain as agriculture. This proposed action would have been contrary to County policy, increased land speculation in and around the SEQ area and created land use conflicts with adjoining agricultural lands.

Risk and Rate of Agricultural Land Conversion in Unincorporated Areas

Information associated with the SEQ proposal has cited the need to establish an agricultural preservation program in SEQ area to preserve agricultural lands within the County's rural unincorporated area from conversion to residential ("ranchette") or other non-agricultural uses. For example, page 6 of the Morgan Hill LAFCO application (October 2, 2015) states that the SEQ would "provide economic incentive to ensure that agricultural activity and open space are maintained and permanently preserved in the larger SEQ area in locations suitable for agriculture, where they might otherwise be converted to residential as well as non-residential uses currently allowable on these lands under the County jurisdiction."

The County's General Plan land use designation for the area is Agriculture – Medium Scale, and the Zoning designation for the unincorporated SEQ area is A (Exclusive Agriculture)-20ac., which requires a minimum lot size of 20 acres for subdivision purposes and only allows agriculture, single family homes, and uses which support agriculture. The SEQ area does contain a number of existing lots that are smaller than 20 acres that were created by various means, including early 1900s ranch subdivision maps, and grant deed conveyances, prior to the County's adoption of its General Plan and A-20 zoning district. The County recently evaluated the amount of development activity within the unincorporated SEQ area to determine the rate of agricultural conversion, as referenced under the Morgan Hill letter. As shown in the two attached maps, development activity within the SEQ area has been limited. With the exception of the construction of several rural residences on existing legal lots at the northern boundary of the SEQ area, there has been no other substantial development activity in this area within the last 5 years (between 2010 and 2015).

That said, the County is concerned about the loss of agricultural land from residential development in unincorporated areas, particularly as real estate values escalate or owners opt to sell their land if annexation proposals are unsuccessful. Our Board of Supervisors, through the implementation of a Sustainable Agricultural Lands Conservation ("SALC") Grant from the California Department of Conservation will be evaluating this issue and, if necessary, may consider General Plan or Zoning Ordinance revisions to further protect farmland from non-agricultural use and development. This

approach can effectively address this potential problem and is consistent with the County's Land Use and Resource Conservation policy framework. Annexation or development of farmlands by cities as a means to protect unincorporated farmland is inconsistent with our countywide growth management policy framework.

Sustainable Agricultural Lands Framework

As referenced above, the County is in the process of initiating preparation of a Framework for Sustainable Agricultural Lands Preservation in southern Santa Clara County, supported by a Sustainable Agricultural Lands Conservation ("SALC") Grant from the California Department of Conservation. Working with the cities of Morgan Hill, Gilroy, San Jose, and other stakeholders, this program is intended to identify the key agricultural lands and related factors necessary to preserve agricultural lands, foster sustainable agriculture, and a maintain a strong farming economy in southern Santa Clara County. This will include mapping of agricultural lands most threatened by land conversion and those most important to sustaining a strong farming industry. This program will entail a new, regional look at agricultural viability and protection in southern Santa Clara County, and present an opportunity to further these goals while balancing the interests of cities, County, LAFCO, landowners and other stakeholders. We very much appreciate and look forward to the cooperation and participation of the cities of Morgan Hill, Gilroy and San Jose, and other community-wide interests. Working together provides the greatest opportunity to forge a regional solution to a region-wide challenge.

Consistency with County Growth Management and Resource Conservation Policies

Over the last 45 years, the 15 cities of Santa Clara County, the County, and LAFCO have jointly and collaboratively maintained a systematic policy framework for urban growth management, including jointly-created policies contained or referenced within the County's General Plan, LAFCO's adopted policies, and variously stated in the cities' general plans. The uniqueness and importance of this policy framework is reflected in state law in terms of the Urban Service Areas that guide and control urban growth and development. This model developed for Santa Clara County among all these participants - cities, county, and other key stakeholders - dates from the 1970's, and it is as relevant today, if not more so, than when it was developed and recognized throughout the nation as a progressive countywide growth management policy. The model is further reflected in the regional land use and transportation plan known as Plan Bay Area, the document encapsulating the Association of Bay Area Government's SB 375 Sustainable Communities Strategy.

The growth management and resource conservation strategies and policies of County are intended to:

- Limit urban expansion and promote infill,
- create compact urban development and stable urban boundaries,
- improve air quality, reduce greenhouse gas emissions and support transportation planning goals of Plan Bay Area,
- conserve water and habitat; and,
- preserve agricultural land to support an agricultural industry and preserve the ecological and cultural values of agricultural land.

Some of the most pertinent County General Plan Growth and Development polices relevant to the SEQ proposal are:

C-GD 6
Hazard and resource areas with the following characteristics shall be considered unsuited for urban development:

a....

.

e. prime agricultural soils;

.

i....

C-GD 7
Urban expansion should be planned on a staged, orderly basis, consistent with applicable plans (e.g. city, County, countywide plans) and the availability of needed urban services and facilities. The discouragement of expansion of cities' Urban Service Areas should be recommended to the LAFCO.

C-GD 8
Proposals to annex lands or expand a city's urban service area boundaries shall be approved only if:

a....
b. the existing supply of land within the city's USA accommodates no more than five years of planned growth;
c....

Pertinent County General Plan Resource Conservation polices include:

C-RC 40
Long term land use stability and dependability to preserve agriculture shall be maintained and enhanced by the following general means:

a. Limiting the loss of valuable farmland from unnecessary and/or premature urban expansion and development;
b. regulating non-agricultural uses in agricultural areas, and their intensity and impacts on adjacent lands;
c. maintaining agriculturally-viable parcel sizes; and
d. minimizing conflicts between adjacent agricultural and non-agricultural land uses, through such means as right-to-farm legislation and mediation of nuisance claims.

C-RC 41
In addition to general land use and development controls, agricultural areas of greatest potential long term viability should be identified and formally designated for permanent preservation.

C-RC 42
Inter-jurisdictional coordination and cooperation necessary to achieve agricultural preservation goals and strategies should be encouraged.

These goals should include:

a. *Preservation of remaining areas of large and medium scale agriculture in South County;*
b. *encouragement of retention of agricultural lands in San Benito County adjoining South County agricultural areas ; and*
c. *discouragement of Urban Service Area (USA) expansions into agricultural areas when LAFCO determines that a city's USA contains more land than is needed to accommodate five years of projected growth and development.*

C-RC(i)20
Continuation of the inter-jurisdictional South County Joint Area Planning process, augmented by inter-county cooperation and coordination efforts with other counties such as San Benito County.

Consistency with the South County Joint Area Plan

In the 1980's, the County, together with the cities of Gilroy and Morgan Hill, jointly adopted the South County Joint Area Plan, a set of regional policies and principles intended to create a unified vision for regional growth, preservation of agricultural land and interjurisdictional coordination. Three policies directly pertinent to the SEQ proposal are:

SC 14.7
The County and the Cities should plan for further urban growth to occur in areas which will avoid encroachment into those agricultural lands with the greatest long term potential to remain economically viable.

SC 14.9
The cities should use their policies for urban service area extensions and utility extensions to guide urban growth away from long term agricultural areas.

SC 17.2
The County and the Cities should promote the long term stability of their policies for land use and urban growth so that individuals, organizations, and appropriate entities can make rational decisions about long term land use and investment.

As proposed, the SEQ project remains inconsistent with countywide urban growth management policies, portions of the South County Joint Area Plan, and the County's Land Use and Resource Conservation policies related to agriculture preservation. Specifically, it will result in the urbanization of unincorporated lands rather than compact growth within the city's urban service area (C-GD 7 & 8 (b) and C-RC 42 (c)), resulting in the loss of valuable farmland from premature urban expansion and development (C-RC 40 (a)) and promote growth in an area with prime soils and long-term agricultural viability (C-GD 6 (e), SC 14. 7 & 14.9).

Given these inconsistencies with County policies, the County recommends denial of the Morgan Hill Urban Service Area Amendment.

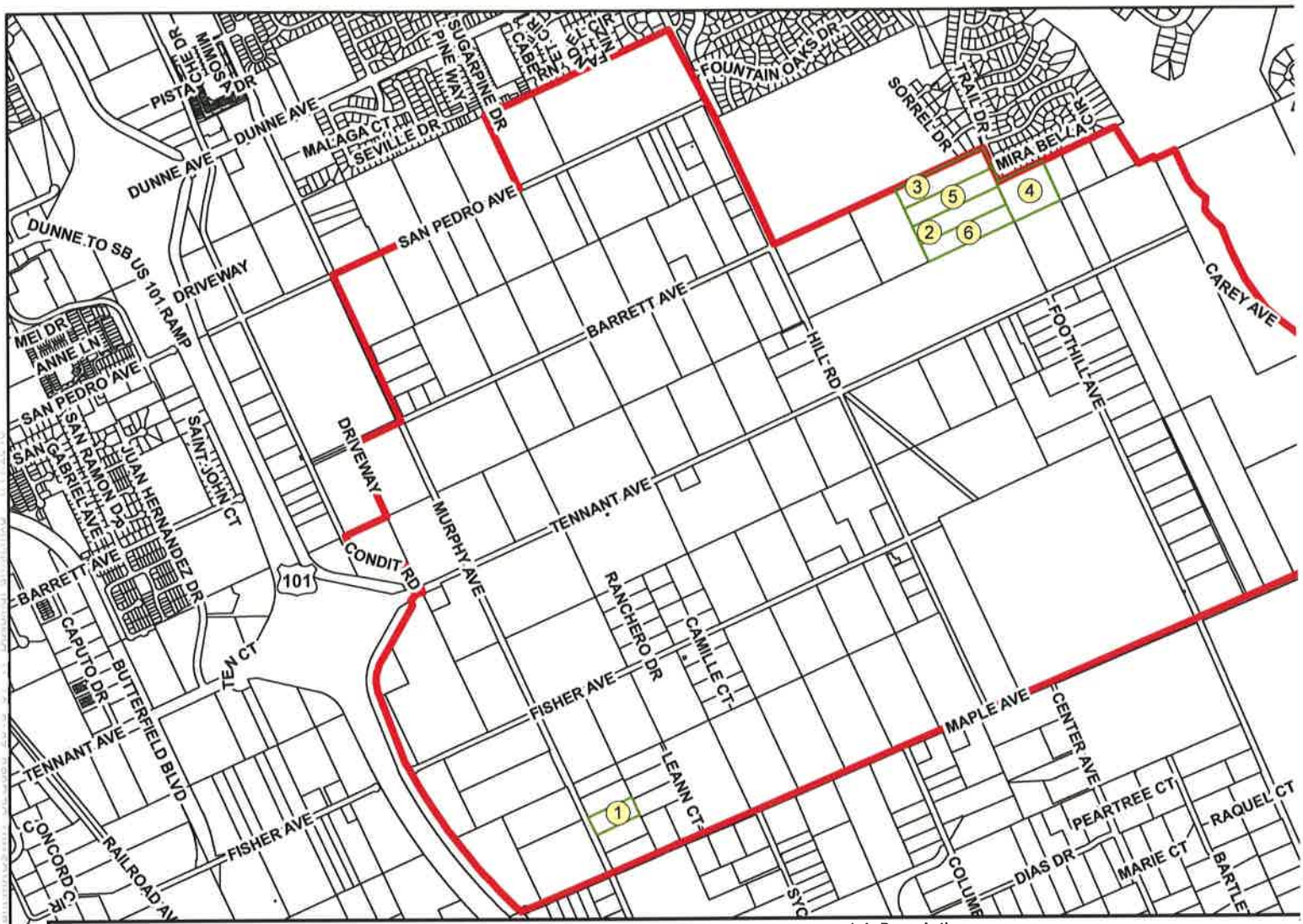
Thank you for the opportunity to comment.

Sincerely,

Kirk Girard
Director

Attachments: Land Use Development Activity in the South East Quadrant 2010 - 2015
Building Permits for New Dwellings in the South East Quadrant 2010 - 2015

cc: Neelima Palacherla, LAFCO Executive Officer
Steve Rymer, Morgan Hill City Manager
Sylvia Gallegos, Deputy County Executive County of Santa Clara
Roland Velasco, Land Use Policy Aide Office of Supervisor Mike Wasserman
Kieran Kelly, Land Use Policy Aide Office of Supervisor Ken Yeager

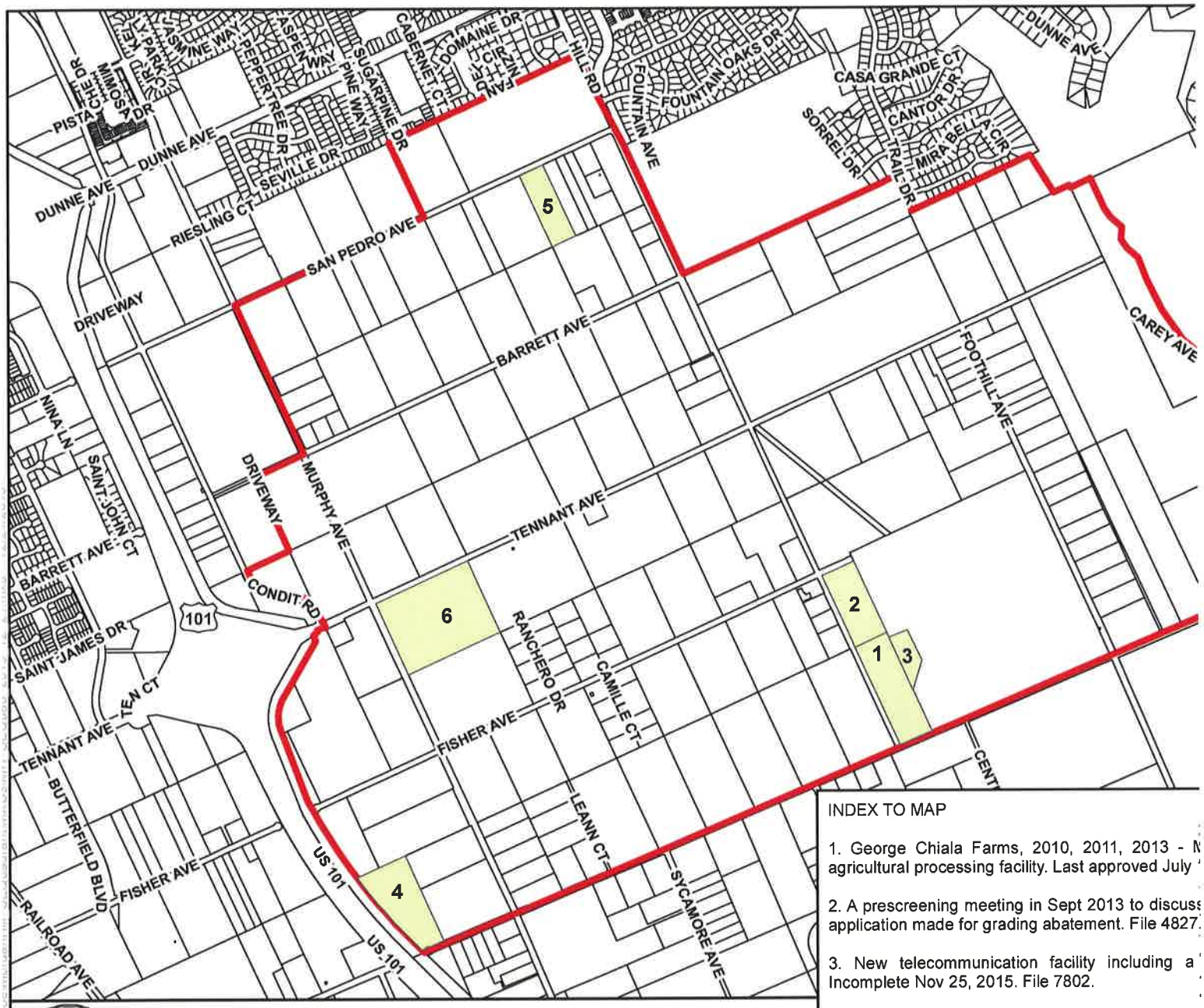


Index	Permit Issued	Job Description
1	5/30/2012	BUILD DETACHED 1000 SF SECONDARY DWELLING
2	7/2/2014	NEW 2 STORY SFR 4,605 sf & 555 sf ATTACHED 2ND UNIT WITH ATTACHED GARAGE 747SF, 36 sf COVERED PORCH AND 40 sf BALCONY
3	10/3/2014	NEW 2 STORY SFR 4,605 sf & 555 sf ATTACHED 2ND UNIT WITH ATTACHED GARAGE 747SF, 36 sf COVERED PORCH AND 40 sf BALCONY
4	6/5/2014	NEW 2 STORY SFR 4,605 sf & 555 sf ATTACHED 2ND UNIT WITH ATTACHED GARAGE 747SF, 36 sf COVERED PORCH AND 40 sf BALCONY
5	7/2/2014	NEW 2 STORY SFR 4,605 sf & 555 sf ATTACHED 2ND UNIT WITH ATTACHED GARAGE 747SF, 36 sf COVERED PORCH AND 40 sf BALCONY
6	6/27/2014	NEW 2 STORY SFR 4,605 sf & 555 sf ATTACHED 2ND UNIT WITH ATTACHED GARAGE 747SF, 36 sf COVERED PORCH AND 40 sf BALCONY

County of Santa Clara
Department of Planning and Development
Planning Office
County Government Center, East Wing
70 West Hedding Street, 7th Floor
San Jose California 95110-1705

0 1,600 3,200
Feet

Building Permits for New Dwellings
in the South East Quad, Morgan Hill
2010 through 2015



INDEX TO MAP

1. George Chiala Farms, 2010, 2011, 2013 - N agricultural processing facility. Last approved July

2. A prescreening meeting in Sept 2013 to discuss application made for grading abatement. File 4827.

3. New telecommunication facility including a Incomplete Nov 25, 2015. File 7802.

4. Grading for parking lot, drainage, greenhouses, was aproved in January 2008. Incomplete Decemb

5. Certificate of Compliance for one legal lot, Reco

6. Farmer's Market Approved Feb 2014. Modifica Grading Violation noticed Nov 3, 2015. File 6910.

County of Santa Clara
Department of Planning and Development

Planning Office
County Government Center, East Wing
70 West Hedding Street, 7th Floor
San Jose California 95110-1705

0 1,500 3,000
Feet

Land Use Development Activity
in the South East Quad, Morgan Hill
2010 through 2015

LETTERS FROM OTHER ORGANIZATIONS

March 9, 2016

LAFCO of Santa Clara County
70 West Hedding Street
8th Floor, East Wing
San Jose, CA 95110

Attn.: Local Area Formation Commission Staff and Commissioners

Re: Morgan Hill Urban Service Area Amendment 2015

Dear Sirs,

The Morgan Hill Tourism Alliance supports the Morgan Hill Urban Service Area Amendment, 2015 LAFCO Application, as submitted by the City of Morgan Hill on October 2, 2015.

The alliance is made up of City government, business organizations, and advocacy groups based in Morgan Hill and surrounding region. The formation of this alliance was predicated upon the principle that those which might benefit the most from a planned effort to promote Morgan Hill, and the surrounding area, should be involved in the planning and execution of that effort.

The goal of the MHTA is to promote Morgan Hill and the surrounding region that might be of interest to the recreation and leisure visitor. The assets that we have in the way of sports facilities, agri-business (e.g. wineries, farming demonstrations and education, etc.), parks, trails, dining, and shopping all play a vital role in how we present the image of Morgan Hill and nearby region to the prospective visitor.

The image of a rural community nestled in a narrow valley surrounded by the beautiful vistas of rolling hills, farms, parks, and other open spaces is critical to how we promote the getaway destination that Morgan Hill is becoming.

The thought and contrasting image of potentially uncontrolled growth in land immediately adjacent to existing developed, and undeveloped, Morgan Hill land and spread out over the dozens of agriculturally zoned lots in the County poses a problem for our desired image. Each of these County regulated lots comes with the right to build a residence for the owner and we're already seeing how this could play out in the long run without any controls in place. Please consider the five 5,000 square foot homes being built adjacent to smaller scaled Morgan Hill residential units as examples of what we can expect.

To date the MHTA has played an important role in many local and regional promotional efforts, including the Santa Clara Valley Wine Trail signage program. The most recent effort brought the members of the MHTA together to develop and print for distribution a visitor's map that encompasses all of the visitor worthy assets in Morgan Hill and the region, including listings of most farms with public access, wineries, parks and sports facilities as well as the Morgan Hill downtown.

The focus of the MHTA's support for the October 2015 LAFCO application is the benefit that Area 1 (Tennant – Murphy) is anticipated to have in bringing more visitors to our community.

Currently, two of our greatest assets are the Outdoor Sports Center and the Dennis Kennedy Aquatics Center which bring in hundreds of thousands of visitors to their facilities and our community each year.

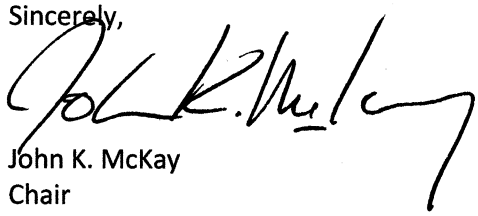
The promise that with the thoughtful development guidelines and Agricultural Mitigation Policy proposed in the current application and the opportunity to have expanded sports oriented offerings in the SRL zoned areas appeals greatly to those of us in the community who support smart growth and economic growth. Adding visitors to the sports facilities will provide a regular stream of visitors to the downtown and other assets as well as filling our lodging and other businesses that will satisfy visitor's general needs.

One of the key elements of Morgan Hill's tourism approach is to simply promote what we already have all around us – and we have that in abundance. We fear that unregulated development on what is currently Santa Clara County regulated agricultural land will diminish the rural feel that is an important part of our charm to the outside world.

In closing, we would like to express the sentiment that the potential for development of additional and expanded sports offerings, another high school, and protection of agricultural lands while overall maintaining our rural feel is a win-win for the community of Morgan Hill and the surrounding region.

Thank you for your time and consideration in approving the Urban Service Area Amendment.

Sincerely,



John K. McKay
Chair
Morgan Hill Tourism Alliance

Morgan Hill Youth Sports Alliance

MHYSA

MORE KIDS IN MORE SPORTS

March 10, 2016

Local Agency Formation Commission of Santa Clara County
70 W. Hedding St.
6th Floor East Wing
San Jose, CA 95110

Re: City of Morgan Hill Urban Service Amendment

Dear LAFCO Commissioners:

The Morgan Hill Youth Sports Alliance Board of Directors would like to encourage you to approve the aforementioned amendment request. While we are not land use experts, we share everyone's concerns about agriculture preservation. Yet we are acutely aware of how the shortage of sports fields in the Morgan Hill area affect our children's opportunities and future. Sports and recreation are critical to our children leading healthy lives. Our motto says it all. We look for every opportunity to put *More Kids in More Sports*.

The City of Morgan Hill's amendment would preserve enough land to expand the current Outdoor Sports Center and the Aquatic Center facilities, plus enable us to add new ones such as the long overdue diamond field complex planned on Tenant Avenue. While Morgan Hill is fortunate to have the recreational facilities we have, there is such high demand that our kids still play on subpar fields. Conflicts exist providing sufficient playing time at the facilities we do have. In a society fighting childhood obesity and crime, we believe it is important to reserve land for recreation and sports before it is used for other purposes. Our children should come first. Sports and recreation give them positive opportunities to build their lives.

The Morgan Hill Sports Youth Alliance supports local sports leagues, as well as providing non-traditional sports leagues such as flag football, biking, skating and lacrosse. We work closely with the Morgan Hill Unified School District and the city of Morgan Hill with our Community Sports Mentor Program for at-risk youth. We have run the Morgan Hill Outdoor Sports Center since July 2010.

As operator of the Outdoor Sports Center, we understand the value of sports facilities and best practices for running and maintaining a sports facility. Since 2010, we have hosted more than 180 tournaments and events for sports that include soccer, rugby, lacrosse, football, Ultimate Frisbee and even the USDAA Dog Agility World Championships. We have contributed more than $50,000 per year to local leagues in the form of field and parking cost savings through our Home Field Program.

Morgan Hill Youth Sports Alliance

MHYSA

MORE KIDS IN MORE SPORTS

Since 2010, we have also come to understand the importance of sports tourism and its economic impact. Hosting regional events brings valuable tourism revenue to the City of Morgan Hill and enables to us to support local leagues as described. It also gives the city of Morgan Hill additional revenue to use in remaining fiscally responsible.

Clients constantly state how valuable it is to have all the fields in one location. To be competitive in the sports tourism industry, facility operators need to group their fields in a single or adjacent location. One example of such a facility is the Regional Sports Complex in Fresno where soccer, football, baseball and softball fields co-exist within the same complex. This 110 acre facility is built on a previous land fill that is immediately adjacent to farms and other agricultural properties.

Morgan Hill can simulate the same layout with the land being added in this amendment. While the facilities will in fact be separate, the synergy gained by their close proximity will be tremendous. Keeping sports facilities in one part of town will reduce the traffic impact and allow parking to be shared by all. Anyone who has been around a school or city park on the weekend can attest to the challenges and inconvenience for residents brought by the influx of sports teams and families coming into their neighborhoods.

We understand and agree with LAFCO's commitment to preserve open space and agricultural land. Building recreational facilities is not build out of homes or businesses. It answers the crying need for more recreational opportunities for our kids. Properly managed, these facilities can also bring revenue to the City of Morgan Hill, while allowing local leagues to keep their costs down and put *More Kids in More Sports*.

Thank you for your consideration.

Sincerely,
Morgan Hill Youth Sports Alliance, Inc.
Board of Directors

COMMITTEE FOR
GREEN FOOTHILLS

GREENBELT ALLIANCE

Wednesday, March 9, 2016

Chairperson Cat Tucker and Commissioners
Local Agency Formation Commission of Santa Clara County
70 West Hedding Street, 8th Floor
San Jose, CA 95110

RE: MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015

Dear Chairperson Tucker and Commissioners,

Committee for Green Foothills (CGF) and Greenbelt Alliance (GA) respectfully urge you to deny the Urban Service Area (USA) Amendment requests for Area 1: Tennant-Murphy and Area 2: Monterey Watsonville. Furthermore, we concur with staff's recommendation to not approve any of the other options for the Commission's consideration outlined in the Staff Report.

Committee for Green Foothills protects the open spaces, farmlands, and natural resources of San Mateo and Santa Clara counties through advocacy, education, and grassroots action. Greenbelt Alliance shapes the rules that govern growth to protect the region's open spaces and to ensure neighborhoods within our cities and towns are amazing places for everyone.

While there are similar reasons for our request for denying these USA amendment applications, we will address the two areas separately.

AREA 1: TENNANT-MURPHY

We have been engaged for more than a decade in the City of Morgan Hill's misguided effort to develop a significant portion of the 1200-acre area known as the Southeast Quadrant (SEQ). During this time, we have provided the City with significant and detailed comments on their plan for the SEQ via letters to and discussions with staff, the Planning Commission, and City Council; e-mail messages to staff; and public comment at the Planning Commission and City Council meetings.

Despite some changes to the overall plan – not all of which is before you – we remain deeply concerned with its myriad and substantial shortcomings, including, but not limited to, its:

- inappropriate and unfounded land use plan with illogical boundaries
- ineffective and infeasible Agricultural Mitigation Ordinance and Agricultural Lands Preservation Program
- seriously flawed environmental assessment
- lack of alignment with City, County, and LAFCO policies
- poor planning process and segmented decision-making with limited public input

The City deliberately limited public input and disregarded much of the expert advice it received from public agencies and local, regional, and national organizations. This holds true despite the City's claims to have engaged land use, economic, and agricultural preservation experts, and community stakeholders through extensive planning processes.

The City's proposal will accelerate suburban sprawl and the loss of farmland. The City claims "it is unrealistic to think that if we don't change anything South County ag land will remain ag."[1] The City believes this is due to the fact that, per the County zoning code, a primary dwelling is an allowable use on a legal lot of record in the SEQ (and other unincorporated areas).[2] Although most parcels in the SEQ are already developed (approximately 140 out of 200), the vast majority of the land area remains in open space.[3] However, given the present landholdings in the SEQ, the City fears the possibility that many of the remaining undeveloped parcels will eventually be developed with non-agricultural uses and all agricultural operations in the SEQ will cease.[4]

To address this, the City proposed to expand urban development into the SEQ and mitigate for the loss of farmland it would cause. Unfortunately, the City's proposal is not a reasonable or feasible solution if farmland preservation and the continuation of active agriculture is one of its key goals. Nor does it align with the direction of regional and state planning efforts that call for cities to focus on infill. **The City of Morgan Hill has never demonstrated a factual need to annex and develop the farmlands in the SEQ. Approval of the City's request would be**

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[1] City of Morgan Hill Mayor Steve Tate's December 2015 OpEd in San Jose Mercury News.

[2] Provided that the property satisfies all applicable requirements for building site approval.

[3] Per the department's letter to the City dated February 12, 2014.

[4] A wholesale nursery with a very limited size office is presently being installed on 20 acres in the SEQ. This is an allowable, by right agricultural use per County zoning.

admitting that a better solution other than sprawl cannot be found, and that LAFCO should accept whatever plan is put before it.

Morgan Hill residents have stated through two General Plan updates and several events held by GA and CGF that preserving local farmland is an important part of the community's identity and efforts must be made to preserve agriculture. Finding a sensible balance between responsible growth and preserving and enhancing small-scale urban edge agriculture which can contribute to a healthy local food system is a reasonable and attainable goal.

And while some would say "don't let the perfect be the enemy of the good," one would need to be working from the premise that the current application before you has reached the level of good. Unfortunately, it has not.

The City of Morgan Hill's letter of request (LoR) to LAFCO outlines the City's rationale for their USA amendments. They claim the Area 1 proposal is justifiable due to zoning; location; land inventory; appropriate land use; agricultural preservation; environmental review; economic benefits and development strategy; consistency with City, County, and LAFCO policies; and level of public input.

The detailed information contained in the LAFCO Staff Report provides ample data refuting the City's rationale. However, we wish to offer the following comments in support of the report's conclusions. The rest of this letter addresses *some* of the reasons how the City's rationale for USA amendment lacks validation.

SPORTS-RECREATION-LEISURE DISTRICT ALLOWS COMMERCIAL USES, DESPITE 45-YEAR VACANT LAND INVENTORY WITHIN EXISTING CITY LIMITS.

According to the City's LoR at pgs. 4 - 5, the Sports-Recreation-Leisure District (SRL) would allow development of sports and recreational uses and a private high school in the SEQ. The Staff Report points out that the zoning for the SRL District allows for uses that are either permitted or conditional uses under existing commercial and/or industrial zoning designations in Morgan Hill's Zoning Code.[5] The city's existing vacant land inventory for commercial uses is that of 45 years, and its industrial that of 27-67 years.

[5] See Morgan Hill Municipal Code Chapter 18.26 - HC Highway Commercial District; Chapter 18.32 - CS Service Commercial District; Chapter 18.40 - MC Campus Industrial District

Currently, approximately 60 acres of the proposed 229-acre annexation are committed to ballfields and a private high school [6] (although adequate construction funding for these facilities remains questionable). If LAFCO approves the City's request, the remaining 75% of the land can be developed for other commercial uses that are currently only speculative.

The LAFCO report points out that Section 56375 (8) (e) of the Cortese-Knox-Hertzberg (CKH) Act allows a jurisdiction to rezone after a two year period following the LAFCO approval. This section of the CKH Act also includes the provision that the City Council can make "a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the prezoning in the application to the commission" any time after the LAFCO decision has been made.

Believing this is an apparent concern that could affect the approval of their request to LAFCO, City Council adopted, at a March 2, 2016 special meeting, a Resolution to direct staff to immediately amend the existing zoning in the SEQ. The purpose would be to restrict, in perpetuity, all future land uses to Public Facilities and SRL uses as allowed under the zoning designations. All future development would require, as a condition of approval, a covenant that the property would not be redeveloped for residential or industrial uses in perpetuity.[7] Commercial use – those uses which essentially comprise SRL zoning uses – is not prohibited.[8]

During the City Council discussion of the Resolution,[9] Council Member Larry Carr pointed out that the reason the City drafted the resolution was to address concerns expressed by everyone including the Santa Clara Valley Open Space Authority (OSA), American Farmland Trust (AFT), CGF, and GA. Our various forms of communication with the City have always raised concerns with the land use plan itself as well as the incompatibility of the SLR and Public Facilities zoning use with surrounding agricultural lands. Locking in that zoning "in perpetuity" certainly doesn't

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[6] See Pages 8 and 9 (of 17) of the Staff Report. The acreage for the South County Catholic High School is approximately 38 acres and the Jacoby/Morgan Hill Ballfields is 22.2 acres. The additional 3.6 acres of the 26 acre site is discounted since its potential future commercial use is speculative.

[7] Ironically, the ML Light Industrial District permits agriculture and public or quasi-public uses of an educational, vocational or recreational nature.

[8] Similar to SRL Zoning, the CL-R Light Commercial/Residential District does allow for commercial indoor recreation uses > three 3,000 square feet, retail, medical offices, and schools; the HC Highway District permits hotels, motels, and arts and craft galleries; etc.

[9] Specifically in reference to Section 2 a. iii. *Specifically prohibit any new residential development or industrial development in perpetuity.*

address our concerns. And further prohibiting residential uses in the SRL District is of no consequence since there is already residential use planned in the SEQ in the northeast end.[10]

Council Member Carr also stated AFT, OSA, CGF, and GA were asking for something "more innovative and stronger" with regards to the SEQ. While this is certainly true, we fail to see how this Resolution would accomplish that.

Adding to this entire discussion of zoning is the Morgan Hill Unified School District (MHUSD). The MHUSD Board of Trustees held negotiations to potentially acquire parcels for two separate school facilities in the SRL District during *four* separate Closed Sessions beginning in November 2015 and ending in February 2016 only after LAFCO staff submitted a letter to the MHUSD (a copy of which was sent to the City).[11] Despite claims from SEQ landowners to the contrary, a letter from MHUSD to the City dated March 8, 2016 indicates that the idea of additional public facilities/school sites in the SEQ is not outside the realm of possibilities. In fact, it seems the lack of effort to find potential school sites within the 2035 General Plan update process has led the MHUSD with no other option than to plan for sites in the SEQ.

This is yet another missed opportunity to look at Morgan Hill's future needs in a thoughtful, comprehensive manner within this current General Plan update process.

PROPOSED ANNEXATION CONTINUES A PATTERN THAT FURTHER INCENTIVIZES SPRAWL.

The City claims that lands within existing city boundaries may not be suitably located, or sized, or that it may not be economically feasible to support the envisioned recreational or high school uses on such lands. Attachment B of the LAFCO Staff Report outlines the City's past pattern of purchasing unincorporated lands *before* obtaining LAFCO approval, using the parcel size and location rationale to justify a USA amendment request. In one instance, parcels annexed on behalf of the Catholic Diocese for a private school were rezoned to residential. It would appear that past approval of USA amendment requests has only served to incentivize Morgan Hill to continue these poor planning practices.[12] Instead of encouraging and

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[10] See p. 4.2-15 at *Morgan Hill 2035 DEIR. Under this proposal, approximately 50 acres of the 284-acre Chiala property would be re-designated from Rural County to a combination of Residential Estate, Single Family Low, Single Family Medium, and Open Space uses. These 50 acres would have capacity for approximately 170 housing units.*

[11] Closed Sessions were part of the Regular Board Meeting agendas of 11/17/15, 12/15/15, 1/12/16, and 2/2/16.

[12] See also p. 2 of Attachment A for previous USA amendment requests by the City which were approved by LAFCO.

implementing responsible growth, the City has spent the last 10 years promoting a fiscally and environmentally irresponsible land use plan for the SEQ.

INAPPROPRIATE LAND USE IS A REPEAT OF PAST PLANNING MISTAKES.

The City claims the SRL District, in particular sub-district A,[13] is compatible with adjacent rural agricultural uses. While the entire SEQ land use plan is not before the Commission for its consideration, the City is planning for up to 170 homes in the northeastern area of the SEQ.[14] Together, the SRL District (w/ Public Facility) and new residential area will fragment the SEQ with urban uses, creating an island of unincorporated land north of Tennant Avenue.

The City has an unfortunate history of allowing urban uses adjacent to agricultural lands without consideration of the impacts on agricultural operations. As part of his public comment to the Morgan Hill City Council on December 7, 2011, Don Hordness, owner-operator of Royal Oaks Mushroom in the southwest of Morgan Hill (Area 2 – Monterey-Watsonville), said that the proximity of his agricultural operation to urban uses – a private school and residences - made it difficult for him to run his business and maintain good neighbor status. In a letter to the Morgan Hill 2035 General Plan Advisory Committee dated December 5, 2013, George, Gene and Gary Guglielmo (of Guglielmo Winery) pleaded their case for inclusion in the city's Urban Growth Boundary, stating "[o]ur long range plans are to circle the wagons around our winery parcel and maintain the status quo for as long as we can considering the challenges and obstacles to farming in a small agricultural island in an area surrounded by houses and a high school. We are in a very competitive industry that may require us or future generations to look at the best possible and practical use of our property to survive."[15] And on February 22, 2016, an online San Jose Mercury News article contained the following quote from Andy Mariani, long-time owner-operator of Andy's Orchard located between a residential area and Live Oak High School in Morgan Hill "There's a natural incompatibility between agriculture and urban use and how can you resolve that? You can't."[16]

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[13] "...the less intense SRL-A sub district is applied to properties intended to serve as a buffer between the SRL B sub district and adjacent agricultural uses with the goal of enabling the long-term preservation of those agricultural lands." LoR at p. 4.

[14] Per p. 4.2-15, Morgan Hill 2035 General Plan DEIR

[15] See http://morganhill2035.org/wp-content/uploads/2013/12/08_Correspondence.pdf

[16] Santa Clara County taking fresh look at saving farmland http://www.mercurynews.com/breaking-news/ci_29548503/santa-clara-county-taking-fresh-look-at-saving?source=infinite-up

The proposed USA amendment (not to mention the entire SEQ land use plan) does not deviate from these unfortunate past planning efforts. It is in fact just more of the same, making it extremely difficult to reconcile the City's contention that it is "with well thought-out consideration and a commitment to careful stewardship of the City's land resources that the City is submitting the subject USA Expansion request" (LoR at p 4).

AGRICULTURAL LANDS PRESERVATION PROGRAM HAS INEFFECTIVE FRAMEWORK FOR MITIGATION.

The City's Agricultural Lands Preservation Program contains components, policies, and statements that are contradictory amongst themselves and with existing local and regional land use policies and plans. The City Council chose to adopt this flawed Program, despite expert feedback requesting substantial changes.

1) **1:1 mitigation ratio translates to 50% loss of farmland**

Figure A illustrates how the 1:1 mitigation ratio actually translates to a 50% loss of farmland: the acre that was converted can never be recovered, but the loss is lessened by preventing the loss of another acre elsewhere via the placement of an agricultural conservation easement over that other acre.

Figure B illustrates the 2:1 ratio which is considered full mitigation of converted agricultural lands because it recognizes the actual net loss of an acre of farmland to other use, therefore mitigating for 100% of the loss. American Farmland Trust recommends the 2:1 mitigation ratio as a minimum ratio in order to adequately compensate for the conversion of agricultural land to non-agricultural uses.

A 3:1 mitigation ratio is considered a combination of full mitigation plus conservation.

Figure A: 1:1 Mitigation Ratio

Figure B: 2:1 Mitigation Ratio

1 acre	1 acre	1 acre elsewhere +	1 acre elsewhere
100% farmland	100% loss	50% of loss mitigated	100% of loss fully mitigated

The LoR at p. 6 mentions that the 1:1 mitigation ratio is similar to other agricultural preservation program in California including Yolo County. However, Yolo County recently adopted a 3:1 agricultural mitigation ratio for prime agricultural lands and a 2:1 ratio for non-prime farmland,[17] while the cities of Davis (Yolo County) and Hughson (Stanislaus County) have required 2:1 mitigation ratios for several years.

2) The Mitigation (In-lieu) Fee is inadequate and will hinder implementation of mitigation goals

The LAFCO Staff Report (Appendix Y) along with comments submitted by AFT and the OSA explain the insufficiency of the mitigation fee. The fee is based on the cost of acquisition of an agricultural conservation easement (ACE) in the Gilroy area. The City's own documentation shows that the cost of acquiring an ACE in Morgan Hill is almost 4 times greater.

Using the mitigation fee alone, at least 3 acres of qualifying agricultural land needs to be developed to purchase 1 acre of an agricultural conservation easement within Morgan Hill's SOI. In other words, to meet the preferred 10 acre minimum for an ACE[18] within Morgan Hill's SOI, more than 30 acres of agricultural land must be developed. For instance, the in-lieu fee acquired for mitigation of the private high school site (38.63 acres of agricultural land per the City's FEIR), would be enough to purchase a 10 acre ACE in the SEQ or Morgan Hill's SOI. Clearly, attaining 1:1 mitigation via the in-lieu fee is not possible, particularly if the intent is to purchase ACEs in the Agricultural Priority Area (which is in the SEQ). The City will have to either

[17] See Yolo County Zoning Code, Chapter 2: Zoning Regulations, Sec. 8-2.404 Agricultural Conservation and Mitigation Program

[18] See Page 9 of Agricultural Lands Preservation Program, Policy 15 Minimum Easement Size.

significantly raise the fee[19] or heavily subsidize mitigation to cover the true cost of purchasing an ACE within Morgan Hill's SOI.

The Gilroy City Council voted unanimously in 2015 to eliminate the in-lieu fee option from their Agricultural Mitigation Policy (originally adopted in May 2004).[20] The City Staff Report pointed out that while the in-lieu fee was generally the most desirable option for developers, "the adequacy of an in-lieu fee to cover all associated costs and provide a full one to one replacement ratio of agricultural lands pursuant to the Agricultural Mitigation Policy is infeasible." The City Staff Report added that the in-lieu fee option was "also the most complex and time consuming to implement, contributing to the added cost to the City and subsequently the citizens of Gilroy." The cost of an ACE in Gilroy is 4 times cheaper than that in Morgan Hill.

3) Long-term adequate funding for easements is speculative

It may prove difficult for the City to find outside funding sources/grants due to its land use plan for the SEQ.[21] Consequently, the City may be entirely reliant on its own open space funds[22] to bridge the gap between the mitigation fee and the actual cost of an ACE in the city's SOI.[23] While the City Council adopted a Resolution formally committing $6 million from the fund to an effort to establish an agricultural land mitigation bank, there are still unanswered questions as to the prudence of this decision.[24]

The Open Space Fund is used to conduct fire safety and weed abatement activities on open space lands; acquire open space (e.g. hillside parcels) through conservation easements or fee title; construct trails in open space areas as planned for in the City's Capital Improvement

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[19] As noted in its December 2011 *Public Review Draft Morgan Hill Agricultural Policies and Implementation Program*, "The establishment of a 1:1 mitigation ratio, consistent with LAFCo policy and common California mitigation program practice, would result in an unusually high agricultural mitigation cost when coupled with the urban edge focus preferred by the Morgan Hill community."

[20] The Policy now only permits mitigation at a 1:1 ratio via direct purchase of qualifying agricultural land or development rights on agricultural land. Both options must be exercised within the Preferred Preservation Areas and the land or rights transferred to a City approved agency.

[21] Per comments made to the Morgan Hill Planning Commission at their June 24, 2014 meeting by the General Manager of the Santa Clara Valley Open Space Authority.

[22] To be renamed the Agriculture and Open Space Preservation Fund per a Resolution adopted by City Council on March 2, 2016.

[23] In a letter to the OSA Board dated January 28, 2016, the City remarked that "[o]ther sources of available funding are not adequate to preserve the SEQ."

[24] See also Qualifying Entity discussion on p. 15 of this letter.

Program; and with the adoption of the Agricultural Lands Preservation Program, it now also serves to heavily subsidize the cost of agricultural mitigation by using funds in the account to acquire agricultural easements within the Morgan Hill Sphere of Influence.

The monies for the Fund come from the City's Residential Development Control System (RDCS). The balance of the Fund is dependent on a number of factors including the actual rate of residential development from year to year and the willingness of developers to contribute more than the baseline fee. Therefore, the long-term balance of the Fund is speculative, and can/should be used for a variety of open space related needs in addition to ACEs.

While the City claims it will have enough funds to mitigate farmland loss in the SEQ, the LAFCO Staff Report and the OSA question this assumption. While the question of funding has been focused on mitigation of lands converted in the SEQ, it does not incorporate the long-term need for the City to fund mitigation for the loss of agricultural lands intended to be annexed over time (per the *Draft Morgan Hill 2035 DEIR).*[25]

4) "Stay Ahead" Provision does not ensure easements will be acquired in advance of development

The LoR at pgs. 5 - 6 claims that the "Stay Ahead" provision "requires the City insure conservation easements are acquired in advance or concurrent with actual development" including when the in-lieu fee option is chosen. However, the *Responsibility for Easement Acquisition* policy states that the "City's preference is that developers pay the Agricultural Preservation In-lieu Fee so that conservation efforts will be focused within the Agricultural Priority Area and make use of funds from multiple sources. In such cases, the City of Morgan Hill will either take on responsibility for acquiring the easement or transfer the In-lieu Fee and accompanying responsibility to a Qualifying Entity."

The developer's agricultural mitigation obligation is satisfied once it has paid the in-lieu mitigation fee. While the City's Program states that "[d]evelopment occurs with either the issuance of Grading Permit or Building Permits that would result in the loss of Agricultural Land", the developer cannot be held accountable if the City or Qualifying Entity is unable to find a willing seller or has insufficient funds to purchase the required ACE within the defined development timeframe. So, development can occur regardless of the City's ability to meet this provision.

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[25] See *Secondary Conservation Areas* and *CEQA – Environmental Impact Report* discussions in this letter for details on impacts to agricultural lands under the Draft Morgan Hill 2035 DEIR.

5) The eligibility of parcels for mitigation in Agricultural Priority Area is not established

The LoR at p. 6 states that "the City will accomplish the preservation of comparable agricultural land in the City's Agricultural Conservation Priority Area." This is a bold statement if one considers the criteria under the *Eligible Mitigation Lands* policy, especially given the land use plan for the SEQ. The requirements of this policy call into question the eligibility of the lands in the SEQ. While the City claims it plans to "preserve" over 600 acres in the SEQ[26], there is no indication that the City has assessed these lands to find out their eligibility per the requirements under this policy or whether a Qualifying Entity would agree with their assessment.

6) Majority of farmland in Secondary Conservation Areas is identified for future development

The majority of the lands identified in the Secondary Conservation Areas are earmarked for urban uses through the Morgan Hill 2035 General Plan update. The *Morgan Hill 2035 DEIR* at 4.2-16 states that "the proposed General Plan would designate 1,126 acres of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use." The current total acreage of prime, statewide, and unique farmlands in Morgan Hill's SOI is 1,816.[27] Thus a 62% loss of farmland to non-agricultural uses within the city's SOI will occur should Morgan Hill reach full build out according to its draft 2035 General Plan. Therefore, the ability for the City to meet a Program goal to "encourage preservation efforts throughout the City's SOI", while well-intentioned, would appear highly improbable.

7) Definition of Agricultural Lands allows should be reconsidered

LAFCO's enabling legislation, the Cortese-Knox-Hertzberg Act, defines prime farmland as an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use. Whether it is currently irrigated is not a factor, but the feasibility of future irrigation is.

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[26] In a letter to the OSA Board dated January 28, 2016.

[27] See Table 4.2-2 in the Morgan Hill 2035 DEIR at 4.2-11.

The City's Agricultural Lands Preservation Program defines prime farmland as land that "must have been used for irrigated agricultural production at some time during the four years prior to the (California Department of Conservation) mapping date." If the City is seeking to be more progressive with its program, it should consider using the Soil Conservation Service's soils classification system to assess whether or not soils qualify as agricultural lands. This system is not reliant on irrigation and is used in other agricultural mitigation programs in California, such as the City of Davis.

8) No established nexus between mitigation/preservation of habitat lands for endangered species and agricultural mitigation lands

As explained in Attachment A of the LAFCO Staff Report, the *Measurement of Affected Area* policy is in conflict with LAFCO policy. Under this policy, mitigation applies only to the developed footprint[28] because it is "[c]onsistent with the Santa Clara Valley HCP/NCCP plan." There is no established nexus between mitigation/preservation of habitat lands for endangered species and agricultural mitigation lands. Since there is no basis for this policy and it is in conflict with LAFCO's, the City should require mitigation of an entire site unless the undeveloped portion of the site is specifically designated and used for long-term agricultural purposes.

9) Qualifying Entity should have been engaged before adoption of the Program; now identification of Implementing Entity may prove more difficult

The LoR at p. 6 states that the City is in the process of identifying a third-party entity to administer and implement the Program as it is "consistent with past communication from other organizations (including LAFCO staff) on how to most effectively manage this effort." In fact, numerous past communications from CGF, GA, AFT, OSA, the County and LAFCO requested that this be done *before* the City adopt the Program to help ensure that the Program met its stated goals and purpose. Incorporating a qualifying entity's knowledge, expertise, and operating needs ahead of adoption of the Program may well have resulted in their full support of the Program. Instead, per their letter to the Commission, the OSA finds the Program "infeasible and would be difficult for any third party conservation entity such as an open space agency or agricultural land trust to administer."

[28] 10 acre aggregated area of "open space/open fields" need not be mitigated.

Pursuant to a Resolution that was adopted by City Council on March 2, 2016, the City is currently seeking a consultant to act as the *interim* Implementing Entity for the Program. The consultant would negotiate the purchase of ACEs from willing property owners and help City staff establish an Agricultural Lands Mitigation Bank.

Hiring a consultant to implement the City's Program does not address the concerns raised by conservation and land trust entities. Indeed, hiring a consultant to implement an infeasible program may only further reduce its ability to secure a well-qualified Implementing Entity.

IF ANY LAFCO APPROVAL, STATEMENT OF OVERRIDING CONSIDERATIONS NEEDS TO RECOGNIZE SIGNIFICANT, UNAVOIDABLE IMPACT TO AGRICULTURAL LANDS.[29]

Under CEQA, the City of Morgan Hill as lead agency must provide written "good faith, reasoned analysis" in response to public comments on the EIR. (Guideline § 15088, subd.(c).) When comments raise significant environmental issues, the lead agency must address the comments "in detail giving reasons why" the comments were "not accepted." (Ibid.)

An agency is under a greater duty to consider and respond to comments put forth by another agency. Despite this obligation, the City failed to adequately respond to well-supported and detailed comments put forth by LAFCO, the County, and the OSA. LAFCO's June 9, 2014 letter to the City noted that the Final EIR "neglects to adequately respond to the comments, and in many cases adds to the confusion identified in the comments concerning the scope of the Project and the analysis of its environmental impacts."

As a Responsible Agency, LAFCO had an independent obligation to review the EIR for legal adequacy under CEQA prior to the Commission issuing any approvals for the project (CEQA Guidelines, §1096). LAFCO staff and legal counsel clearly found the EIR to have significant deficiencies and requested that the City not certify the Final EIR.

In short, the City failed to provide an EIR that met the legal adequacy under CEQA.[30] This is evidenced by the fact that LAFCO Staff has included its own Statement of Overriding

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[29] Letter dated March 9, 2016 from Chatten-Brown & Carstens on CGF and GA's behalf.

[30] The City of Morgan Hill's certification of the FEIR represented a flagrant abuse of the spirit of CEQA. Specifically, CEQA's two basic, interrelated functions: ensuring environmental protection and encouraging governmental transparency (Citizens of Goleta Valley v. Bd. of Supervisors (1990) 52 Cal. 3d 553, 564). The certified final EIR for this project failed to clarify what environmental impacts may occur as a result of the project, thus making it impossible to determine what mitigation measures should be considered. In failing to recognize significant

Considerations to which we believe should be added further significant, unavoidable environmental impacts including those to agricultural resources. Indeed, the EIR failed to fully analyze the Agricultural Lands Preservation Program. [31]

Our concern that the Program would not adequately mitigate the impacts to agricultural resources is further validated through the *Morgan Hill 2035 DEIR*. Despite the DEIR recognizing the Program and Agricultural Mitigation Ordinance as mitigation measures, it states that a "number of measures were considered for mitigating or avoiding the impact of the conversion of agricultural lands to other uses; however, ***no*** feasible mitigation measures are available that would reduce the agricultural resource impact to less than significant levels."[32] **This is an admission that the Agricultural Lands Preservation Program and Agricultural Mitigation Ordinance *fail to reduce the impacts to agricultural resources to a less than significant level*.** In contrast, the findings in the *Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan EIR* stipulated that the mitigation would reduce the impacts of converting agricultural lands to non-agricultural uses to a less than significant level.

This discrepancy between the EIRs further calls into question the true effectiveness of the Program to mitigate for the loss of agricultural lands. Should LAFCO adopt *any* portion of the USA amendment application, the Commission must find that the *Citywide Agriculture Preservation Program and Southeast Quadrant Land Use Plan Final EIR* identified the potentially significant adverse impacts resulting from the project. Furthermore, it must find that 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*, and find that the project's benefits outweigh its significant, unavoidable environmental impacts, including air quality/greenhouse gases, noise, and transportation.[33] We don't believe there is any basis for such a finding.

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environmental impacts and provide adequate mitigation for those impacts, it failed to afford a respectable degree of government transparency in the planning process.

[31] See Attachment A: letter dated November 3, 2014 from Chatten-Brown & Carstens which was submitted to the City on CGF's behalf.

[32] Our emphasis. See *Morgan Hill 2035 DEIR* at 4.2-16.

[33] Proposing a project that will needlessly convert agricultural lands to urban uses which will then cause a significant, unavoidable impact with relation to greenhouse gases is disturbingly counterintuitive and irresponsible in the face of regional and state efforts to combine farmland conservation with the reduction of greenhouse gases as a climate change mitigation strategy.

ECONOMIC BENEFIT HIGHLY SPECULATIVE. DEVELOPMENT STRATEGY CONFLICTS WITH 2035 GENERAL PLAN CONSULTANT AND LAFCO COMMISSION RECOMMENDATION.

As previously stated, the allowable uses in the SRL are commercial uses that are currently/can be accommodated inside city limits. There is no need to invent a new district for them outside city limits.

The Economics white paper prepared for the City's 2035 General Plan update notes that, "There is increased interest in healthy eating and fresh, natural, locally-produced foods, and Morgan Hill is well-positioned to capitalize on this trend and serve as a hub for people exploring the area. Morgan Hill can enhance its position by working with area wineries, restaurants, and farm stands to promote the area as a destination for agri-tourism. The City needs to develop targeted strategies that encourage better utilization of the vacant lands located within its existing boundaries. " The latter is extremely reminiscent of the motion passed by the Commission at its November 2, 2013 hearing on the last USA amendment brought by the City of Morgan Hill. At that hearing, the Commission requested that the City of Morgan Hill, through its General Plan Update process, examine its inventory of vacant land and develop targeted strategies that encourage better utilization of vacant lands within its boundary.

It has been said that the cost of commercially zoned land is prohibitive to the potential economic benefits of SRL uses.[34] This pales in comparison to the cost of sprawl, its negative impacts on urban services, and the loss of farmland and its economic, social, and environmental benefits. The Agricultural Commissioner's Office newly released report *The Economic Contribution of Agriculture to the County of Santa Clara 2014* asserts that agriculture provides diverse stable employment opportunities for both skilled and unskilled laborers – jobs that are not served by other industries in the county. So, agricultural lands are very important job generating lands too that are first and foremost dependent on soil, and finite in availability.[35] Neither the community of Morgan Hill nor our region is well served by undervaluing the economic, social, and health benefits of viable farmland. Commercial uses such as those proposed in the SRL District need not be located on prime farmland or have freeway frontage to be successful.

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[34] One instance was public comment made at the June 23, 2015 Planning Commission hearing on the SEQ plan.

[35] At their December 16, 2015, the City Council approved a license agreement (renewable on a yearly basis) with George Chiala Farms for the continuation of its agricultural operation on the 26 acre parcel purchased for the Jacoby/Morgan Hill ballfields.

WELL-ESTABLISHED INCONSISTENCIES WITH CITY, COUNTY, AND LAFCO POLICIES.

The LAFCO Staff Report summarized the many substantial inconsistencies between the City's application and LAFCO policies, and City and County General Plan policies. These inconsistencies between the City's SEQ plan and LAFCO and County policies were well documented over the past 5 years. As an example, the City's plan does not conform with County General Plan policies relating to urban service area expansion, i.e C-GD 3, C-GD 4, C-GD 6, C-GD 7, and C-GD 8 (b.).[36]

THE CITY FAILED TO SEEK ADEQUATE COMMUNITY PARTICIPATION AND EDUCATION.

The City's public process was significantly flawed. While the City held stakeholder meetings and public hearings on the SEQ throughout the years, the vast majority of the community was unaware of these meetings. The City also segmented discussions and decision-making to the point where even the most civic-minded and tenacious resident struggled to effectively participate and understand. [37]

Furthermore, the lack of community outreach hindered the community's ability to be informed of the plan at all, or where it was in the planning stage. [38] From December 2007 to July 2015, there was no effort to seek community-wide input on the City's plan. This was in stark contrast to the City's efforts pertaining to other major projects such as downtown redevelopment, which encompassed a 117 acre area of already established urban uses/designations within the USA.

Action 3.6 of the Morgan Hill General Plan Community Development Element (at p. 25) states that the '[p]lanning of the Southeast Quadrant may occur as part of the next comprehensive General Plan Update.' However, when the Morgan Hill 2035 General Plan update began, public discussion of the SEQ within the context of the General Plan update was marginalized. Furthermore, at the very first meeting of the General Plan Advisory Committee (GPAC), Mayor Steve Tate instructed the members that they were not to weigh in on the SEQ plan. We are not

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[36] Book A, Growth and Development, B-5 and B-6.

[37] In December 2007, the City Council approved a work program for exploring a variety of items relating to the Southeast Quadrant. In July 2015, they approved the application to LAFCO. Other meeting dates on which the City Council approved SEQ items include November 5, 2014, and February 4, 2015.

[38] See Attachment B and C for public notices of SEQ meetings that were not Planning Commission or City Council meetings. Note the exclusivity of the salutation line.

aware of any discussion or vote by City Council that provided that direction. Indeed, every other major General Plan amendment that was proposed before the General Plan update process began was put before the GPAC for a recommendation. This included a controversial USA amendment application known as Edmundson-Oak Meadows which had been in the planning stages pre-2006.

The City, in the LoR at p. 4, stated that its application to LAFCO was "consistent with the desire of respective property owners to be incorporated into Morgan Hill." Indeed, the application is narrowly focused on the requirements of some, but not consistent with the community's needs and desires for its future.

CONCLUSION: AREA 1 – OPPORTUNITY STILL EXISTS TO FIND THOUGHTFUL SOLUTION, BUT UNDER A DIFFERENT PLAN.

While the City admits that the majority of uses in the SRL District are "speculative at this time", the entire SEQ proposal is speculative in nature: funding, development, need, compatibility of uses, economic viability, and agricultural preservation.

The City's current USA amendment request does not meet the meaningful purpose of LAFCO's mission and policies. As the LAFCO Staff Report points out, the proposal is a classic example of urban sprawl from half a century ago that led to the State Legislature's creation of LAFCO.

We believe there is opportunity for a path forward if the City is willing to set aside its current plan and work with its partners and other stakeholders to find a sensible, viable solution to meet its economic development and agricultural preservation goals.

Until that time, we respectfully request the Commission deny – in its entirety – this USA amendment request.

AREA 2: MONTEREY-WATSONVILLE

CGF and GA support the LAFCO Staff recommendation for denial of this USA amendment request. While we are sympathetic with the applicants' reasons for requesting annexation, there are substantial reasons, as outlined in the LAFCO Staff Report, why the City's application is inconsistent with LAFCO policies.

AGRICULTURAL LANDS CANNOT BE ADEQUATELY MITIGATED.

As noted above, the City's Agricultural Lands Preservation Program and Agricultural Mitigation Ordinance are ineffective and infeasible to adequately mitigate for the loss of agricultural lands (per LAFCO's definition) to urban uses. Therefore, *at a minimum*, the Commission should not approve any parcel in this USA amendment request that require mitigation of agricultural lands.

CITY HAS SUFFICIENT VACANT COMERCIAL AND RESIDENTIAL LAND WITHIN ITS CITY LIMITS.

As previously discussed, the city has a substantial vacant land inventory: 8 -24 years of vacant residential land and 45 years of vacant commercial land. The City should capitalize on their vacant land inventory and pursue infill development first. Indeed, LAFCO previously denied the inclusion of the majority of Area 2 in order to serve as a natural buffer to limit impacts to adjacent agricultural lands and to limit growth inducing impacts on adjacent unincorporated lands.

The City attempts to make a case for the inclusion of APN 779-04-052 into the City's USA "because its future annexation and development would conform with the City's Desirable Infill policies." (LoR at p. 10.) Interestingly, the draft Morgan Hill 2035 General Plan has eliminated current General Plan references to the Desirable Infill policies. These policies have not been included in the new Public Review Draft Residential Development Control System (RDCS).[39] While the RDCS is subject to voter approval, the City is anticipating this will occur given the support of the voters for past RDCS measures.

INCLUSION OF UNINCORPORATED AREAS INTO USA PROBLEMATIC.

According to the City, another primary goal of the Area 2 USA Amendment request is to improve the efficiency of urban service deliveries. For seven of the seventeen parcels, that point is moot as they already receive urban services. Among the unincorporated areas, there

[39] This may in part be explained by the change to the section *D. Application to Expand Urban Service Area*. Under the current RDCS (18.78.070), the City "shall neither apply to LAFCO, nor otherwise request or support, the addition of any land to its urban service area, until such time as the city council finds that the amount of undeveloped, residentially developable land within the existing urban service area is insufficient to accommodate five years' worth of residential growth." Under the proposed RDCS, this 5 year requirement has been removed. See draft 2035 General Plan Policy CNF-4.8 **Land Supply**. Include enough land within the Urban Service Area to provide for a ~~minimum of 5 years of urban growth~~ rate, amount, and type of development consistent with the General Plan; review and modify the Urban Service Area boundaries as needed. [Action CD-2.2]

are three of 10 parcels - APNs 779-04-016 and 779-04-061 (Morgan Hill Bible Church) and APN 779-04-052 – where future development plans have been expressed. According to the LAFCO Staff Report, inclusion of these parcels would not affect the current level of urban services. Yet the incorporation of all 3 parcels remains problematic due to the urban/rural conflict it creates. It is a conflict that can encourage outward urban growth.

CONCLUSION: AREA 2 – Again, while we understand the reasons for certain Area 2 applicants requesting inclusion into the city, the larger policy and planning issues call for the Commission to refrain from approving their request.

Thank you for this opportunity to provide our comments and for considering our request to deny these proposals.

Respectfully submitted,

Julie Hutcheson
Legislative Advocate
Committee for Green Foothills

Davin Aoyagi
Regional Representative, South Bay
Greenbelt Alliance

Attachment A: November 3, 2014 letter from Chatten-Brown & Carstens LLP
Attachment B & C: Public notices for SEQ Workshop and Scoping Meeting

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November 3, 2014

Via U.S. Mail and email *andrew.crabtree@morganhill.ca.gov*

Mr. Andrew Crabtree
Community Development Director
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

Re: CEQA Review of the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan, SCH No. 2010102010

Dear Mr. Crabtree:

We submit these comments on behalf of Committee for Green Foothills (CGF). CGF was founded in 1962 to protect the open spaces, farmlands, and natural resources of San Mateo and Santa Clara counties through advocacy, education, and grassroots action. CGF and its members have closely followed the City's development of the Citywide Agricultural Preservation Program and the Southeast Quadrant Land Use Plan ("Project").

As proposed, the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan Project is a nearly-incoherent mix of City expansion and rezoning policies, combined with several unrelated private development proposals that would affect 1,290 acres located mostly southeast of Morgan Hill's existing city limits ("SEQ area"). The Project purports to include:

(1) Agricultural Lands Preservation Program ("Agricultural Program") aimed at supporting the permanent preservation of open space and agriculture;
(2) Boundary adjustments, including annexation of additional land to the city limits, expansion of the urban service area, urban growth boundary, and urban limit line;
(3) General Plan and Zoning Code amendments to prezone lands within the Project area;
(4) General Plan and Zoning Code amendments to create a Sports-Recreation-Leisure land use designation;

(5) A 1,600-student private Catholic high school on 38 acres;
(6) The Craiker development, which would involve 43,000 square feet of sports retail and restaurant use on 4 acres south of the City's aquatics center;
(7) The Puliafico development, which entails an undisclosed amount of sports-recreation-leisure uses on 38 acres in the SEQ area;
(8) The Jacoby development, which entails an undisclosed amount of commercial retail and recreation uses on 26 acres in the SEQ area; and
(9) The Chiala Planned Development, which might involve 86 acres of sports-recreation-leisure uses, 107 acres of residential estates, and 114 acres of agricultural uses on 307 acres in the eastern SEQ area. Although it is presently unknown whether the Chiala development may be included inside city limits, it is still being processed by the City and remains in the EIR.

Confusingly, the Project's EIR claims to be both a programmatic EIR and a project EIR. (DEIR p. 202.) The EIR states that the private high school is analyzed with a project-level of review. Accordingly, further environmental review of the high school will not occur. On the other hand, the EIR states that the Agricultural Program, boundary adjustments, general plan and zoning amendments are evaluated at a programmatic, not project, level of review. Despite this, the EIR notes, "no further environmental review is required for City adoption of Project Components 1-4." (DEIR p. 2-2.) Given the lack of detailed review in the EIR, the City's proposal to approve Project Components 1-4 without further, project-level environmental review is unlawful. "Designating an EIR as a program EIR…does not by itself decrease the level of analysis otherwise required in the EIR." (*Friends of Mammoth v. Town of Mammoth Lakes Redevelopment Agency* (2000) 82 Cal.App.4th 511, 533.) Finally, the EIR states that it is conducting programmatic review of the Craiker, Puliafico, Jacoby, and Chiala developments, even though the DEIR fails to disclose the proposed land uses of these developments. (DEIR pp. 2-54-55.) CGF appreciates the City's decision to conduct a more thorough environmental review of the Chiala Planned Development at a later date. However, to comply with CEQA, the City must ensure that the Craiker, Puliafico, Chiala, and Jacoby developments undergo full project-level review in the future and not rely on analysis or mitigation measures developed in the EIR for this Project.

In its current state, the 1,290-acre Southeast Quadrant (SEQ) consists of agricultural lands, farms, and orchards. (DEIR p. 2-7.) Structures present include single-family residences, barns, sheds, and greenhouses. (*Ibid.*) Nearly half of the SEQ is considered "Prime Farmland" by the state of California, and a larger portion is considered "Important Farmland" by the Department of Conservation. Due to its importance to local agriculture, the County of Santa Clara has zoned the SEQ's flat, valley floor land for

exclusive agriculture and for uses that "clearly enhance the long term viability" of agriculture. The SEQ lands also serve as an informal greenbelt buffer from more developed suburban areas within the Morgan Hill city limits.

By changing the general plan designations and zoning and by explicitly approving the construction of a new high school and undisclosed sports-recreation-leisure developments in the SEQ, the Project would leave only 200 of the 1,290-acres contained within the Project site for long-term agriculture. Specifically, the Project would annex 759 acres of agricultural lands into the city limits in the short term and place an additional 329 acres within the urban limit line for future city development. As noted by Committee for Green Foothills, the misnamed Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan ultimately permit non-agricultural development of 80 percent of the Project area.

Various local agencies have criticized aspects of the Project and its environmental review, including, but not limited to, the Local Agency Formation Commission of Santa Clara County (LAFCO), the Santa Clara Valley Water District, the Open Space Authority, and five separate County departments. As pointed out by these agencies, planning of this nature is more appropriately contemplated in the City's ongoing general plan update. LAFCO's counsel correctly notes that the EIR's objectives are crafted so narrowly as to preclude a reasonable choice among alternatives in violation of the California Environmental Quality Act (CEQA).

The October 30, 2014 staff report ("Staff Report") notes that the proposed changes to the Project "do not go as far as our partner agencies would like." (Staff Report, p. 2.) For these reasons, and the reasons discussed in further detail below, CGF urges the City of Morgan Hill to continue to work collaboratively with the Santa Clara County Planning Department, the Local Agency Formation Commission, and the Santa Clara County Open Space Authority to align the City's planning of the southeastern quadrant and agricultural preservation with the general plan update process. More collaboration is necessary before the Project can be approved in a manner that is consistent with sound planning principles and CEQA.

I. Planning for the Southeastern Quadrant and Preservation of Agricultural Resources Should Occur in the General Plan Process.

"The general plan is atop the hierarchy of local government law regulating land use." (*Neighborhood Action Group v. County of Calaveras* (1984) 156 Cal.App.3d 1176, 1183.) It has been recognized as "the constitution for future development." (*DeVita v.*

Napa (1995) 9 Cal.4th 763, 773, internal citations omitted.) All development within a City, including its planning and zoning regulations and land use designations, must be consistent with the general plan. The SEQ Land Use Plan is no exception to this rule.

The proposed Project includes the expansion of city boundaries, service areas, and future growth areas and proposes land use designations and other revisions to land use controls in areas southeast of the existing city limits, as well as a city-wide Agricultural Lands Preservation Program. Planning of this nature and scale is exactly the type that occurs during a general plan update. The citywide nature of the Agricultural Lands Preservation Program requires its consideration in an EIR that analyzes citywide impacts, not in an EIR constrained to the SEQ area. Conveniently, the City of Morgan Hill is currently updating its General Plan. Its refusal to combine the Project with the ongoing General Plan process is contrary to the principles of sound planning and has resulted in a number of inconsistencies between the Project and the City's constitution. CGF agrees with the framing of the issues as raised by LAFCO and its attorneys, the County, and the Open Space Authority.

CGF would like to highlight a few issues raised by these comments:

- As discussed in CGF's June 24, 2014 letter to the City, proposed General Plan modifications to permit the expansion of urban services would conflict with the Residential Development Control System of the General Plan. This would render the General Plan internally inconsistent, in violation of State Planning and Zoning Laws.
- There are inconsistencies between the Project and the General Plan in that areas being considered for inclusion within the city in the General Plan process include areas being identified for preservation areas in the Agricultural Lands Preservation Program. These processes should be consolidated and aligned.
- The County General Plan designates much of the SEQ area as Agriculture Medium Scale, which permits other uses so long as they "clearly enhance the long term viability" of local agriculture and other lands. The Project's retail, commercial, school, and sports-recreation-leisure uses do not "clearly enhance" agriculture, especially if they are built atop existing agricultural uses. Thus, the developments considered in the EIR are inconsistent with the General Plan.

Finally, as discussed in CGF's previous letters, the separation of the EIR for development of the SEQ and the Agricultural Program from the EIR for the General Plan update is unlawful piecemealing of the environmental review for the City's long term

planning. "The lead agency must consider the whole of an action, not simply its constituent parts, when determining whether it will have a significant environmental effect." (CEQA Guidelines § 15003 (h); *Citizens Association for Sensible Development of Bishop Area v. County of Inyo* (1985) 172 Cal. App.3d 151.)

II. The EIR Fails to Adequately Inform Decisionmakers and the Public of the Project's Environmental Impacts.

The California Environmental Quality Act (CEQA) serves two basic, interrelated functions: ensuring environmental protection and encouraging governmental transparency. (*Citizens of Goleta Valley v. Bd. of Supervisors* (1990) 52 Cal. 3d 553, 564.) CEQA requires full disclosure of a project's significant environmental effects so that decisionmakers and the public are informed of these consequences before the project is approved, to ensure that government officials are held accountable for these consequences. (*Laurel Heights Improvement Ass'n of San Francisco v. Regents of the University of California* (1988) 47 Cal.3d 376, 392.) The environmental impact report (EIR) process is the "heart of CEQA" and is the chief mechanism to effectuate its statutory purposes. (*In Re Bay-Delta Programmatic EIR Coordinated Proceedings* (2008) 43 Cal. 4th 1143, 1162.)

As the final EIR fails to remedy the defects noted in Committee for Green Foothills' February 18, 2014 comments, we hereby incorporate those comments in lieu of repeating them here. CGF also supports the letters submitted by the Open Space Authority, the County of Santa Clara, the Local Agency Formation Commission, and LAFCO's counsel on these issues.

A. The EIR is Unfocused and Confusing.

Many of the EIR's failures stem from the City's use of a single EIR to analyze multiple unrelated projects – at different levels of environmental review. This approach has produced an EIR that fails to clarify the potential environmental impacts of any single project component, rendering it difficult or impossible to tailor alternatives and mitigation measures to avoid or substantially lessen each project's individual environmental impacts. An EIR must describe a proposed project with sufficient detail and accuracy to permit informed decisionmaking. (CEQA Guidelines § 15124.) This EIR does not. As a result, the EIR cannot "demonstrate to an apprehensive citizenry that the agency has, in fact, analyzed and considered the ecological implications of its action." (CEQA Guidelines § 15003; *People ex rel. Department of Public Works v. Bosio* (1975) 47 Cal.App.3d 495.)

The "project" as defined is incoherent, consisting of the annexation of County lands into the City and related expansions of the urban service area, urban growth boundary, and urban limit line. While these project components might lend themselves to a coherent project and EIR, this Project has been coupled with the adoption of a Citywide Agriculture Preservation Program, which seems to permit development of nearly all of the covered agricultural lands. As discussed above, both of these projects should be incorporated into the ongoing General Plan Update process to allow for consistency with the General Plan and to permit thorough analysis of the Projects and their cumulative impacts. Incomprehensively, however, the EIR's Project Description also includes the development of two separate sports-recreation-leisure projects, as well as zoning and general plan updates needed to permit these uses, a sports retail development, the 307-acre Chiala development, and the development of a private high school. The result is aptly described by CGF's February 18, 2014 letter as "a 'project' that is too amorphous, vague, and unmanageable to analyze adequately."

This confusion is demonstrated by the Project Objectives, which seek to "[i]dentify lands within the SEQ area viable for permanent agriculture" and to "[d]evelop a program that fosters permanent agriculture", while simultaneously converting agriculturally-zoned land uses to "sports-recreation-leisure" and developing "a new private high school…to serve existing and future local demand." (DEIR p. 2-26, 35.) By its own terms, the Project Objectives will convert agricultural lands to high school and sports and recreation uses.

The Court of Appeal has held:

> The CEQA process is intended to be a careful examination, fully open to the public, of the environmental consequences of a given project, covering the entire project, from start to finish. This examination is intended to provide the fullest information reasonably available upon which the decision makers and the public they serve can rely in determining whether or not to start the project at all, not merely to decide whether to finish it. The EIR is intended to furnish both the road map and the environmental price tag for a project, so that the decision maker and the public both know, before the journey begins, just where the journey will lead, and how much they-and the environment-will have to give up in order to take that journey."

Unfortunately, this EIR is too confusing to provide any details of the roadmap or the price tag. (*NRDC v. City of Los Angeles* (2002) 103 Cal.App.4th 268, 271.)

Put simply, the EIR is "a mass of flaws." (*San Joaquin Raptor/Wildlife Rescue Center v. County of Stanislaus* (1994) 27 Cal.App. 4th 713, 741.) Separate EIRs should be prepared for the private high school, Craiker, Puliafico, Jacoby and Chiala developments. The SEQ planning process, urban boundary changes, and Agricultural Program should be integrated into the General Plan process.

B. The EIR Fails to Fully-Analyze the Citywide Agricultural Land Preservation Program.

The City's administrative process places the Citywide Agricultural Land Preservation Program within the SEQ Land Use Plan and purports to analyze the environmental impacts of the Agricultural Program within the EIR. Yet the EIR never provides in-depth analysis of the Agricultural Program, the permitted uses of land preserved under the program, or a description of how the program will actually work. Instead, the EIR focuses on the SEQ components of the Project. The Agricultural Program will have serious implications for the future development of Morgan Hill and will control how much agricultural land is preserved in the City, and for how long. The EIR's failure to analyze the entirety of the Project violates CEQA.

On its face, the Project proposes to annex 759 acres of agricultural lands into the city limits in the short term and place an additional 329 acres within the urban limit line for future city development. Only 20 percent of the 1,290-acre area would remain untouched by urban zoning or development possibilities. Additionally, as discussed in greater detail in other comments submitted to the City, the proposed mitigation fees for the conversion of agricultural lands are too low to fund replacement of agricultural lands at the 1:1 ratio sought by the Agricultural Program. The EIR's admission that open space funds will be used for agricultural mitigation proves this. Further, even if 1:1 ratio is actually required, such a ratio would permit at the loss of half of the agricultural lands in the SEQ, or all 1,290 acres if off-site preservation is permitted.

The EIR's failure to provide coherent and comprehensive analysis and mitigation of the Project's foreseeable impacts on agricultural lands must be remedied before the Project may be lawfully approved.

C. The EIR's Analysis of Cumulative Impacts is Inadequate.

Throughout the EIR, it is assumed that if a Project's potential environmental impact is not directly significant, it cannot be cumulatively significant. On the contrary, cumulative impacts analysis is important precisely because:

> [T]he full environmental impact of a proposed project cannot be gauged in a vacuum. One of the most important environmental lessons that has been learned is that environmental damage often occurs incrementally from a variety of small sources. These sources appear insignificant when considered individually, but assume threatening dimensions when considered collectively with other sources with which they interact.

(*Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal. App. 4th 1184, 1214.) The EIR's failure to recognize as significant cumulative impacts that are not individually considerable violates CEQA. An impact may be directly insignificant, but cumulatively significant. Relevant to the City's consideration of this Project, the loss of one particular parcel of farmland may not be directly significant, but it may be cumulatively considerable when viewed in the context of the loss of farmland in the valley. The City's failure to provide thorough consideration of cumulative impacts is particularly disappointing in the context of a program EIR. "The program EIR can…[e]nsure consideration of cumulative impacts that might be slighted in a case-by-case analysis." (CEQA Guidelines § 15168(b)(2).) The City must revise its assessment of cumulative impacts and recirculate the revised EIR before the Project may be approved.

III. The Mitigation and Monitoring Program Cannot be Relied Upon for The Programmatic Components of the Project.

The mitigation measures described in the EIR and contained in the Mitigation Monitoring and Reporting Program (MMRP) cannot be relied upon to offset the potential environmental impacts of the Craiker, Puliafico, Chiala, and Jacoby developments. The EIR contains almost no information about the Craiker, Puliafico, and Jacoby developments that it purports to analyze at a programmatic level. The Craiker development is described as 40,000 square feet of sports retail and 3,000 square feet of restaurant uses on 4 acres, but no information is provided about the "sports retail" use that permits a decisionmaker or the public to understand the development's potential environmental impacts or to even determine what they might be. The 38-acre Puliafico development is described with even less detail. According to the EIR, the development "may include outdoor sports fields, possible indoor facility to house recreational uses." (DEIR p. 2-52.) No square footage estimates are provided. Similarly, the Jacoby development "may include commercial recreation retail and open fields for recreation" on 26 acres of land. No square footage is provided. This is particularly glaring, given that the City has signed a Letter of Intent with Mr. Jacoby and his partners (Fisher-Granum

Partners) to purchase the property. The City is surely aware of more details about the proposed development. Since insufficient information is provided about these developments, the EIR contains limited information about the developments' potential environmental impacts. As a result, alternatives and mitigation measures cannot yet be developed to reduce the potential environmental impacts of these project components. It is imperative that the City require a thorough analysis and full mitigation of these developments' potentially significant environmental impacts when they are reviewed at a project level.

IV. The Final EIR's Responses to Comments are Inadequate.

The EIR is a document of accountability. (*Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 392.) CEQA ensures accountability through the requirement that the Lead Agency provide written "good faith, reasoned analysis" in response to comments on an EIR by the public. (Guideline § 15088, subd.(c).) When a comment raises a significant environmental issue, the lead agency must address the comment "in detail giving reasons why" the comment was "not accepted." (*Ibid.*) "Conclusory statements unsupported by factual information will not suffice." (*Ibid*; *Laurel Heights Improvement Assn. v. Regents of University of California* (1993) 6 Cal.4th 1112, 1124.) The level of detail of responses to comments must be commensurate with the level of detail of the comments. (*Friends of the Eel River v. Sonoma County Water Agency* (2003) 108 Cal.App.4th 859, 878 ["the determination of the sufficiency of the agency's responses to comments on the draft EIR turns upon the detail required in the responses"].)

This requirement for good faith, reasoned analysis "ensures that stubborn problems or serious criticism are not swept under the rug." (*Santa Clarita Organization for Planning the Environment v. County of Los Angeles* (2003) 106 Cal. App. 4th 715, 732.) The courts have held that inadequate responses to comments – alone – can be grounds for voiding a project's approval. (*See, Env. Protection Information Center. v. Johnson* (1985) 170 Cal. App. 3d 604, 627.) Failure to respond to a *single* comment is sufficient to invalidate approval of a FEIR. (*Flanders Foundation v. City of Carmel by-the-Sea* (2012) 202 Cal. App. 4th 603.) The final EIR fails to include good faith, specific responses to specific comments and provides responses that are dismissive, off-point, or that fail to respond to the questions asked. These responses include, but are not limited to the following:

In response to CGF's concerns that the Project will result in light and glare impacts that are inadequately disclosed, analyzed, or mitigated in the DEIR (Comment

Foothills-13), the City states that Project lighting would be similar in intensity to existing sources of light and glare. The Project will permit conversion of unlit farmlands into uses that include restaurant, retail, and other commercial uses. Parking lots, exterior lighting, street lighting, and illuminated signage will be introduced to areas that are currently dark. This will have significant impacts that are neither disclosed nor mitigated in the EIR. The significance of these impacts is demonstrated by the EIR's admission that the lighting provided by the private high school's sports fields will have significant impacts due to light and glare. The City's EIR and Mitigation Monitoring and Reporting Program incorporate mitigation measures to offset these impacts. Since the sports-recreation-leisure properties will likely construct outdoor sports fields, outdoor floodlighting for evening and nighttime is almost assured, with lighting and glare impacts very similar to those deemed significant at the high school. The FEIR's dismissal of CGF's concern violates CEQA.

In Comment Foothills-30, CGF described the EIR's failure to actually provide environmental review of the Agricultural Land Preservation Program. As a discretionary action of the City that will have significant impacts on the environment, this is required. Further, CGF explained the importance of this review because the Agricultural Program will impact the entire city, not just the SEQ area. RTC Foothills-30 responds only with a summary of CGF's comment and "[t]he Draft EIR evaluated the consistency of the proposed project's components with the City of Morgan Hill General Plan in Section 3.9, Land Use. Note that the organization did not provide any specific comments on this analysis." This comment is entirely nonresponsive as it fails to direct a reader toward environmental analysis of the Agricultural Program or to mention the environmental review of the Program at all.

An agency is under a greater duty to consider and respond to comments put forth by another agency. (*Cleary v. County of Stanislaus* (1981) 118 Cal.App.3d 348, 358.) Despite this obligation, the City failed to adequately respond to well-supported and detailed comments put forth by the Local Agency Formation Commission, the Open Space Authority, and the County of Santa Clara. LAFCO's June 9, 2014 letter notes that the final EIR "neglects to adequately respond to the comments, and in many cases adds to the confusion identified in the comments concerning the scope of the Project and the analysis of its environmental impacts." In doing so, the final EIR appeared to conclude that LAFCO policies are merely "procedural," when in actuality they are substantive requirements that the EIR must address. The final EIR attempted to evade LAFCO requirements for annexation with claims that LAFCO has independent review over such actions. In the context of CEQA, this is incorrect. Unless significant changes are made to the Project or significant new facts emerge, LAFCO cannot prepare its own EIR and

must rely on the EIR prepared by the City of Morgan Hill. (CEQA Guidelines § 15096(a) ["A Responsible Agency complies with CEQA by considering the EIR or Negative Declaration prepared by the Lead Agency "], § 15050(b) ["each Responsible Agency shall consider the Lead Agency's EIR"], § 15051(b)(2) ["Where a city prezones an area, the city will be the appropriate Lead Agency for any subsequent annexation of the area and should prepare the appropriate environmental document at the time of the prezoning. The Local Agency Formation Commission shall act as a Responsible Agency"], §15096(e).)

V. The City's Statement of Overriding Considerations Lacks Substantial Evidence to Support its Conclusions.

CEQA prohibits approval of projects with significant adverse environmental impacts if there are feasible alternatives or mitigation measures that would reduce or eliminate those impacts. (Pub. Resources Code § 21002; Guidelines § 15021(a)(2).) When an agency seeks to approve a project despite its significant unmitigated impacts on the environment, the agency must adopt a statement of overriding considerations. (Pub. Resources Code § 21081.) Here, the Project will have significant and unmitigable impacts on air quality and greenhouse gases, noise, and transportation, and a statement of overriding considerations is required. A statement of overriding considerations must include two specific findings, supported by substantial evidence. The first finding that must be made is that "There is no feasible way to lessen or avoid the significant effect..." of the project. (Guidelines §§ 15043, 15093(b).) The second finding is that the project's benefits outweigh its significant adverse environmental impacts. (Guidelines § 15093(a).) These findings must both be supported by substantial evidence. (Guidelines § 15093(a)-(b).)

Here, the City proposes to adopt a statement of overriding considerations with a finding that specific considerations make infeasible the mitigation measures or alternatives identified by commenters and in the EIR. Specifically, the City's statement of overriding considerations found,"Alternatives 1-4 are rejected as infeasible." (SOC p. 78.) "CEQA does not authorize an agency to proceed with a project that will have significant, unmitigated effects on the environment...unless the measures necessary to mitigate those effects are *truly* infeasible." (*City of Marina v. Board of Trustees of the California State University* (2006) 39 Cal. 4th 341, 368 ("*City of Marina*") emphasis added.) "[I]f the project can be economically successful with mitigation, then CEQA requires that mitigation..." (*Uphold our Heritage v. Town of Woodside* (2007) 147 Cal. App. 4th at 600.) The City is required to substantiate any claims of alternative infeasibility with substantial evidence in the record.

The City's statement of overriding considerations rejects the Sports-Recreation-Leisure/High School/Agricultural Lands Preservation Program Alternative because it "would not fully meet the Project objectives." (SOC p. 79.) The City applies the incorrect standard. A reasonable alternative need only "attain most of the basic objectives" of the Project. (Pub. Resources Code § 21061.1; Guidelines § 15126.6(a), emphasis added.) Moreover, the City claims that the alternative fails to meet objectives regarding transfers of development and agricultural preservation that would occur with the Chiala Planned Development (SOC p. 80),even though the City is exploring ways to pursue transfers of development that do not involve immediate approval of the Chiala development. (See Staff Report p. 6.) Aside from this objective, the alternative meets all objectives. In fact, the Project described by the Staff Report and put forth for approval by the City is essentially the Sports-Recreation-Leisure/High School/Agricultural Lands Preservation Program Alternative. The City clearly lacks substantial evidence supporting its rejection of this feasible and reasonable alternative.

The Statement of Overriding Considerations rejects the Agricultural Lands Preservation Only Alternative for failing to meet the objective of providing a private high school in the Project. The High School Only Alternative is rejected for failing to meet objectives related to agricultural preservation. Again, these rejections lack substantial evidence in support. As proposed, the Project is essentially a blank slate for development of unincorporated areas southeast of City Limits. Reconfiguration of the Project and its components is clearly feasible. In fact, program EIRs such as this one were added to CEQA to "[a]llow the Lead Agency to consider broad policy alternatives and programwide mitigation measures at an early time when the agency has greater flexibility" and to "[p]rovide an occasion for a more exhaustive consideration of effects and alternatives than would be practical in an EIR on an individual action." (CEQA Guidelines § 15168(b)(4), (1).) As described further in the comments submitted by LAFCO's counsel, the City's EIR failed to undertake the requisite flexible approach to alternatives. Tellingly, neither the City's EIR nor the statement of overriding considerations provide analysis of whether the sports-recreation-leisure or the high school uses in the SEQ can be accommodated within the existing City limits. The City contains sufficient vacant land to accommodate these uses. If these uses can be accommodated elsewhere, there is no reason why the Agricultural Lands Preservation Only Alternative cannot provide a high school and leisure space outside the SEQ. No information has been developed to support conclusions of infeasibility. The City cannot make the required findings.

Thus, the City's rejection of these alternatives is improper, and its statement of

overriding considerations is unsupported.

The Statement of Overriding Considerations claims, without support, that "all feasible changes or alterations have been required in, or incorporated into, the Project" to mitigate its admittedly significant impacts on air quality and greenhouse gases. Yet the Mitigation Monitoring and Reporting Program contains no mitigation measures to limit the Project's greenhouse gas emissions. Thus, this finding is unsupported by substantial evidence.

The City's statement of overriding considerations is premised upon the claim that the project will benefit the City and its residents by promoting economic growth, supporting the formation of a greenbelt area, preserving agriculture, and by permitting uses that "clearly enhance the long term viability" of local agriculture and agricultural lands, among others. (SOC pp. 83-84.) CEQA requires there be substantial evidence in the record to support the claimed benefits of the Project that justify proceeding with a project notwithstanding its adverse impacts. (Public Resources Code § 21081; CEQA Guidelines § 15093(b).) However, the record is rife with evidence that the Project will not actually accomplish these goals. The greenbelt area permits development, and the Project will ultimately result in the conversion of most of the SEQ area to urban uses. Neither a private high school nor undefined sports-recreation-leisure uses "clearly enhance the long term viability" of local agriculture. On the contrary, by permitting and encouraging retail, residential uses, and other commercial development in the SEQ, the Project will likely surround the City's remaining agricultural areas with suburban development, furthering its demise. "[A]n agency's unsupported claim that the project will confer general benefits" is insufficient to override a project's significant impacts. (*Woodward Park Homeowners Ass'n, Inc. v. City of Fresno* (2007) 149 Cal.App.4th 892, 717.)

The City's findings regarding the rejection of alternatives and regarding project benefits lack substantial evidence, thereby violating CEQA (Guidelines § 15091(b)) and failing as a basis for the City's Statement of Overriding Considerations. (Guidelines § 15093(b).)

Conclusion

Committee for Green Foothills urges the City to consolidate its planning processes for the SEQ with the ongoing General Plan update process. This is the only way for the City to achieve its goals of planning consistency, agricultural preservation, and the creation of a greenbelt that will benefit the entire community. CGF joins the comments

submitted by the Local Agency Formation Commission, County of Santa Clara, and the Open Space Authority and incorporates these comments by reference. Thank you for the opportunity to comment on this important Project. We look forward to the November 5, 2014 hearing.

Sincerely,

Douglas P. Carstens
Michelle N. Black
On behalf of Committee for Green Foothills

cc:
Mayor Steve Tate	steve.tate@morganhill.ca.gov
Mayor Pro Tempore Marilyn Librers	marilyn.librers@morganhill.ca.gov
Council Member Larry Carr	larry.carr@morganhill.ca.gov
Council Member Rich Constantine	rich.constantine@morganhill.ca.gov
Council Member Gordon Siebert	gordon.siebert@morganhill.ca.gov

CITY OF MORGAN HILL

DEVELOPMENT SERVICES CENTER

17575 Peak Avenue Morgan Hill CA 95037 (408) 778-6480 Fax (408) 779-7236
Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

NOTICE OF PUBLIC WORKSHOP

Dear Southeast Quadrant Property Owners & Interested Agencies and Persons,

This notice is to advise you that the Community Development Department of the City of Morgan Hill will conduct a Public Workshop on the following proposal at the date, time and location listed below. All interested persons are invited to attend the workshop and provide comments.

DATE: **Thursday, February 18, 2010**

TIME: **7:00 P.M.**

LOCATION: **Community and Cultural Center**
Hiram Morgan Hill Room
17000 Monterey Road
Morgan Hill, California 95037

SUBJECT:

1. **Provide Status of Southeast Quadrant (SEQ) Project**
   a. **Agricultural Mitigation Policies and Preservation Program**
   b. **Sports-Recreation-Leisure & Public Facility Land Uses**
   c. **Urban Limit Line**
2. **Gather Public Input for Refining SEQ Project Scope**

The City Council is moving forward with exploring the possibility of establishing a special Sports-Recreation-Leisure area within a portion of the Southeast Quadrant (SEQ), on private lands that are currently not located within the City but could possibly be annexed to the City. The SEQ is located east of Highway 101, west of Foothill Avenue, south of San Pedro Avenue, and north of Maple Avenue. The Sports-Recreation-Leisure and Public Facility uses will act as a transition between urban and rural uses and assist with establishing a greenbelt character within the Morgan Hill sphere of influence in the SEQ. The City is also developing an Agricultural and Open Space Preservation Program to identify areas where agricultural land uses would be preserved and to establish a mitigation program for projects that would convert agricultural lands to urban uses. The Agricultural Mitigation Policies and Preservation Program are part of the city's continuing effort to establish an Urban Limit Line and Greenbelt Policies for the SEQ.

The upcoming February 18 workshop is intended to provide an update on the SEQ project. City staff and the city's consultants will present the proposed Draft Agricultural Mitigation Policies and Draft Preservation Program; describe individual development applications submitted to the City for the SEQ area; and provide an overview of the proposed city-initiated General Plan and Zoning designation changes to accommodate sports-recreation-leisure and public facility land uses. Comments from the general public are welcomed to assist the City and it's consultants in better defining the scope of the SEQ project. Based on the feedback from the workshop, a Notice of Preparation for the Environmental Impact Report will be prepared.

The public workshop will be held on February 18th at 7:00 PM in the Hiram Morgan Hill Room of the Community and Cultural Center, 17000 Monterey Road, Morgan Hill. Questions regarding the workshop or the Sports-Recreation-Leisure Study may be directed to Rebecca Tolentino at Rebecca.Tolentino@morganhill.ca.gov or (408) 778-6480. Questions regarding the Agricultural Preservation Study may be directed to Kathy Molloy Previsich at Kathy.MolloyPrevisich@morganhill.ca.gov or (408) 778-6480.

Mail Date: February 4, 2010

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CITY OF MORGAN HILL

DEVELOPMENT SERVICES CENTER

17575 Peak Avenue Morgan Hill CA 95037 (408) 778-6480 Fax (408) 779-7236
Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

NOTICE

AVAILABILITY OF NOTICE OF PREPARATION and PUBLIC SCOPING MEETING

Dear Southeast Quadrant Property Owners & Interested Persons,

The City of Morgan Hill Community Development Department and Michael Brandman Associates, environmental consultants, are preparing an environmental impact report for the *Southeast Quadrant General Plan Amendments and Agricultural Mitigation and Preservation Program* project. This notice is to inform you the Notice of Preparation, which outlines the scope of the environmental review process, has been completed and is now available for viewing on the City's website. Agencies, organizations and members of the public are invited to view the Notice of Preparation and provide comments pertaining to the proposed environmental review scope of work. You may either provide written comments to Rebecca Tolentino of the Planning Division no later than **Friday, November 12, 2010**, or attend an upcoming Public Scoping Meeting at the date, time and location listed below.

Please note the Scoping Meeting will be focused specifically on the environmental review process. The City's environmental consultants will outline the scope of work proposed for analyzing potential environmental impacts that may result from implementation of the project. Public agencies and interested parties will then be given the opportunity to provide comments regarding the proposed scope of work. Comments received the night of the Scoping Meeting will be noted for the project record and addressed in the final environmental impact report. All interested persons are invited to attend the meeting and provide comments.

DATE:	**Tuesday, November 16, 2010**
TIME:	**7:00 P.M.**
LOCATION:	**Community & Cultural Center** **Hiram Morgan Hill Room** **17000 Monterey Road** **Morgan Hill, California 95037**

To view the Notice of Preparation, please visit the City's website at www.morganhill.ca.gov > Departments > Community Development > Planning > Current Projects / Reports > Southeast Quadrant

Questions or comments regarding the Scoping Meeting and project in general may be directed to Rebecca Tolentino at Rebecca.Tolentino@morganhill.ca.gov or (408) 778-6480. Written comments on the Notice of Preparation must be received no later than **Friday, November 12, 2010**.

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November 3, 2014

Via U.S. Mail and email *andrew.crabtree@morganhill.ca.gov*

Mr. Andrew Crabtree
Community Development Director
City of Morgan Hill
17575 Peak Avenue
Morgan Hill, CA 95037

Re: CEQA Review of the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan, SCH No. 2010102010

Dear Mr. Crabtree:

We submit these comments on behalf of Committee for Green Foothills (CGF). CGF was founded in 1962 to protect the open spaces, farmlands, and natural resources of San Mateo and Santa Clara counties through advocacy, education, and grassroots action. CGF and its members have closely followed the City's development of the Citywide Agricultural Preservation Program and the Southeast Quadrant Land Use Plan ("Project").

As proposed, the Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan Project is a nearly-incoherent mix of City expansion and rezoning policies, combined with several unrelated private development proposals that would affect 1,290 acres located mostly southeast of Morgan Hill's existing city limits ("SEQ area"). The Project purports to include:

(1) Agricultural Lands Preservation Program ("Agricultural Program") aimed at supporting the permanent preservation of open space and agriculture;
(2) Boundary adjustments, including annexation of additional land to the city limits, expansion of the urban service area, urban growth boundary, and urban limit line;
(3) General Plan and Zoning Code amendments to prezone lands within the Project area;
(4) General Plan and Zoning Code amendments to create a Sports-Recreation-Leisure land use designation;

(5) A 1,600-student private Catholic high school on 38 acres;
(6) The Craiker development, which would involve 43,000 square feet of sports retail and restaurant use on 4 acres south of the City's aquatics center;
(7) The Puliafico development, which entails an undisclosed amount of sports-recreation-leisure uses on 38 acres in the SEQ area;
(8) The Jacoby development, which entails an undisclosed amount of commercial retail and recreation uses on 26 acres in the SEQ area; and
(9) The Chiala Planned Development, which might involve 86 acres of sports-recreation-leisure uses, 107 acres of residential estates, and 114 acres of agricultural uses on 307 acres in the eastern SEQ area. Although it is presently unknown whether the Chiala development may be included inside city limits, it is still being processed by the City and remains in the EIR.

Confusingly, the Project's EIR claims to be both a programmatic EIR and a project EIR. (DEIR p. 202.) The EIR states that the private high school is analyzed with a project-level of review. Accordingly, further environmental review of the high school will not occur. On the other hand, the EIR states that the Agricultural Program, boundary adjustments, general plan and zoning amendments are evaluated at a programmatic, not project, level of review. Despite this, the EIR notes, "no further environmental review is required for City adoption of Project Components 1-4." (DEIR p. 2-2.) Given the lack of detailed review in the EIR, the City's proposal to approve Project Components 1-4 without further, project-level environmental review is unlawful. "Designating an EIR as a program EIR…does not by itself decrease the level of analysis otherwise required in the EIR." (*Friends of Mammoth v. Town of Mammoth Lakes Redevelopment Agency* (2000) 82 Cal.App.4th 511, 533.) Finally, the EIR states that it is conducting programmatic review of the Craiker, Puliafico, Jacoby, and Chiala developments, even though the DEIR fails to disclose the proposed land uses of these developments. (DEIR pp. 2-54-55.) CGF appreciates the City's decision to conduct a more thorough environmental review of the Chiala Planned Development at a later date. However, to comply with CEQA, the City must ensure that the Craiker, Puliafico, Chiala, and Jacoby developments undergo full project-level review in the future and not rely on analysis or mitigation measures developed in the EIR for this Project.

In its current state, the 1,290-acre Southeast Quadrant (SEQ) consists of agricultural lands, farms, and orchards. (DEIR p. 2-7.) Structures present include single-family residences, barns, sheds, and greenhouses. (*Ibid.*) Nearly half of the SEQ is considered "Prime Farmland" by the state of California, and a larger portion is considered "Important Farmland" by the Department of Conservation. Due to its importance to local agriculture, the County of Santa Clara has zoned the SEQ's flat, valley floor land for

exclusive agriculture and for uses that "clearly enhance the long term viability" of agriculture. The SEQ lands also serve as an informal greenbelt buffer from more developed suburban areas within the Morgan Hill city limits.

By changing the general plan designations and zoning and by explicitly approving the construction of a new high school and undisclosed sports-recreation-leisure developments in the SEQ, the Project would leave only 200 of the 1,290-acres contained within the Project site for long-term agriculture. Specifically, the Project would annex 759 acres of agricultural lands into the city limits in the short term and place an additional 329 acres within the urban limit line for future city development. As noted by Committee for Green Foothills, the misnamed Citywide Agricultural Preservation Program and Southeast Quadrant Land Use Plan ultimately permit non-agricultural development of 80 percent of the Project area.

Various local agencies have criticized aspects of the Project and its environmental review, including, but not limited to, the Local Agency Formation Commission of Santa Clara County (LAFCO), the Santa Clara Valley Water District, the Open Space Authority, and five separate County departments. As pointed out by these agencies, planning of this nature is more appropriately contemplated in the City's ongoing general plan update. LAFCO's counsel correctly notes that the EIR's objectives are crafted so narrowly as to preclude a reasonable choice among alternatives in violation of the California Environmental Quality Act (CEQA).

The October 30, 2014 staff report ("Staff Report") notes that the proposed changes to the Project "do not go as far as our partner agencies would like." (Staff Report, p. 2.) For these reasons, and the reasons discussed in further detail below, CGF urges the City of Morgan Hill to continue to work collaboratively with the Santa Clara County Planning Department, the Local Agency Formation Commission, and the Santa Clara County Open Space Authority to align the City's planning of the southeastern quadrant and agricultural preservation with the general plan update process. More collaboration is necessary before the Project can be approved in a manner that is consistent with sound planning principles and CEQA.

I. Planning for the Southeastern Quadrant and Preservation of Agricultural Resources Should Occur in the General Plan Process.

"The general plan is atop the hierarchy of local government law regulating land use." (*Neighborhood Action Group v. County of Calaveras* (1984) 156 Cal.App.3d 1176, 1183.) It has been recognized as "the constitution for future development." (*DeVita v.*

Napa (1995) 9 Cal.4th 763, 773, internal citations omitted.) All development within a City, including its planning and zoning regulations and land use designations, must be consistent with the general plan. The SEQ Land Use Plan is no exception to this rule.

The proposed Project includes the expansion of city boundaries, service areas, and future growth areas and proposes land use designations and other revisions to land use controls in areas southeast of the existing city limits, as well as a city-wide Agricultural Lands Preservation Program. Planning of this nature and scale is exactly the type that occurs during a general plan update. The citywide nature of the Agricultural Lands Preservation Program requires its consideration in an EIR that analyzes citywide impacts, not in an EIR constrained to the SEQ area. Conveniently, the City of Morgan Hill is currently updating its General Plan. Its refusal to combine the Project with the ongoing General Plan process is contrary to the principles of sound planning and has resulted in a number of inconsistencies between the Project and the City's constitution. CGF agrees with the framing of the issues as raised by LAFCO and its attorneys, the County, and the Open Space Authority.

CGF would like to highlight a few issues raised by these comments:

- As discussed in CGF's June 24, 2014 letter to the City, proposed General Plan modifications to permit the expansion of urban services would conflict with the Residential Development Control System of the General Plan. This would render the General Plan internally inconsistent, in violation of State Planning and Zoning Laws.
- There are inconsistencies between the Project and the General Plan in that areas being considered for inclusion within the city in the General Plan process include areas being identified for preservation areas in the Agricultural Lands Preservation Program. These processes should be consolidated and aligned.
- The County General Plan designates much of the SEQ area as Agriculture Medium Scale, which permits other uses so long as they "clearly enhance the long term viability" of local agriculture and other lands. The Project's retail, commercial, school, and sports-recreation-leisure uses do not "clearly enhance" agriculture, especially if they are built atop existing agricultural uses. Thus, the developments considered in the EIR are inconsistent with the General Plan.

Finally, as discussed in CGF's previous letters, the separation of the EIR for development of the SEQ and the Agricultural Program from the EIR for the General Plan update is unlawful piecemealing of the environmental review for the City's long term

planning. "The lead agency must consider the whole of an action, not simply its constituent parts, when determining whether it will have a significant environmental effect." (CEQA Guidelines § 15003 (h); *Citizens Association for Sensible Development of Bishop Area v. County of Inyo* (1985) 172 Cal. App.3d 151.)

II. The EIR Fails to Adequately Inform Decisionmakers and the Public of the Project's Environmental Impacts.

The California Environmental Quality Act (CEQA) serves two basic, interrelated functions: ensuring environmental protection and encouraging governmental transparency. (*Citizens of Goleta Valley v. Bd. of Supervisors* (1990) 52 Cal. 3d 553, 564.) CEQA requires full disclosure of a project's significant environmental effects so that decisionmakers and the public are informed of these consequences before the project is approved, to ensure that government officials are held accountable for these consequences. (*Laurel Heights Improvement Ass'n of San Francisco v. Regents of the University of California* (1988) 47 Cal.3d 376, 392.) The environmental impact report (EIR) process is the "heart of CEQA" and is the chief mechanism to effectuate its statutory purposes. (*In Re Bay-Delta Programmatic EIR Coordinated Proceedings* (2008) 43 Cal. 4th 1143, 1162.)

As the final EIR fails to remedy the defects noted in Committee for Green Foothills' February 18, 2014 comments, we hereby incorporate those comments in lieu of repeating them here. CGF also supports the letters submitted by the Open Space Authority, the County of Santa Clara, the Local Agency Formation Commission, and LAFCO's counsel on these issues.

A. The EIR is Unfocused and Confusing.

Many of the EIR's failures stem from the City's use of a single EIR to analyze multiple unrelated projects – at different levels of environmental review. This approach has produced an EIR that fails to clarify the potential environmental impacts of any single project component, rendering it difficult or impossible to tailor alternatives and mitigation measures to avoid or substantially lessen each project's individual environmental impacts. An EIR must describe a proposed project with sufficient detail and accuracy to permit informed decisionmaking. (CEQA Guidelines § 15124.) This EIR does not. As a result, the EIR cannot "demonstrate to an apprehensive citizenry that the agency has, in fact, analyzed and considered the ecological implications of its action." (CEQA Guidelines § 15003; *People ex rel. Department of Public Works v. Bosio* (1975) 47 Cal.App.3d 495.)

The "project" as defined is incoherent, consisting of the annexation of County lands into the City and related expansions of the urban service area, urban growth boundary, and urban limit line. While these project components might lend themselves to a coherent project and EIR, this Project has been coupled with the adoption of a Citywide Agriculture Preservation Program, which seems to permit development of nearly all of the covered agricultural lands. As discussed above, both of these projects should be incorporated into the ongoing General Plan Update process to allow for consistency with the General Plan and to permit thorough analysis of the Projects and their cumulative impacts. Incomprehensively, however, the EIR's Project Description also includes the development of two separate sports-recreation-leisure projects, as well as zoning and general plan updates needed to permit these uses, a sports retail development, the 307-acre Chiala development, and the development of a private high school. The result is aptly described by CGF's February 18, 2014 letter as "a 'project' that is too amorphous, vague, and unmanageable to analyze adequately."

This confusion is demonstrated by the Project Objectives, which seek to "[i]dentify lands within the SEQ area viable for permanent agriculture" and to "[d]evelop a program that fosters permanent agriculture", while simultaneously converting agriculturally-zoned land uses to "sports-recreation-leisure" and developing "a new private high school…to serve existing and future local demand." (DEIR p. 2-26, 35.) By its own terms, the Project Objectives will convert agricultural lands to high school and sports and recreation uses.

The Court of Appeal has held:

> The CEQA process is intended to be a careful examination, fully open to the public, of the environmental consequences of a given project, covering the entire project, from start to finish. This examination is intended to provide the fullest information reasonably available upon which the decision makers and the public they serve can rely in determining whether or not to start the project at all, not merely to decide whether to finish it. The EIR is intended to furnish both the road map and the environmental price tag for a project, so that the decision maker and the public both know, before the journey begins, just where the journey will lead, and how much they-and the environment-will have to give up in order to take that journey."

Unfortunately, this EIR is too confusing to provide any details of the roadmap or the price tag. (*NRDC v. City of Los Angeles* (2002) 103 Cal.App.4th 268, 271.)

Put simply, the EIR is "a mass of flaws." (*San Joaquin Raptor/Wildlife Rescue Center v. County of Stanislaus* (1994) 27 Cal.App. 4th 713, 741.) Separate EIRs should be prepared for the private high school, Craiker, Puliafico, Jacoby and Chiala developments. The SEQ planning process, urban boundary changes, and Agricultural Program should be integrated into the General Plan process.

B. The EIR Fails to Fully-Analyze the Citywide Agricultural Land Preservation Program.

The City's administrative process places the Citywide Agricultural Land Preservation Program within the SEQ Land Use Plan and purports to analyze the environmental impacts of the Agricultural Program within the EIR. Yet the EIR never provides in-depth analysis of the Agricultural Program, the permitted uses of land preserved under the program, or a description of how the program will actually work. Instead, the EIR focuses on the SEQ components of the Project. The Agricultural Program will have serious implications for the future development of Morgan Hill and will control how much agricultural land is preserved in the City, and for how long. The EIR's failure to analyze the entirety of the Project violates CEQA.

On its face, the Project proposes to annex 759 acres of agricultural lands into the city limits in the short term and place an additional 329 acres within the urban limit line for future city development. Only 20 percent of the 1,290-acre area would remain untouched by urban zoning or development possibilities. Additionally, as discussed in greater detail in other comments submitted to the City, the proposed mitigation fees for the conversion of agricultural lands are too low to fund replacement of agricultural lands at the 1:1 ratio sought by the Agricultural Program. The EIR's admission that open space funds will be used for agricultural mitigation proves this. Further, even if 1:1 ratio is actually required, such a ratio would permit at the loss of half of the agricultural lands in the SEQ, or all 1,290 acres if off-site preservation is permitted.

The EIR's failure to provide coherent and comprehensive analysis and mitigation of the Project's foreseeable impacts on agricultural lands must be remedied before the Project may be lawfully approved.

C. The EIR's Analysis of Cumulative Impacts is Inadequate.

Throughout the EIR, it is assumed that if a Project's potential environmental impact is not directly significant, it cannot be cumulatively significant. On the contrary, cumulative impacts analysis is important precisely because:

> [T]he full environmental impact of a proposed project cannot be gauged in a vacuum. One of the most important environmental lessons that has been learned is that environmental damage often occurs incrementally from a variety of small sources. These sources appear insignificant when considered individually, but assume threatening dimensions when considered collectively with other sources with which they interact.

(*Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal. App. 4th 1184, 1214.) The EIR's failure to recognize as significant cumulative impacts that are not individually considerable violates CEQA. An impact may be directly insignificant, but cumulatively significant. Relevant to the City's consideration of this Project, the loss of one particular parcel of farmland may not be directly significant, but it may be cumulatively considerable when viewed in the context of the loss of farmland in the valley. The City's failure to provide thorough consideration of cumulative impacts is particularly disappointing in the context of a program EIR. "The program EIR can…[e]nsure consideration of cumulative impacts that might be slighted in a case-by-case analysis." (CEQA Guidelines § 15168(b)(2).) The City must revise its assessment of cumulative impacts and recirculate the revised EIR before the Project may be approved.

III. The Mitigation and Monitoring Program Cannot be Relied Upon for The Programmatic Components of the Project.

The mitigation measures described in the EIR and contained in the Mitigation Monitoring and Reporting Program (MMRP) cannot be relied upon to offset the potential environmental impacts of the Craiker, Puliafico, Chiala, and Jacoby developments. The EIR contains almost no information about the Craiker, Puliafico, and Jacoby developments that it purports to analyze at a programmatic level. The Craiker development is described as 40,000 square feet of sports retail and 3,000 square feet of restaurant uses on 4 acres, but no information is provided about the "sports retail" use that permits a decisionmaker or the public to understand the development's potential environmental impacts or to even determine what they might be. The 38-acre Puliafico development is described with even less detail. According to the EIR, the development "may include outdoor sports fields, possible indoor facility to house recreational uses." (DEIR p. 2-52.) No square footage estimates are provided. Similarly, the Jacoby development "may include commercial recreation retail and open fields for recreation" on 26 acres of land. No square footage is provided. This is particularly glaring, given that the City has signed a Letter of Intent with Mr. Jacoby and his partners (Fisher-Granum

Partners) to purchase the property. The City is surely aware of more details about the proposed development. Since insufficient information is provided about these developments, the EIR contains limited information about the developments' potential environmental impacts. As a result, alternatives and mitigation measures cannot yet be developed to reduce the potential environmental impacts of these project components. It is imperative that the City require a thorough analysis and full mitigation of these developments' potentially significant environmental impacts when they are reviewed at a project level.

IV. The Final EIR's Responses to Comments are Inadequate.

The EIR is a document of accountability. (*Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 392.) CEQA ensures accountability through the requirement that the Lead Agency provide written "good faith, reasoned analysis" in response to comments on an EIR by the public. (Guideline § 15088, subd.(c).) When a comment raises a significant environmental issue, the lead agency must address the comment "in detail giving reasons why" the comment was "not accepted." (*Ibid.*) "Conclusory statements unsupported by factual information will not suffice." (*Ibid*; *Laurel Heights Improvement Assn. v. Regents of University of California* (1993) 6 Cal.4th 1112, 1124.) The level of detail of responses to comments must be commensurate with the level of detail of the comments. (*Friends of the Eel River v. Sonoma County Water Agency* (2003) 108 Cal.App.4th 859, 878 ["the determination of the sufficiency of the agency's responses to comments on the draft EIR turns upon the detail required in the responses"].)

This requirement for good faith, reasoned analysis "ensures that stubborn problems or serious criticism are not swept under the rug." (*Santa Clarita Organization for Planning the Environment v. County of Los Angeles* (2003) 106 Cal. App. 4th 715, 732.) The courts have held that inadequate responses to comments – alone – can be grounds for voiding a project's approval. (*See, Env. Protection Information Center. v. Johnson* (1985) 170 Cal. App. 3d 604, 627.) Failure to respond to a *single* comment is sufficient to invalidate approval of a FEIR. (*Flanders Foundation v. City of Carmel by-the-Sea* (2012) 202 Cal. App. 4th 603.) The final EIR fails to include good faith, specific responses to specific comments and provides responses that are dismissive, off-point, or that fail to respond to the questions asked. These responses include, but are not limited to the following:

In response to CGF's concerns that the Project will result in light and glare impacts that are inadequately disclosed, analyzed, or mitigated in the DEIR (Comment

Foothills-13), the City states that Project lighting would be similar in intensity to existing sources of light and glare. The Project will permit conversion of unlit farmlands into uses that include restaurant, retail, and other commercial uses. Parking lots, exterior lighting, street lighting, and illuminated signage will be introduced to areas that are currently dark. This will have significant impacts that are neither disclosed nor mitigated in the EIR. The significance of these impacts is demonstrated by the EIR's admission that the lighting provided by the private high school's sports fields will have significant impacts due to light and glare. The City's EIR and Mitigation Monitoring and Reporting Program incorporate mitigation measures to offset these impacts. Since the sports-recreation-leisure properties will likely construct outdoor sports fields, outdoor floodlighting for evening and nighttime is almost assured, with lighting and glare impacts very similar to those deemed significant at the high school. The FEIR's dismissal of CGF's concern violates CEQA.

In Comment Foothills-30, CGF described the EIR's failure to actually provide environmental review of the Agricultural Land Preservation Program. As a discretionary action of the City that will have significant impacts on the environment, this is required. Further, CGF explained the importance of this review because the Agricultural Program will impact the entire city, not just the SEQ area. RTC Foothills-30 responds only with a summary of CGF's comment and "[t]he Draft EIR evaluated the consistency of the proposed project's components with the City of Morgan Hill General Plan in Section 3.9, Land Use. Note that the organization did not provide any specific comments on this analysis." This comment is entirely nonresponsive as it fails to direct a reader toward environmental analysis of the Agricultural Program or to mention the environmental review of the Program at all.

An agency is under a greater duty to consider and respond to comments put forth by another agency. (*Cleary v. County of Stanislaus* (1981) 118 Cal.App.3d 348, 358.) Despite this obligation, the City failed to adequately respond to well-supported and detailed comments put forth by the Local Agency Formation Commission, the Open Space Authority, and the County of Santa Clara. LAFCO's June 9, 2014 letter notes that the final EIR "neglects to adequately respond to the comments, and in many cases adds to the confusion identified in the comments concerning the scope of the Project and the analysis of its environmental impacts." In doing so, the final EIR appeared to conclude that LAFCO policies are merely "procedural," when in actuality they are substantive requirements that the EIR must address. The final EIR attempted to evade LAFCO requirements for annexation with claims that LAFCO has independent review over such actions. In the context of CEQA, this is incorrect. Unless significant changes are made to the Project or significant new facts emerge, LAFCO cannot prepare its own EIR and

must rely on the EIR prepared by the City of Morgan Hill. (CEQA Guidelines § 15096(a) ["A Responsible Agency complies with CEQA by considering the EIR or Negative Declaration prepared by the Lead Agency "], § 15050(b) ["each Responsible Agency shall consider the Lead Agency's EIR"], § 15051(b)(2) ["Where a city prezones an area, the city will be the appropriate Lead Agency for any subsequent annexation of the area and should prepare the appropriate environmental document at the time of the prezoning. The Local Agency Formation Commission shall act as a Responsible Agency"], §15096(e).)

V. The City's Statement of Overriding Considerations Lacks Substantial Evidence to Support its Conclusions.

CEQA prohibits approval of projects with significant adverse environmental impacts if there are feasible alternatives or mitigation measures that would reduce or eliminate those impacts. (Pub. Resources Code § 21002; Guidelines § 15021(a)(2).) When an agency seeks to approve a project despite its significant unmitigated impacts on the environment, the agency must adopt a statement of overriding considerations. (Pub. Resources Code § 21081.) Here, the Project will have significant and unmitigable impacts on air quality and greenhouse gases, noise, and transportation, and a statement of overriding considerations is required. A statement of overriding considerations must include two specific findings, supported by substantial evidence. The first finding that must be made is that "There is no feasible way to lessen or avoid the significant effect..." of the project. (Guidelines §§ 15043, 15093(b).) The second finding is that the project's benefits outweigh its significant adverse environmental impacts. (Guidelines § 15093(a).) These findings must both be supported by substantial evidence. (Guidelines § 15093(a)-(b).)

Here, the City proposes to adopt a statement of overriding considerations with a finding that specific considerations make infeasible the mitigation measures or alternatives identified by commenters and in the EIR. Specifically, the City's statement of overriding considerations found,"Alternatives 1-4 are rejected as infeasible." (SOC p. 78.) "CEQA does not authorize an agency to proceed with a project that will have significant, unmitigated effects on the environment...unless the measures necessary to mitigate those effects are *truly* infeasible." (*City of Marina v. Board of Trustees of the California State University* (2006) 39 Cal. 4th 341, 368 ("*City of Marina*") emphasis added.) "[I]f the project can be economically successful with mitigation, then CEQA requires that mitigation..." (*Uphold our Heritage v. Town of Woodside* (2007) 147 Cal. App. 4th at 600.) The City is required to substantiate any claims of alternative infeasibility with substantial evidence in the record.

The City's statement of overriding considerations rejects the Sports-Recreation-Leisure/High School/Agricultural Lands Preservation Program Alternative because it "would not fully meet the Project objectives." (SOC p. 79.) The City applies the incorrect standard. A reasonable alternative need only "attain most of the basic objectives" of the Project. (Pub. Resources Code § 21061.1; Guidelines § 15126.6(a), emphasis added.) Moreover, the City claims that the alternative fails to meet objectives regarding transfers of development and agricultural preservation that would occur with the Chiala Planned Development (SOC p. 80),even though the City is exploring ways to pursue transfers of development that do not involve immediate approval of the Chiala development. (See Staff Report p. 6.) Aside from this objective, the alternative meets all objectives. In fact, the Project described by the Staff Report and put forth for approval by the City is essentially the Sports-Recreation-Leisure/High School/Agricultural Lands Preservation Program Alternative. The City clearly lacks substantial evidence supporting its rejection of this feasible and reasonable alternative.

The Statement of Overriding Considerations rejects the Agricultural Lands Preservation Only Alternative for failing to meet the objective of providing a private high school in the Project. The High School Only Alternative is rejected for failing to meet objectives related to agricultural preservation. Again, these rejections lack substantial evidence in support. As proposed, the Project is essentially a blank slate for development of unincorporated areas southeast of City Limits. Reconfiguration of the Project and its components is clearly feasible. In fact, program EIRs such as this one were added to CEQA to "[a]llow the Lead Agency to consider broad policy alternatives and programwide mitigation measures at an early time when the agency has greater flexibility" and to "[p]rovide an occasion for a more exhaustive consideration of effects and alternatives than would be practical in an EIR on an individual action." (CEQA Guidelines § 15168(b)(4), (1).) As described further in the comments submitted by LAFCO's counsel, the City's EIR failed to undertake the requisite flexible approach to alternatives. Tellingly, neither the City's EIR nor the statement of overriding considerations provide analysis of whether the sports-recreation-leisure or the high school uses in the SEQ can be accommodated within the existing City limits. The City contains sufficient vacant land to accommodate these uses. If these uses can be accommodated elsewhere, there is no reason why the Agricultural Lands Preservation Only Alternative cannot provide a high school and leisure space outside the SEQ. No information has been developed to support conclusions of infeasibility. The City cannot make the required findings.

Thus, the City's rejection of these alternatives is improper, and its statement of

overriding considerations is unsupported.

The Statement of Overriding Considerations claims, without support, that "all feasible changes or alterations have been required in, or incorporated into, the Project" to mitigate its admittedly significant impacts on air quality and greenhouse gases. Yet the Mitigation Monitoring and Reporting Program contains no mitigation measures to limit the Project's greenhouse gas emissions. Thus, this finding is unsupported by substantial evidence.

The City's statement of overriding considerations is premised upon the claim that the project will benefit the City and its residents by promoting economic growth, supporting the formation of a greenbelt area, preserving agriculture, and by permitting uses that "clearly enhance the long term viability" of local agriculture and agricultural lands, among others. (SOC pp. 83-84.) CEQA requires there be substantial evidence in the record to support the claimed benefits of the Project that justify proceeding with a project notwithstanding its adverse impacts. (Public Resources Code § 21081; CEQA Guidelines § 15093(b).) However, the record is rife with evidence that the Project will not actually accomplish these goals. The greenbelt area permits development, and the Project will ultimately result in the conversion of most of the SEQ area to urban uses. Neither a private high school nor undefined sports-recreation-leisure uses "clearly enhance the long term viability" of local agriculture. On the contrary, by permitting and encouraging retail, residential uses, and other commercial development in the SEQ, the Project will likely surround the City's remaining agricultural areas with suburban development, furthering its demise. "[A]n agency's unsupported claim that the project will confer general benefits" is insufficient to override a project's significant impacts. (*Woodward Park Homeowners Ass'n, Inc. v. City of Fresno* (2007) 149 Cal.App.4th 892, 717.)

The City's findings regarding the rejection of alternatives and regarding project benefits lack substantial evidence, thereby violating CEQA (Guidelines § 15091(b)) and failing as a basis for the City's Statement of Overriding Considerations. (Guidelines § 15093(b).)

Conclusion

Committee for Green Foothills urges the City to consolidate its planning processes for the SEQ with the ongoing General Plan update process. This is the only way for the City to achieve its goals of planning consistency, agricultural preservation, and the creation of a greenbelt that will benefit the entire community. CGF joins the comments

submitted by the Local Agency Formation Commission, County of Santa Clara, and the Open Space Authority and incorporates these comments by reference. Thank you for the opportunity to comment on this important Project. We look forward to the November 5, 2014 hearing.

Sincerely,

Douglas P. Carstens
Michelle N. Black
On behalf of Committee for Green Foothills

cc:
Mayor Steve Tate	steve.tate@morganhill.ca.gov
Mayor Pro Tempore Marilyn Librers	marilyn.librers@morganhill.ca.gov
Council Member Larry Carr	larry.carr@morganhill.ca.gov
Council Member Rich Constantine	rich.constantine@morganhill.ca.gov
Council Member Gordon Siebert	gordon.siebert@morganhill.ca.gov

CITY OF MORGAN HILL

DEVELOPMENT SERVICES CENTER

17575 Peak Avenue Morgan Hill CA 95037 (408) 778-6480 Fax (408) 779-7236
Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

NOTICE OF PUBLIC WORKSHOP

Dear Southeast Quadrant Property Owners & Interested Agencies and Persons,

This notice is to advise you that the Community Development Department of the City of Morgan Hill will conduct a Public Workshop on the following proposal at the date, time and location listed below. All interested persons are invited to attend the workshop and provide comments.

DATE: **Thursday, February 18, 2010**

TIME: **7:00 P.M.**

LOCATION: **Community and Cultural Center**
Hiram Morgan Hill Room
17000 Monterey Road
Morgan Hill, California 95037

SUBJECT:

1. **Provide Status of Southeast Quadrant (SEQ) Project**
   a. **Agricultural Mitigation Policies and Preservation Program**
   b. **Sports-Recreation-Leisure & Public Facility Land Uses**
   c. **Urban Limit Line**
2. **Gather Public Input for Refining SEQ Project Scope**

The City Council is moving forward with exploring the possibility of establishing a special Sports-Recreation-Leisure area within a portion of the Southeast Quadrant (SEQ), on private lands that are currently not located within the City but could possibly be annexed to the City. The SEQ is located east of Highway 101, west of Foothill Avenue, south of San Pedro Avenue, and north of Maple Avenue. The Sports-Recreation-Leisure and Public Facility uses will act as a transition between urban and rural uses and assist with establishing a greenbelt character within the Morgan Hill sphere of influence in the SEQ. The City is also developing an Agricultural and Open Space Preservation Program to identify areas where agricultural land uses would be preserved and to establish a mitigation program for projects that would convert agricultural lands to urban uses. The Agricultural Mitigation Policies and Preservation Program are part of the city's continuing effort to establish an Urban Limit Line and Greenbelt Policies for the SEQ.

The upcoming February 18 workshop is intended to provide an update on the SEQ project. City staff and the city's consultants will present the proposed Draft Agricultural Mitigation Policies and Draft Preservation Program; describe individual development applications submitted to the City for the SEQ area; and provide an overview of the proposed city-initiated General Plan and Zoning designation changes to accommodate sports-recreation-leisure and public facility land uses. Comments from the general public are welcomed to assist the City and it's consultants in better defining the scope of the SEQ project. Based on the feedback from the workshop, a Notice of Preparation for the Environmental Impact Report will be prepared.

The public workshop will be held on February 18th at 7:00 PM in the Hiram Morgan Hill Room of the Community and Cultural Center, 17000 Monterey Road, Morgan Hill. Questions regarding the workshop or the Sports-Recreation-Leisure Study may be directed to Rebecca Tolentino at Rebecca.Tolentino@morganhill.ca.gov or (408) 778-6480. Questions regarding the Agricultural Preservation Study may be directed to Kathy Molloy Previsich at Kathy.MolloyPrevisich@morganhill.ca.gov or (408) 778-6480.

Mail Date: February 4, 2010

R:\PLANNING\WP51\GPA\2008\SOUTHEAST QUADRANT\02-18-10 Workshop Notice.doc

CITY OF MORGAN HILL

DEVELOPMENT SERVICES CENTER

17575 Peak Avenue Morgan Hill CA 95037 (408) 778-6480 Fax (408) 779-7236
Website Address: www.morgan-hill.ca.gov / Email: General@ch.morgan-hill.ca.gov

NOTICE

AVAILABILITY OF NOTICE OF PREPARATION and PUBLIC SCOPING MEETING

Dear Southeast Quadrant Property Owners & Interested Persons,

The City of Morgan Hill Community Development Department and Michael Brandman Associates, environmental consultants, are preparing an environmental impact report for the *Southeast Quadrant General Plan Amendments and Agricultural Mitigation and Preservation Program* project. This notice is to inform you the Notice of Preparation, which outlines the scope of the environmental review process, has been completed and is now available for viewing on the City's website. Agencies, organizations and members of the public are invited to view the Notice of Preparation and provide comments pertaining to the proposed environmental review scope of work. You may either provide written comments to Rebecca Tolentino of the Planning Division no later than **Friday, November 12, 2010**, or attend an upcoming Public Scoping Meeting at the date, time and location listed below.

Please note the Scoping Meeting will be focused specifically on the environmental review process. The City's environmental consultants will outline the scope of work proposed for analyzing potential environmental impacts that may result from implementation of the project. Public agencies and interested parties will then be given the opportunity to provide comments regarding the proposed scope of work. Comments received the night of the Scoping Meeting will be noted for the project record and addressed in the final environmental impact report. All interested persons are invited to attend the meeting and provide comments.

DATE:	**Tuesday, November 16, 2010**
TIME:	**7:00 P.M.**
LOCATION:	**Community & Cultural Center** **Hiram Morgan Hill Room** **17000 Monterey Road** **Morgan Hill, California 95037**

To view the Notice of Preparation, please visit the City's website at www.morganhill.ca.gov > Departments > Community Development > Planning > Current Projects / Reports > Southeast Quadrant

Questions or comments regarding the Scoping Meeting and project in general may be directed to Rebecca Tolentino at Rebecca.Tolentino@morganhill.ca.gov or (408) 778-6480. Written comments on the Notice of Preparation must be received no later than **Friday, November 12, 2010**.

Veggielution
www.veggielution.org | admin@veggielution.org
647 S King Rd, San Jose, CA 95116 | 1 (888) 343-6197

March 10, 2016

Neelima Palacherla, Executive Officer
LAFCO
70 West Hedding Street, 8th Floor
San Jose, CA 95110

Subject: Objection to the City of Morgan Hill's annexation of the city's South East Quadrant

Dear Neelima,

I am writing on behalf of Veggielution Community Farm requesting the annexation of the Southeast Quadrant (SEQ) of Morgan Hill be denied.

Although I am not opposed to future planning of the SEQ area, I urge LAFCo to consider a more judicious plan that balances community needs and desires, protects and enhances small-scale and urban agriculture and considers compatible development only at the containment of urban sprawl.

In particular, I am concerned that approval of the project circumvents community informed decisions in Morgan Hill's 2035 General Plan thereby creating a precedent for plans that break from the mission and policies of LAFCo. As an urban focused organization, I understand why there is a concern about the general housing supply, and see why this and more commercial development should be considered. However, I also believe it is a golden opportunity to promote growth within already agreed upon urban boundaries that prevent sprawl while preserving prime farmland to ensure that the next generation of farmers can farm locally. By supporting these local farms we contribute to the sustainability of our regional food system and promote the economic, environmental, and social resilience of our rural communities.

We request annexation in Morgan Hill's SEQ be denied. Preservation of agricultural lands and prevention of urban sprawl benefit all of Santa Clara county through healthier communities and stronger, more sustainable local food systems.

Thanks for your consideration.

Cayce Hill
Executive Director

Wednesday, March 9, 2016

Save Open Space – Gilroy (SOS-G)
7690 Santa Theresa Drive
Gilroy, CA 95020

Local Agency Formation Commission of Santa Clara County
County Government Center, 11th Floor, East Wing
70 West Hedding St.
San Jose, CA 95110

Re: Comments on the Morgan Hill USA Amendment 2015 requests on the LAFCO special meeting agenda of Friday, March 11, 2016

Dear LAFCO Commissioners and Staff:

Save Open Space – Gilroy (SOS-G) appreciates the opportunity to comment on these regionally important and precedent setting USA requests before the commission. SOS-G is a local citizen group whose central mission is the encouragement and support of smart conservative land use, city planning and growth for the city of Gilroy. As such we find ourselves in accord with the regional mission and policies of LAFCO. Specifically, we are in agreement with the staff report for these MH USA requests that find these proposals to be massively unwarranted, unorderly, growth inducing, uncertainly funded, speculative in use, in conflict with numerous regional and local plans and policies and burdened with a significant, unmitigated and premature impact to prime agricultural lands. In short, these proposals are a classic example of the destructive urban sprawl that motivated the establishment of LAFCO in the first place. If LAFCO cannot restrain such blatant proposals then the question has to be asked if the Santa Clara County commission is failing in it's legal duty and mission. An approval of these USA amendments will set precedents of regulatory weakness and give the green light to local sprawl. How can any future USA requests be denied if the bar is set so low? Any such lowered standards will, of course, also apply to Gilroy and, hence explains our strong interest in this matter.

Thank you for accepting our input.

Sincerely,

Connie Rogers, Carolyn Tognetti & David Collier
For Save Open Space – Gilroy

PUBLIC CORRESPONDENCE

LETTERS REQUESTING APPROVAL

LAFCO Commissioner
March 7th 2016

Subject: Annexation of High School to City of Morgan Hill

Dear Commissioner,

My Name is George Chiala and I am writing to you about the South East Quadrant annexation to the City Of Morgan Hill. I am especially addressing the new private San Jose Diocese high school that will be located on approximately 40 acres at the corner of Murphy and Tennant Avenue in Morgan Hill. I have been one of the leaders directing an guiding the development of this school,, along with the San Jose Diocese and a group of community leaders for the past 10 years. The property to be annexed is located in the vicinity of the Morgan Hill City Soccer Fields, the aquatic center, and other sports activities. It is a perfect sight for a private school. The site was originally selected and approved by Morgan Hill School District for a high school. When Mr. Sobrato donated land to the Morgan Hill School District the high school site was moved north and is now Sobrato High School, leaving this exquisite school site undeveloped. We were fortunate to have located the site, and purchase it. There is a need for a private high school in this area. Presently, there are over 500 children being transported to private schools as far as 30 to 40 miles from here. Our present plan and design for this beautiful co-ed college prep high school will be an outstanding asset for this community. The members of the high school development group are leaders in the Morgan Hill area, and take pride in bringing this school into our area to serve families, colleges and friends. It is of great importance that we are annexed into the city of Morgan Hill to forward this outstanding project. In order for me and the high school group members to maintain the motivation and momentum of the work that has to be done we must have the support of LAPCo . The annexation to the City of Morgan Hill is crucial in order to bring this beautiful site to South County and the Morgan Hill Community..

My request to you is that you approve the annexation of the school into the City of Morgan Hill by voting "YES" . As you can imagine, with our dedicated hard work in progress for over ten years we must move forward with this project now. Once again we encourage your "YES" vote today. Thank you in advance for your consideration and help. I invite you to call me for further information. 408-592-8708,

Respectfully Yours,

George Chiala

cc: Steve Tate, Major of Morgan Hill

CC: Steve Tate, MH City Mayor

Dwayne and Julie Brown
90 West Main Avenue, Unit 8
Morgan Hill, CA 95037

March 9, 2016

Cat Tucker
CC: Neelima Palacherla

RE: South County Catholic High School

Dear Ms. Tucker,

I am writing to you today about the South County Catholic High School. As a parent of three boys attending K-8 grades at a Catholic school I would not want them to miss the opportunity of having a Catholic local high school.

I know you are hearing concerns about the land not being used for agriculture. Although, Morgan Hill has worked hard to keep agriculture over the years, and has a strong plan to preserve agriculture in place.

Having a local Catholic high school would keep the families off the freeways by traveling to non local schools, keeps the kids safer without traveling on the trains by themselves, and raises the level of education for our Morgan Hill community. Catholic high schools require that the kids give back to their community with community services, which will further enrich our Morgan Hill community.

Thank you for your time in considering my thoughts, and I truly hope that this annexation of land for this high school is approved.

Sincerely,

Abello, Emmanuel

Subject: FW: Catholic High School in Morgan Hill

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:42 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Catholic High School in Morgan Hill

-----Original Message-----
From: Mark Sochan [mailto:marksochan@me.com]
Sent: Monday, March 07, 2016 1:58 PM
To: susan@svwilsonlaw.com
Subject: Catholic High School in Morgan Hill

Dear Susan,

I am writing to encourage support for the proposed building of the South County Catholic High School in Morgan Hill. There is strong support for the building of the Catholic High School from our local communities in Morgan Hill and Gilroy. I believe that the city of Morgan Hill has created a very strong plan to preserve agriculture. This new high school would provide significant benefits to our community in terms of getting our kids off the freeways and increasing the level of education options in our local community.

Thanks for your support of this important initiative.

Regards,
Mark Sochan
Software Executive and Resident of Gilroy
9539 Via Del Cielo
Gilroy, CA

Abello, Emmanuel

Subject: FW: Proposed Annexation of Lands in the Southeast Quadrant/South County Catholic High School

From: Joseph Biafore [mailto:budbiafore@gmail.com]
Sent: Tuesday, March 08, 2016 4:19 PM
To: susan@svwilsonlaw.com
Subject: Proposed Annexation of Lands in the Southeast Quadrant/South County Catholic High School

Dear Ms. Wilson,

I strongly support the building of a new, private Catholic High School in Morgan Hill, California on a portion of the land known as the Southeast Quadrant. As a parent of four adult children and a retired educator, I feel that a new Catholic High School will greatly enhance the choices of quality education in South Santa Clara County. Additionally, we can continue to meet the expectations of our parents and students now and in the future.

As you are well aware, we must be prepared to meet the future demands for additional secondary education facilities in our area because of anticipated population growth. A privately funded education facility will not impact an already overburdened public funding system.

The building site for the new proposed Catholic High School will not negatively impact agriculture as it is relatively close to the sports complex already enjoyed by the citizens of south county.

I respectfully urge that as a member of LAFCO that you will vote to approve this very important annexation proposal.

Sincerely,

Barbara Biafore

Abello, Emmanuel

From: carol@machadoproperties.com
Sent: Tuesday, March 08, 2016 5:39 PM
To: Cat.Tucker@ci.gilroy.ca.us
Cc: Palacherla, Neelima
Subject: In Support of SEQ & South County Catholic High School

Dear Mrs. Tucker,

I support the annexation of the SEQ and South County Catholic High School.

The community of Morgan Hill is in a unique position and poised for a win/win situation with the proposed school.

What a great opportunity to have a newly built High School in Morgan Hill and the city does not have to pay for it. I would assume the Santa Clara County Taxpayers would like more schools built with private equity and ownership of the school to fall on the community. A new high school will be a great addition to the Southern Santa Clara region and the value it brings to us all is enormous.

Best regards,
Carol & Ron

Abello, Emmanuel

From: Julie Malech <julie.malech@gmail.com>
Sent: Tuesday, March 08, 2016 6:00 PM
To: Cat.Tucker@ci.gilroy.ca.us
Cc: Palacherla, Neelima
Subject: Support-South County Catholic High School

Hello Ms. Tucker,

I am strongly in favor of going forward with the plan for South County Catholic High School on the current proposed property in Morgan Hill. We currently have 3 young children attending St. Catherine school in Morgan Hill and would love to keep our family within our community for hi-school. I have been following the progress of the school for years and understand the city has created a plan to preserve the agriculture. My husbands family has been in Morgan Hill for over 100 years, and we understand the importance of the Agriculture here.

The benefit of a local Catholic hi-school would be invaluable to the community. The catholic schools require community service hours. I am a lead at the community supper nights at St Catherine and could use hi-school help every night of the week to feed community members in need. Most of the kids can not make it back in time, because they are commuting or taking the train from school.

Please consider the value of this hi-school in our community. Thank you for your support.

Julie Malech

Abello, Emmanuel

From: Brad Mountz <brad.mountz@mountztorque.com>
Sent: Tuesday, March 08, 2016 5:45 PM
To: Palacherla, Neelima
Subject: SEQ Ammendment
Attachments: Lafco.pdf

Please see the following letter supporting the petition to amend the SEQ.

March 8, 2016

LAFCO COMMISIONERS

This letter is to show support for approval of the urban service area amendment requested by the City of Morgan Hill in its October 2, 2015 letter to LAFCO of Santa Clara County. In particular, I'm a firm believer that Morgan Hill must show a commitment to its community that ensures ongoing activity and focus toward positive social and educational development in a responsible manner, as outlined in their request. I'm a local resident since 1970 and despite the changes in our community we remain a rural town and with the right strategy we can effectively manage much needed community services and retain the charm of a rural environment.

What would be a disaster is to approve SEQ and allow only housing development and urban sprawl. This would not have a sustainable benefit to the overall community. A mix of development that includes rural AG businesses and much needed developments that adds value to the community is a win/win for smart development in the SEQ.

Without sport and recreation facilities our citizens, and especially our youth, are forced to attend clubs, teams and schools in San Jose, Watsonville, Salinas and elsewhere. Our town is growing and we must pay close attention to the activities our youth have for positive development. There has been a good start with recreation facilities added to our community, but we must do more.

A small portion of this quadrant of land is critical to continue to build our academic and youth and community sports infrastructure, which provide a positive impact on its participants, the inhabitants of Morgan Hill and the overall community. We can and must do more.

Dub Baseball/Softball services over 115 families and as many as 700 local players with a baseball development program equal in quality to any in the country. The South County area has been in need of a large-scale baseball/softball complex for many years. The baseball and softball community has been desperate and waiting patiently for a new facility in this area. There is a buzz in the baseball community about the prospect of building fields in Morgan Hill, as the City provides a perfect location to serve local athletes/teams and attract teams from out of the area, consistent with the soccer and swim programs on Condit Avenue. There is very strong support in the local community to enhance the City's recreation program to include baseball/softball fields.

This program, along with other local leagues and teams, are in strong support of the proposed baseball/softball complex in Morgan Hill. We hope that the county can finally approve this project.

In addition, the community has worked diligently to bring a Catholic High School to the south county. St. John XXIII Prep (known as South County Catholic High School) will serve the private education needs of our community and is endorsed by the Catholic Diocese of San Jose. This potential school has strong financial backers in the community and will serve many students and families already making long commutes each day to schools in outlying areas. After years of work to get the property annexed into the city, it is now in the final stages of becoming a reality. The Morgan Hill City Council has identified this school in its petition to LAFCO and has an excellent plan regarding agriculture mitigation in order to preserve agriculture in the county and our community.

This school is needed and builds on the prestige of South County academics. Keeping students and families off the road to enjoy more time together in the community in which they live is a healthy life style and critical to build the fellowship needed to sustain a vibrant community culture. Morgan Hill is a great town and can be improved with your decision to amend the SEQ.

I urge you to vote in favor of the SEQ adjustment for my generation and many to come to our vibrant town.

Respectfully,

Brad Mountz

2135 Lilac Lane

Morgan Hill, CA 95037

408-250-5524

Abello, Emmanuel

From: Dhruv Khanna <dhruvkhanna2002@yahoo.com>
Sent: Tuesday, March 08, 2016 9:30 PM
To: Palacherla, Neelima; Wasserman, Mike; Velasco, Roland; Cortese, Dave; Donohoe, Mike; Simitian, Joe; Yeager, Ken; Chavez, Cindy
Subject: Morgan Hill, Southeast quadrant, and Sports

Dear Honorable Ms. Palacherla and other Honorable LAFCo and other Government Officials,

There has been a long-standing shortage of sports fields in the San Francisco-San Jose Bay Area, and in particular in Santa Clara County. Lines form and endure overnight for sign-ups for the limited sports fields that are available on a time-share basis from the parks and recreation departments of the various cities -- usually with scores of soccer teams under various soccer club umbrellas and kids' baseball teams all waiting for the rationed hand outs of meager time slots. (At the back of the line are the cricketers.)

The fields that are rationed are cramped for parking, often offer only porto-potties, and are almost invariably poorly maintained -- with weed infestations and gopher holes being pervasive.

All of this is beyond factual dispute and has occurred and is occurring in an era where youth obesity is a very major public concern -- and that too in the wealthiest pocket of our planet, Santa Clara County! Our kids lack space to play.

I thank and congratulate the City of Morgan Hill for its soccer fields, for its swimming facilities and its focus on sports. No city in the Bay Area, or elsewhere in California, has done as much for youth sports and fitness as has Morgan Hill. (The City of Palo Alto managed to extort a few soccer fields out of Stanford University at the incredibly charming intersection of El Camino Real and Page Mill Road but it is not easy to lavish praise on the extortion of poorly-sited soccer fields where the air quality fails the government's own standards.)

The record of the various cities in Santa Clara County speaks for itself: we the public have been failed by our city governments and school districts who have sold off their lands to developers and not retained enough land for sports; the one success story in the debris of policy making and abject land use planning stands tall the City of Morgan Hill.

It is time to make amends. Morgan Hill's creation of a "Sports, Recreation, and Leisure" or SRL zoning area is a welcome addition to the fossilized and failed land use planning tools that our cities in Santa Clara County have deployed for scores of decades. High time to make amends, it is.

During the past few scores of decades farming in the County too has been in decline, which decline has been stemmed by the remaining farmers in Santa Clara County. But farmland does not farm itself. There is an acute shortage of skilled and unskilled farm labor. Costs of farming in Santa Clara County are uniquely high -- high labor costs, high housing costs for labor, health care costs, insurance costs, utility costs, with water rates relentlessly going up, etc.

Agri-tourism is a key part of the County of Santa Clara's efforts to retain land in active farming. SRL zoning and the City of Morgan Hill's plans to annex the southeast quadrant are consistent with fostering agri-tourism and thus sustaining the actual farming activities in and around the City of Morgan Hill.

The lead professional lobbyist from Palo Alto's Green Foothills Committee self-confesses to no knowledge of farming -- let alone viable farming. Those of us who have actually invested millions of dollars in actively farming Santa Clara County's lands during the past fifteen years -- despite the odds and despite the obstructionism of groups such as the Green Foothills Committee -- have something to say on these matters that is based on real farming business experience that is not acquired in architecture school, or public policy school or law school. We actually farm various lands in the County; we invest our own money and time and effort daily in farming; and so we know something about making our lands "green" that is not simply a marketing ploy for environmental posturing and fundraising from the Green Foothills Committee's sponsors such as Facebook and Google.

I respectfully ask you all to support the City of Morgan Hill's planned annexation of the southeast quadrant and applaud all of its efforts to promote sports. Thank you.

Respectfully submitted,

Dhruv Khanna for Kirigin Cellars, 11550 Watsonville Road, Gilroy, CA 95020
and a resident of 742 Alester Avenue, Palo Alto, CA 94303

Abello, Emmanuel

From: Dhruv Khanna <dhruvkhanna2002@yahoo.com>
Sent: Thursday, March 10, 2016 9:01 AM
To: Supervisor Yeager; Wasserman, Mike; Donohoe, Mike; Velasco, Roland; Simitian, Joe; Chavez, Cindy; Cortese, Dave; Palacherla, Neelima
Subject: Re: Morgan Hill, Southeast quadrant, and Sports

Ken,

Thanks for your response. Please understand that the economic problems for farmers in the County are real. Focused processing and agri-tourism (higher value direct sales to customers), are the only ways out. Sports and recreation are excellent draws for our fellow County residents from the north to visit our farmlands and retail operations in the Morgan Hill area on weekends. I welcome bicyclist to use my winery restrooms and replenish their water supplies because they all go home to shower, then return to my winery for a picnic lunch with their families.

There is so much un-farmed farmland in the County -- fallow farmland. Why? Because maintaining farmland as fallow causes less economic loss than actually farming the land in Santa Clara County -- which is almost invariably an endless and growing money-losing proposition. In reality, the Green Foothills people (and Facebook and Google management and shareholders) don't give a hoot about whether County farmland is fallow or actively farmed.

Do you feel we should have Facebook, Inc. Google, Inc. and the self-proclaimed (and well-intended but largely ignorant) Committee for Green Foothills tell the Chialas, the Khannas, and other farmers in and around Morgan Hill how exactly to viably maintain our lands in actual farming, and how we should benefit our farming community in the area as a whole and for the long term?

Time does not stand still. Google and Facebook profit nicely from the County. They cause the traffic etc. in the process. They (and companies like them) have (in effect) stolen our sports playing fields within city limits by causing development, population increases etc. (The City of Palo Alto and the Palo Alto Unified Schools District meanwhile maintain 35 acres at Cubberly in a state that the Palo Alto Weekly calls "dilapidated.")

County farmers should not be blamed (or congratulated) for the successes of Google, Facebook, Apple, Intel, Adobe etc. Nor should farmers be blamed for government's own failures to manage the proper availability of sports and recreational facilities. And certainly farmers should not be blamed for the traffic problems that we face.

I hope to see our government officials make the right decisions here and not (under the politically correct burqa of the Green Foothills community) continue to punish farmers who are trying best to deal with the economic realities that have followed from Silicon Valley's technology companies' successes and our local governments' collective, and abject failure to properly deal with the traffic and land use consequences that have followed.

Respectfully,

Dhruv Khanna

On Wednesday, March 9, 2016 4:27 PM, Supervisor Yeager <supervisor.yeager@BOS.SCCGOV.ORG> wrote:

Hello Druv –

Thank you for your email regarding the proposed annexation of the Morgan Hill Southeast Quadrant. You bring up good points in your letter. We need to address future growth through thoughtful planning that considers the long-term consequences of these decisions. Furthermore, I recognize we need to preserve our County's remaining farmlands and discourage urban sprawl. Please know that I will review this proposal carefully with your thoughts in mind.

Best,
Ken Yeager
Santa Clara County Supervisor, District 4

From: Dhruv Khanna [mailto:dhruvkhanna2002@yahoo.com]
Sent: Tuesday, March 08, 2016 9:30 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; Wasserman, Mike <Mike.Wasserman@bos.sccgov.org>; Velasco, Roland <Roland.Velasco@bos.sccgov.org>; Cortese, Dave <Dave.Cortese@BOS.SCCGOV.ORG>; Donohoe, Mike <Mike.Donohoe@BOS.SCCGOV.ORG>; Simitian, Joe <Joe.Simitian@bos.sccgov.org>; Yeager, Ken <Ken.Yeager@bos.sccgov.org>; Chavez, Cindy <Cindy.Chavez@bos.sccgov.org>
Subject: Morgan Hill, Southeast quadrant, and Sports

Dear Honorable Ms. Palacherla and other Honorable LAFCo and other Government Officials,

There has been a long-standing shortage of sports fields in the San Francisco-San Jose Bay Area, and in particular in Santa Clara County. Lines form and endure overnight for sign-ups for the limited sports fields that are available on a time-share basis from the parks and recreation departments of the various cities -- usually with scores of soccer teams under various soccer club umbrellas and kids' baseball teams all waiting for the rationed hand outs of meager time slots. (At the back of the line are the cricketers.)

The fields that are rationed are cramped for parking, often offer only porto-potties, and are almost invariably poorly maintained -- with weed infestations and gopher holes being pervasive.

All of this is beyond factual dispute and has occurred and is occurring in an era where youth obesity is a very major public concern -- and that too in the wealthiest pocket of our planet, Santa Clara County! Our kids lack space to play.

I thank and congratulate the City of Morgan Hill for its soccer fields, for its swimming facilities and its focus on sports. No city in the Bay Area, or elsewhere in California, has done as much for youth sports and fitness as has Morgan Hill. (The City of Palo Alto managed to extort a few soccer fields out of Stanford University at the incredibly charming intersection of El Camino Real and Page Mill Road but it is not easy to lavish praise on the extortion of poorly-sited soccer fields where the air quality fails the government's own standards.)

The record of the various cities in Santa Clara County speaks for itself: we the public have been failed by our city governments and school districts who have sold off their lands to developers and not retained enough land for sports; the one success story in the debris of policy making and abject land use planning stands tall the City of Morgan Hill.

It is time to make amends. Morgan Hill's creation of a "Sports, Recreation, and Leisure" or SRL zoning area is a welcome addition to the fossilized and failed land use planning tools that our cities in Santa Clara County have deployed for scores of decades. High time to make amends, it is.

During the past few scores of decades farming in the County too has been in decline, which decline has been stemmed by the remaining farmers in Santa Clara County. But farmland does not farm itself. There is an acute shortage of skilled and unskilled farm labor. Costs of farming in Santa Clara County are uniquely high -- high labor costs, high housing costs for labor, health care costs, insurance costs, utility costs, with water rates relentlessly going up, etc.

Agri-tourism is a key part of the County of Santa Clara's efforts to retain land in active farming. SRL zoning and the City of Morgan Hill's plans to annex the southeast quadrant are consistent with fostering agri-tourism and thus sustaining the actual farming activities in and around the City of Morgan Hill.

The lead professional lobbyist from Palo Alto's Green Foothills Committee self-confesses to no knowledge of farming -- let alone viable farming. Those of us who have actually invested millions of dollars in actively farming Santa Clara County's lands during the past fifteen years -- despite the odds and despite the obstructionism of groups such as the Green Foothills Committee -- have something to say on these matters that is based on real farming business experience that is not acquired in architecture school, or public policy school or law school. We actually farm various lands in the County; we invest our own money and time and effort daily in farming; and so we know something about making our lands "green" that is not simply a marketing ploy for environmental posturing and fundraising from the Green Foothills Committee's sponsors such as Facebook and Google.

I respectfully ask you all to support the City of Morgan Hill's planned annexation of the southeast quadrant and applaud all of its efforts to promote sports. Thank you.

Respectfully submitted,

Dhruv Khanna for Kirigin Cellars, 11550 Watsonville Road, Gilroy, CA 95020
and a resident of 742 Alester Avenue, Palo Alto, CA 94303

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Thursday, March 10, 2016 6:56 AM
To: Palacherla, Neelima
Subject: FW: South County Catholic High School

From: Mary Malech [mailto:pablomaria@verizon.net]
Sent: Wednesday, March 09, 2016 10:17 PM
To: susan@svwilsonlaw.com
Subject: South County Catholic High School

Dear Susan Wilson, I am strongly in favor of going forward with the plan for a South County Catholic High School on the current proposed property in Morgan Hill. I have 3 grandchildren in primary grades at St. Catherine school, and they are getting a quality education there. I pray they will have the local Catholic High School to attend by the time they reach high school age. They need to be close to home and not be spending valuable time traveling freeways to distant schools in order to continue with their Catholic education. I couldn't think of a better use for this land.
Sincerely, Mary Malech, Morgan Hill

Abello, Emmanuel

From: Jim and Glo <jgwerk@msn.com>
Sent: Wednesday, March 09, 2016 2:11 PM
To: Cat.Tucker@ci.gilroy.ca.us
Cc: Palacherla, Neelima
Subject: South County High School

Dear Cat,

This letter is in support to build the South County Catholic high school in Morgan Hill. The City of Morgan Hill has an excellent plan regarding ag mitigation in order to preserve agriculture in the county.

South County is growing. We are in desperate need of a catholic high school in South County! My son Jacob was a promising scholar athlete. He attended Archbishop Mitty High for one semester. During that semester, he was absolutely exhausted mentally and physically. The stress of the long commute took its toll on him and the family. We would spend on average three hours commuting. No child should have to commute that far in order to get a catholic education! A local option will have a positive impact on families, reduce student stress and reduce the number of commuting students on our freeways.

Having a catholic school in our area would benefit the community not only by getting kids off of the freeways but would raise the level of education for the community. Our south county youth would receive a superior education. Community service hours would stay local. A catholic high school would create a strong south county bond. It would give families a local alternative for their children and would also keep some of their spending here which will benefit local businesses. We need this high school!

Sincerely,

Gloria Werkema

Morgan Hill Resident

Abello, Emmanuel

From: Ruth Berghoff <rberghoff@me.com>
Sent: Wednesday, March 09, 2016 2:15 PM
To: Palacherla, Neelima
Subject: Southeast Quadrant in Morgan Hill

I am strongly IN FAVOR of the City of Morgan Hill annexation of any part of the the Southeast Quadrant. Our city council and other fine members of the Morgan Hill community have given of their time, talent and treasure to insure this city's future.

Please approve this annexation!

A. Ruth Berghoff
Resident of Morgan Hill for 43 years

Abello, Emmanuel

From: Byron and Terry <rifspad@pacbell.net>
Sent: Wednesday, March 09, 2016 4:41 PM
To: Cat.Tucker@ci.gilroy.ca.us; Palacherla, Neelima; Wasserman, Mike; district3 @openspaceauthority.org; district10@sanjose.ca.gov; board@valleywater.org; susan@svwilsonlaw.com; ken.yeagor@bos.sccgov.org
Subject: South County Catholic High School

Dear Members,

As a community, we have been working diligently to plan for and make St. John XXIII Prep (formerly known as South County Catholic High School) a reality. Our Catholic high schools in the Diocese of San Jose are at full capacity with long waiting lists. My son and his friends make daily trips to San Jose (Bellarmine, Presentation & Notre Dame), Mountain View (St. Francis) and Watsonville (St. Francis) We need another Catholic high school! A local option will have a positive impact on families, reduce student stress and reduce the number of commuting students on our freeways. This decreases pollution, commute times and cars on our roads. South County is continuing to grow. Giving families a local alternative for their children also keeps their spending here in Morgan Hill which will benefit local businesses. A new Catholic school would provide a choice for families as well as elevate the level of education in the community with cutting edge educational programs and it would provide much needed community service that Catholic schools both encourage and require of their students. We need this high school and we need it sooner rather than later!

I have read articles in the local papers about LAFCO members concerns. However, I think the plan being presented by the city protects agriculture in the South County in a responsible way, balancing it with the inevitable growth in our area. What frustrates me is that many of the groups lobbying the LAFCO members don't work or reside in this town and have little ties to the South County in general. WE THE PEOPLE of Morgan Hill want this and should not be dictated to by people who are not even from or are familiar with our small town. I can honestly say that I have not met one person in my parish, in my kids local school, in my neighborhood, in my local organizations and clubs that do not want this!! Please consider what the people of Morgan Hill want and need when you make this decision!

Thank you for your time!

Sincerely,

Terry Rifenburg

Resident of Morgan Hill

Abello, Emmanuel

From: Kim Ambas <kimambas12@gmail.com>
Sent: Wednesday, March 09, 2016 7:31 PM
To: Cat.Tucker@ci.gilroy.ca.us
Cc: Palacherla, Neelima
Subject: Catholic High School

RE: South County Catholic High School

Dear Madam,

Greetings! This is a letter of support for a south county Catholic School. My name is Kim, resident of Morgan Hill and mother of a Kindergartener. He is just 6 years old but I am already planning for his next step in his educational path. To my dismay, the nearest Catholic high school from where we reside is 35-45 minutes away. Why is this so? I was very excited to learn that there has been discussion of building a Catholic High School nearby which would be very advantageous for South Bay residents.

Catholic families are numerous in numbers here and there is a need to build a new one. The long waiting list to get into a Catholic high School should be validation enough that there should be space made available for incoming students.

My son is just beginning his journey in his Catholic life and I want him to have the same upbringing I have. I had a Catholic Education from elementary to high school to the university. I can personally attest to the merits of involving Catholicism and my chosen career. Although having a Catholic University is far fetched to have one over here, a Catholic High School would be a huge help in molding the teenager. Continuing the Catholic education would be a very good foundation to bring with as the teenager brings this learning into college. I believe this Catholic high school would serve as a beacon of standard to other high schools in the community. This would raise the level of education.

I implore to you to please approve this move to develop a Catholic High School in Morgan Hill, You will not regret having more Catholic high school students.

Sincerely,

Mrs. Kimberly Ambas

Abello, Emmanuel

From: Yezdi Dordi <yezdi@dordi.us>
Sent: Wednesday, March 09, 2016 10:00 PM
To: Palacherla, Neelima
Subject: Suppor for Morgan Hill's planned annexation of the southeast quadrant

Dear Honorable Ms. Palacherla & Honorable LAFCo commisioners,

I fully support the City of Morgan Hill's planned annexation of the southeast quadrant to promote sports and respectfully request that you support their plan too.

Morgan Hill's innovative proposal to increase availabilty of recreation facilities for their children (and adults) while maintaining the rural character of the areas being annexed needs to be encouraged. Driving past the pretty farms and taking in the view is nice. But being able to play sports in this beautiful environment (on someone else's private property) is clearly a delight.

Thank you.

Yezdi Dordi
104 Walter Hays Drive
Palo Alto, CA94303

Sent from my iPhone

Abello, Emmanuel

From: Jill Higgins <jillhiggy@icloud.com>
Sent: Wednesday, March 09, 2016 8:48 PM
To: Abello, Emmanuel; cat.tucker@ci.gilroy.ca.us; district3@openspaceauthority.org; district10@sanjoseca.gov; susan@svwilsonlaw.com; Yeager, Ken; Wasserman, Mike
Cc: Palacherla, Neelima
Subject: LAFCO Board in support of the annexation of the land for South County Catholic High School.

LAFCO Board Members.
Thank you for allowing the public to provide feedback regarding the annexation of the land project in Morgan Hill to support the development of the South County Catholic High School.
We are a South County family and we are in support of the South County Catholic High School because today our kids commute to San Jose for their Catholic education from Gilroy.
We made the choice to put our kids in Catholic school, since elementary school, but with that choice to continue into Catholic High School our only option was San Jose or Watsonville - both being very big commutes.
Today, our kids don't have the ability to enjoy their local Morgan Hill/Gilroy communities because they are commuting back and forth to San Jose early in the morning to late into the evening.
We are in favor of allowing this annexation of land to provide to many families just like ours, the opportunity to participate in our city, where we live.
Because this South County Catholic High School is funded by the Santa Clara Diocese and independent investors, we would be so proud to have this development in Morgan Hill where other south county cities like Almaden, South San Jose, Gilroy, Hollister, San Juan Bautista, Aromas, Salinas and even Watsonville could gather.
A new high school in South County would be a great addition to the Morgan Hill community. Not only would it bring commuters into Morgan Hill to frequest local businesses, but it could bring more families into your city to invest in housing developments too. I see this approval and support as a huge win for the future of Morgan Hill and the future of the ever growing population in the South County area. I do hope this passes and you will consider this Catholic High School project as a positive for the future of the City of Morgan Hill.

Thank you.
Regards,
Jill Higgins

PUBLIC CORRESPONDENCE

LETTERS REQUESTING DENIAL

Abello, Emmanuel

From: russell@motorbody.com
Sent: Wednesday, March 09, 2016 3:21 PM
To: Palacherla, Neelima; Abello, Emmanuel; Noel, Dunia; Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district3@openspaceauthority.org; Susan@svwilsonlaw.com; Yeager, Ken
Subject: Please Do not let Morgan Hill Annex

To the LAFCO group,

Please do not allow the Morgan Hill Council to Annex more land with the intend to build on. The community has opposed the plan since day one and it is obvious the Morgan Hill Council is not acting in the communities interest. A few of the City Council still want to keep Morgan Hill small and are outnumbered by the others that want to turn out little community into something bigger many are not interested in having.

Thank you for your time,
Russell Alongi
Morgan Hill Resident on Peebles Ave

Abello, Emmanuel

From: Mark Anderton <markanderton@gmail.com>
Sent: Tuesday, March 08, 2016 2:09 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Mark Anderton

Palo Alto

Abello, Emmanuel

From: Anya <Anya4yoga@yahoo.com>
Sent: Tuesday, March 08, 2016 3:37 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Anya

Cupertino

Abello, Emmanuel

From: Linda Barbosa <lbarbosagarlic@gmail.com>
Sent: Tuesday, March 08, 2016 12:46 PM
To: Palacherla, Neelima
Subject: SEQ Morgan Hill

Dear LAFCO Commissioners,

I am a long time resident of Morgan Hill.

I oppose the annexation of the Southeast Quadrant to the city of Morgan Hill.

The city of Morgan Hill has plenty of open land for development.

I prefer that open space and farm land remain undeveloped.

Thank you,
Linda Barbosa
1835 Bluebonnet Ct
Morgan Hill, CA 95037

Abello, Emmanuel

From: Kirk Bertolet <KBertolet@calhyd.com>
Sent: Tuesday, March 08, 2016 6:02 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Kirk Bertolet

Morgan Hill

Abello, Emmanuel

From: gb136@comcast.net
Sent: Wednesday, March 09, 2016 12:03 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners,

My name is Gail Bower, avid nature and open space advocate and, as a resident of Cupertino in Santa Clara County, I am writing to you today to state my heartfelt opposition to the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant.

Please deny their request.

It is vitally important that we/you stand strong to preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl. It's so important to preserving the beauty and diversification of our county.

Please protect us from over development. Thank you very much for reading my letter.

Gail Bower
Cupertino CA resident

Abello, Emmanuel

From: Lauren Bruns <lauren.bruns@cox.net>
Sent: Tuesday, March 08, 2016 10:00 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

At this time, I oppose the City of Morgan Hill's request to have LAFCo approve the annexation of the Southeast Quadrant. This plan will change the charm and uniqueness of our city, increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built on the available vacant city land which is abundant within the Morgan Hill city limits.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Lauren Bruns

Morgan Hill

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:51 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Paul Bickmore [mailto:Paulbickmore@gmail.com]
Sent: Wednesday, March 02, 2016 6:13 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Paul Bickmore
307 Stockton Avenue
San Jose, CA 95126-2778

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Paul Bickmore

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:47 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Val Butler [mailto:Valerieb2001@hotmail.com]
Sent: Wednesday, March 02, 2016 12:22 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Val Butler
6142 monteverde dr
San Jose, CA 95120

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Val Butler

Abello, Emmanuel

From: Thomas Byrd <thomaswbyrd@gmail.com>
Sent: Wednesday, March 09, 2016 8:59 AM
To: Palacherla, Neelima
Subject: Morgan Hill Annexation of San Martin Acreage

Dear Neelima Palacherla,

My name is Thomas Byrd and I live at 14505 Lauredo Court in San Martin, CA. I strongly oppose Morgan Hill's request to annex of any part of San Martin's southeast quadrant and urge the LAFCO to vote against it. I value our region's remaining farmland. LAFCO needs to help Morgan Hill protect open space resources as both green space and productive land. Let growth happen in our urban areas, on land that needs filling in. We already have too much sprawl.

I also want to express my displeasure of how this proposed annexation was communicated to the residents of San Martin -- the ones that would be affected the most by this annexation. To date, I have not received ANY notice from LAFCO or any of the other related agencies regarding the annexation. I found out about this through the "grapevine" on Facebook just two days ago! Each resident of San Martin deserves to be notified of projects like these so as to be given the chance to voice his/her opinion on such matters.

Sincerely,

Thomas Byrd
14505 Lauredo Court
San Martin, CA 95046
(650) 714-3350

Abello, Emmanuel

From: Anthony Chang <anthony@kitchentableadvisors.org>
Sent: Tuesday, March 08, 2016 1:56 PM
To: Palacherla, Neelima
Subject: Letter to support preserving farmland in Morgan Hill and Gilroy

Hi Neelima,

My name is Anthony Chang, and I run a nonprofit, Kitchen Table Advisors, that supports the economic viability of the next generation of sustainable small farms and ranches through practical business advising and long-term relationships.

I am writing this letter to express support for preserving farmland in southern Santa Clara County. We work with a diverse group of sustainable farmers and ranchers who are trying to build thriving farm businesses in the region, and one of the challenges they face is the lack of accessible farmland (and the rate at which farmland is disappearing).

Just this morning, my colleague David Mancera received a call from one of his clients, Sergio Jimenez of Ground Stew Farms, a small organic vegetable farm who farms in Watsonville, because he would like to find 20+ acres of land near Morgan Hill or Gilroy.

Hard working farmers like Sergio are looking for opportunities to continue farming and grow their businesses, steward the land in an ecological manner, create jobs, contribute to the local economy, and grow healthy food for our communities.

I hope that you can support farmland preservation efforts, farmers like Sergio, and the positive economic, environmental and social ripple effects of their businesses.

Sincerely,

Anthony Chang
Executive Director
Kitchen Table Advisors

--
Founder & Executive Director
650-489-5054 | anthony@kitchentableadvisors.org
Instagram | LinkedIn | Facebook | Web | Donate
Fueling the growth & long-term viability of the next generation of sustainable small farms

Abello, Emmanuel

From: Patricia Caldwell <trishcaldwell66@gmail.com>
Sent: Tuesday, March 08, 2016 7:03 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo Commissioners:

My name is Trish Caldwell and I moved to California from England in 1959. At the time I arrived, Santa Clara Country was just beginning to turn orchards into housing tracts, and I watched with dismay as the wide open, beautiful countryside that attracted my family to America in the first place, became suburbia. Fifty years later, we have learned more and more of the dangers of urban sprawl contributing to global warming and environmental pollution, and I hope that Morgan Hill will not choose the same path as San Jose and environs. As a resident of Campbell, I oppose the City of Morgan Hill's intended annexation and development of the Southeast Quadrant. Please deny their request. It is very important to me that we preserve our remaining agricultural and open space landscapes in our valley, and avoid urban sprawl.

Thank you,
Trish Caldwell

Abello, Emmanuel

From: Dave Clare <madacres.dc@gmail.com>
Sent: Tuesday, March 08, 2016 3:46 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Dave Clare

Morgan Hill

Abello, Emmanuel

From: Howard J Cohen, Ph.D. <howard@cohensw.com>
Sent: Tuesday, March 08, 2016 3:12 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Howard J Cohen, Ph.D.

Palo Alto

Abello, Emmanuel

From: Martha Cohn <tate@cohnhome.com>
Sent: Tuesday, March 08, 2016 6:51 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses absolutely can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely, Martha Cohn

Martha Cohn

Menlo Park

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:47 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Tracy Corral [mailto:tracylynn85@yahoo.com]
Sent: Wednesday, March 02, 2016 12:10 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Tracy Corral
1702-L Meridian Ave
San Jose, CA 95125

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal is disturbing on so many levels. There aren't enough jobs in the Morgan Hill/Gilroy area of the Bay Area, so, if this property is built out, it will put so many more commuters on the roads to the job centers of San Jose and the Peninsula. The traffic heading north in the morning is already horrendous; this development proposal will have a completely deleterious effect on all the cities in this region, not just Morgan Hill and Gilroy. Please take this into consideration as you debate the merits of the plan.

The second reason I'm opposed to this proposal by the City of Morgan Hill is that it continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Tracy Corral

Abello, Emmanuel

From: Tom Conrad <conrad@garlic.com>
Sent: Thursday, March 10, 2016 8:06 AM
To: Palacherla, Neelima
Subject: Annexation of SEQ

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. LAFCo needs to help Morgan Hill protect open space resources as both greenspace and productive land. Let growth happen in our urban areas, on land that needs filling in. We already have too much sprawl.

Thank you

Thomas & Phyllis Conrad
16135 Hill Road
Morgan Hill, CA 95037

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:34 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Cathy Correia [mailto:cathydiana8@gmail.com]
Sent: Sunday, March 06, 2016 1:33 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Cathy Correia
1699 Hamilton Avenue, APT 28
San Jose, CA 95125

March 6, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Cathy Correia

Abello, Emmanuel

From: medolan99@gmail.com
Sent: Tuesday, March 08, 2016 10:32 AM
To: Palacherla, Neelima
Subject: Morgan Hill, SE Quadrant annexation

Dear LAFCO Commissioners

As a Morgan Hill resident, I would like to state that I oppose the proposed annexation. The stated purpose of the annexation, preservation of farm land, is not the concern of the City. The annexation, in my view is an attempt to provide opportunities for large land holders in this area to develop their land under the less restrictive City codes when they can not develop under current County codes. Please consider this annexation as unnecessary for the City to provide for residential growth. At some time there can be residential growth in this area, but currently residential growth in Morgan Hill is in the north. Annexed land available for residential development in the south (along Barrett) has been denied by the City.

The County of Santa Clara is in a better position to control development, and work to preserve farm land. Keep the Southeast Quadrant rural.

Mike Dolan
16670 Buckskin Ct.
Morgan Hill, CA 95037

Abello, Emmanuel

From: Dianna Dininno <diannayang5@gmail.com>
Sent: Tuesday, March 08, 2016 3:53 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Dianna Dininno

Morgan Hill

Abello, Emmanuel

From: Dani Christensen <danichristensen@ymail.com>
Sent: Wednesday, March 09, 2016 8:42 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners,

My name is Dani Christensen and I am a resident and college student in Santa Clara County. I oppose the City of Morgan Hill's proposed annexation and development of the the Southeast Quadrant.
I believe we must preserve our remaining agricultural and open space landscapes, and avoid sprawl.
Please deny their request.
Thank you,
Dani Christensen
San Jose, CA

Abello, Emmanuel

From: mrdanesh <mrdaneshm@yahoo.com>
Sent: Thursday, March 10, 2016 8:46 AM
To: LAFCO
Cc: advocate@scvas.org
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners,
My name is Morteza Danesh, I live in San Jose for the past 32 years. As a resident of Santa Clara County, I oppose the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant. Please deny their request. To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl.

Best Regards

Morteza Danesh

Abello, Emmanuel

Subject: FW: Please Protect Farmland & Open Space in the SEQ

From: June DeBuhr [mailto:g.junedebuhr@sbcglobal.net]
Sent: Wednesday, March 09, 2016 9:51 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Please preserve this precious farmland and view of our coastal hills and oaks. Thank you for this opportunity to provide public comment.

Sincerely,
June DeBuhr
Filoli Docent

June DeBuhr

Los Altos, CA 94022

Abello, Emmanuel

From: LeeAnn Dunn <babiod@hotmail.com>
Sent: Tuesday, March 08, 2016 12:22 PM
To: Palacherla, Neelima
Subject: Annexation of SE Quandrant

Dear Neelima Palacherla,

I am writing today to express my dismay over the proposed annexation of the SE Quadrant. I implore that you vote NO on this project. Being a Morgan Hill resident for 20 years we have seen MH grow up quickly. This project is too large, takes prime farmland and ruins our small town feel. The traffic is already borderline horrific, please do not add to the problem by approving the annexation.

Thank you in advance for your NO vote on the annexation of the SE Quadrant in Morgan Hill.

Sincerely,

LeeAnn Dunn
6666 Croy Road
Morgan Hill, CA 95037

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Thursday, March 10, 2016 6:55 AM
To: Palacherla, Neelima
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Janet Espersen [mailto:hutchesp2000@yahoo.com]
Sent: Wednesday, March 09, 2016 10:21 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Janet Espersen
9780 linnet Ct.
Gilroy, CA 95020

March 10, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Janet Espersen

Abello, Emmanuel

From: Ron Erskine <ronfoxtail@msn.com>
Sent: Tuesday, March 08, 2016 12:09 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I am a 33 year resident of Morgan Hill. I built over 50 homes in this town. I am not against growth, but I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant.

A quick review of LAFCO staff's "Summary of Analysis : Consistency With LAFCO Policies" reveals all:"

Is there a need for the proposed USA expansion based on availability of vacant land within existing city boundaries? NO
Are proposed boundaries logical, and orderly? NO
Does the proposed USA expansion convert prime agricultural lands or adversely impact agricultural lands? YES
Does the City have the ability to provide and fund services without lowering... NO
Is the proposed USA expansion consistent with the Regional Transportation Plan/Plan Bay Area? NO
Has the City annexed all of its unincorporated islands within its USA prior to seeking USA expansion? NO
Is the proposed USA expansion consistent with City and County General Plan Policies? NO

I understand that the founding purpose of LAFCO is to promote infill development, limit sprawl, and preserve farmland. We have decades of residential and commercial lands in our city limits. This "plan" fails miserably on the every one of the most basic objective criteria for sensible growth.

Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Ron Erskine

Ron Erskine

Morgan Hill

Abello, Emmanuel

From: Gabrielle Feldman <gfeldman74@gmail.com>
Sent: Tuesday, March 08, 2016 2:01 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Gabrielle Feldman

San Jose

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:39 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Jan Fenwick [mailto:FenwickJan@mac.com]
Sent: Wednesday, March 02, 2016 12:09 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Jan Fenwick
28011 Elena Rd.
Los Altos Hills, CA 94022

March 2, 2016

Dear Susan Vicklund Wilson,

Once land is gone - it is almost impossible to recover. Let's all practice in-filling in our valley before more development.
THANK YOU! Jan Fenwick

Sincerely,
Jan Fenwick

Abello, Emmanuel

From: William Frazer <cablfraz@charter.net>
Sent: Tuesday, March 08, 2016 9:19 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

William Frazer

Morgan Hill

Abello, Emmanuel

From: Robin Fredrickson <robnf2002@yahoo.com>
Sent: Tuesday, March 08, 2016 2:19 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Robin Fredrickson

Robin Fredrickson

San Jose

Abello, Emmanuel

From: Nancy Fomenko <blongomarie@yahoo.com>
Sent: Wednesday, March 09, 2016 8:04 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Nancy Fomenko

San Jose

Abello, Emmanuel

From: Rosemary Forgy <rosemaryforgy@gmail.com>
Sent: Wednesday, March 09, 2016 9:50 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic around my home,increase noise, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Rosemary Forgy

Rosemary Forgy

Morgan Hill

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:43 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Markus Fromherz [mailto:public@fromherz.us]
Sent: Wednesday, March 02, 2016 5:05 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Markus Fromherz
4020 Amaranta Ave.
Palo Alto, CA 94306

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Markus Fromherz

Abello, Emmanuel

From: Sarah Gadus <sarahgadus@gmail.com>
Sent: Thursday, March 10, 2016 6:52 AM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

Please deny the City's request to annex land in the Southeast Quadrant.

I fell in love with Morgan Hill for the magical open space. I am heartbroken to imagine them as housing developments. People move to Morgan Hill for it's charm and to escape Silicon Valley. Morgan Hill is special- don't steal its uniqueness and beauty.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely,
Sarah Gadus

Sarah Gadus

Morgan Hill

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:47 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Virginia Gelczis [mailto:gelczis@yahoo.com]
Sent: Wednesday, March 02, 2016 11:58 AM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Virginia Gelczis
441 E Washington Avenue
Sunnyvale, CA 94086

March 2, 2016

Dear Susan Vicklund Wilson,

I've lived in the South Bay since 1982 and have seen so many fields and agricultural treasures paved over. New buildings go up when old ones stand vacant. Open space is no longer part of the equation--it's all about development and profit, not quality of life.

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Virginia Gelczis

Abello, Emmanuel

From: Bert Greenberg <bertli@sbcglobal.net>
Sent: Tuesday, March 08, 2016 2:02 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Bert Greenberg

San Jose

Abello, Emmanuel

From: Augusta Graves <augustagraves@hotmail.com>
Sent: Wednesday, March 09, 2016 12:56 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Augusta Graves

Morgan Hill

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:33 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Aaron Grossman [mailto:aagrossman@yahoo.com]
Sent: Wednesday, March 02, 2016 9:32 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Aaron Grossman
817 Montgomery St
Mountain View, CA 94041

March 3, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Aaron Grossman

Abello, Emmanuel

From: Shelly Gordon <sgordon@g2comm.com>
Sent: Wednesday, March 09, 2016 4:04 PM
To: Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district10@sanjoseca.gov; Susan@svwilsonlaw.com; district3@openspaceauthority.org; linda@lezottelaw.com; Yeager, Ken; Chavez, Cindy; ykishimoto@openspace.org; TerryT1011@aol.com; District2 @sanjoseca.gov; TaraMilius@gmail.com; Palacherla, Neelima; Abello, Emmanuel
Subject: Future of Agriculture in Santa Clara County

Dear LAFCO commissioners,

I'm on the Executive Committee of the Sierra Club – Loma Prieta Chapter, covering Santa Clara, San Benito and San Mateo Counties. I understand that the Commission is voting on Friday, 3/11/16. As an ExCom member, I ask you to preserve our agricultural and open space lands by directing growth up rather than out. Please follow staff's recommendation to deny the Morgan Hill Urban Service Area amendments.

Sincerely,
Shelly Gordon
Sierra Club, Loma Prieta Chapter

G2 Communications Inc.
www.g2comm.com
sgordon@g2comm.com
650 856-1607

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:33 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Carole Gonsalves [mailto:carolejg@mac.com]
Sent: Wednesday, March 02, 2016 12:22 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Carole Gonsalves
1497 Los Rios Dr
San Jose, CA 95120

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Carole Gonsalves

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Thursday, March 10, 2016 6:58 AM
To: Palacherla, Neelima
Subject: FW: LAFCO: No on SE quadrant

From: shelle [mailto:shelle.thomas@gmail.com]
Sent: Wednesday, March 09, 2016 7:48 PM
To: susan@svwilsonlaw.com
Subject: Fwd: LAFCO: No on SE quadrant

Begin forwarded message:

> **From:** "Nextdoor Nordstrom" <reply@rs.email.nextdoor.com>
> **Date:** March 9, 2016 at 5:38:26 PM PST
> **To:** shelle.thomas@gmail.com
> **Subject: Re: LAFCO: No on SE quadrant**
> **Reply-To:**
> reply+G4YTQOJVGYYV64DSN5SHKY3UNFXW4X2QJ5JVIXZSGE3DMOJYGMYQ====
> @sanmartin.nextdoor.com

Colleen Grzan, Paradise

This is a smoke and mirrors effort. It has no chance of success. The proposal is to designate AG land for sports and leisure for which no viable investor has indicated interest. Adjacent to this new zoning is the City own Outdoor Recreation Center which has yet to break even, is run by volunteers can not meet service goals (70% of those who use the facility are not Morgan Hill residents) and has not recovered the nearly $20 million the City invested years ago. Why would anyone invest millions for more or the same type of failed programming? Over a decade ago the City asked for proposals - no viable investor came forth and none have come forth for this renewed effort. Should LAFCO approve a subsequent Council can rezone the area to it's intended purpose - urban housing and sprawl where there is the most profit. There is no guarantee that any AG lands will be preserved or that any sports and leisure facilities will be built. It undermines the fragile infrastructure of small farms in the area that will lead to their demise. This is all about greed - not need. Send an email to Neelima.Palacherla@ceo.sccgov.org rejecting the City's proposal.

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:45 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

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From: Sharae Gunn [mailto:sharaegunn@yahoo.com]
Sent: Thursday, March 03, 2016 9:35 PM
To: susan@svwilsonlaw.com
Subject: Re: Please oppose Morgan Hill's request to annex farmland

Thank you, Susan, for your message and for your consideration and attention to this very important concern preserving what remains of our valley's heritage. I spend many of my summer days in the Morgan Hill area and often think while driving through the farms that I might retire there as it feels like home to me, like the valley I knew growing up. There are so few farm areas that remain in this rich growing region it would be terribly sad to see yet another area lost to development.

Kind Regards,

Sharae' Gunn

On Thursday, March 3, 2016 4:54 PM, "susan@svwilsonlaw.com" <susan@svwilsonlaw.com> wrote:

Thank you for your comments. As a public servant and long term Morgan Hill resident, I am sensitive to the concerns of the citizens. I am in the process of reviewing the extensive and comprehensive LAFCO staff report. This matter will be heard at 10:00 a.m. on March 11th at the Santa Clara County Board of Supervisors Chambers. I will be considering all comments received prior to and at the hearing. Susan Wilson

-----Original Message-----
From: Sharae Gunn [mailto:sharaegunn@yahoo.com]
Sent: Wednesday, March 02, 2016 5:29 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Sharae Gunn
1320 Shelby Creek Lane
San Jose, CA 95120

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant

Abello, Emmanuel

From: Brian Haberly <brianhaberly@gmail.com>
Sent: Wednesday, March 09, 2016 4:56 PM
To: Cat.Tucker@ci.gilroy.ca.us; Wasserman, Mike; district10@sanjoseca.gov; Susan@svwilsonlaw.com; district3@openspaceauthority.org; linda@lezottelaw.com; Yeager, Ken; Chavez, Cindy; ykishimoto@openspace.org; TerryT1011@aol.com; District2 @sanjoseca.gov; TaraMilius@gmail.com; Palacherla, Neelima; Abello, Emmanuel
Subject: Santa Clara County's Agriculture Future

Dear LAFCO Commissioners:

I understand that the Commission will be voting this Friday on whether to allow sprawl-style development to continue into some of the last farmlands in the County.

I am strongly opposed to the loss of precious agricultural lands in the County. Pavement is forever.

Please preserve our agricultural and open space areas by directing future growth vertically via higher density development rather than outward by encouraging urban sprawl with all of its attendant problems.

I urge you to follow staff's recommendation to deny the Morgan Hill Urban Service Area amendments. Thank you.

Brian Haberly
San Jose
brianhaberly@gmail.com

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:33 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Brian Haberly [mailto:brianhaberly@gmail.com]
Sent: Wednesday, March 02, 2016 2:28 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Brian Haberly
46 @. 16th St.
San Jose, CA 95112

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years.

The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

Pavement is forever. We MUST save our dwindling agricultural areas!

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Brian Haberly

Abello, Emmanuel

From: Marie H <mariehaka@gmail.com>
Sent: Tuesday, March 08, 2016 4:51 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners,

My name is Marie, and I am a native plant restoration landscaper (focus on sustainability) in Santa Clara County. Many of our jobs are in the city of Morgan Hill. As a worker in Santa Clara County, **I oppose the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant.**

Please deny their request.

To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl. Do we need more strip malls? Do we need more tract housing that all looks the same? No, we don't. We need sustainable growth and development. This is an issue that is important to all residents of Santa Clara County who appreciate rural and natural landscapes, as this decision sets precedent for the future of all farmland in the region. Thank you for considering our future, which the environment is a necessary part of.

Thank you,

Marie Haka

Abello, Emmanuel

From: Bob Harris <47sawdust@gmail.com>
Sent: Tuesday, March 08, 2016 12:17 PM
To: Palacherla, Neelima
Subject: South East Quadrant

My wife and I ask that you not allow the City of Morgan Hill to begin annexation of Santa Clara County land in the South East Quadrant.

My wife and I have been Santa Clara County residents for more than 40 years, we have been Morgan Hill residents for nearly 30 years.

I feel that we have done adequate research and know enough south Santa Clara County history to understand the basic issues of urbanization, sprawl and the re-purposing of agricultural land for urban development to allow us to voice a strong opinion in the matter that will soon be before your commission.

We moved to this area of the County because of the blend of small town atmosphere, agricultural activity, open space, and unimpeded views of the rural landscape.

I do not see the City's plan to support agriculture in the area as viable in the long or short term, and further I do not see the current City government's views on overall growth as being in line with my views or for that matter the views of my friends and neighbors. We do not need or want viable farming operations to be supplanted by private schools, chain restaurants, fast food outlets, hotels, batting cages, and sporting goods stores.

I would also ask that please you forward this email to each of the Commission members and others who may be called upon to vote on this issue on March 11.

Thank you for your help on this issue.

Robert and Rhonda Harris
Appian Way
Morgan Hill, CA

Abello, Emmanuel

From: Peggy Hennessee <peggyhennessee@gmail.com>
Sent: Tuesday, March 08, 2016 8:56 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Peggy Hennessee

Peggy Hennessee

Los Altos

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:40 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: John Hewitt [mailto:john_d_hewitt@msn.com]
Sent: Wednesday, March 02, 2016 4:11 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

John Hewitt
1405 Lodgepole Ct.
Gilroy, CA 95020

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
John Hewitt

Abello, Emmanuel

From: Higgins Scott <scott@garrettscott.com>
Sent: Tuesday, March 08, 2016 1:06 PM
To: Wasserman, Mike
Cc: Palacherla, Neelima
Subject: Support of the Land for the South County Catholic High School

Dear Mr. Vice Chairman Wasserman,

I am writing to express support of the annexation plan for the Morgan Hill (SEQ) South East Quadrant currently proposed by the City of Morgan Hill.

I feel the development of a Catholic High School in Morgan Hill is a once in a lifetime opportunity for the South County and surrounding communities. This gift the San Jose Dioceses bequeath upon us today is no miracle. It is the hard work and countless hours of our Bishop, Community Leaders and Parents in San Jose and the South County. They have diligently been working on a plan to develop a Catholic High School in our area for the past 10-15 years. I would suggest no group or group members stand in the way of educating our children or lay shadow to the building of a new high school.

A new Catholic High School will help develop our young children with the learning opportunity we wish for our younger generations. I am currently a dad of two young girls, which my wife and I are educating at St. Mary School in Gilroy and our other daughter at Presentation High School in Willow Glen. Both are attending catholic schools for a reason. Our children understand the benefits and disciplines of a strong soul, body and mind of a catholic education and the benefits it has brought to their lives. My wife and I see the impact of their upbringing in a faith base environment and the positive influence our children desire to be a part of their community and give back to the community in a positive way.

A myth about Catholic education is that only children of catholic faith can attend a catholic school. This is not true. All children can attend a Catholic school. The new Catholic High School will accept all faiths and denominations. When people discuss the idea of a Catholic education we all envision a strong education with moral values, enriched discipline and a sense of community, which helps give back to society. Why is this? It's because the Catholics have been educating our children for more than 1500 years and know how to educate the body, soul and mind. We look up to the great standard of excellence of a Catholic education. It is not based on the latest buzz words like "STEM" it is based on a history of educating and the fact that all people publicly educated or not hold high regards for a Catholic education.

Lastly with the passing of the SEQ quadrant proposal there will be economic growth & improvements in our community. Such as the growth of our business, property ownership which will generate millions of dollars for our community and support a sustained economy for the South County for years to come.

Today you have the opportunity to further expand the reach of a Catholic High School education to the South County. I hope you support the next generation the opportunity of a Catholic education in the South County. I support the boundary changes, and factors indicated above as reasons to permit the SEQ quadrant to move forward. Do not delay the wishes of all generations to come.

Regards,
Scott Higgins

Abello, Emmanuel

From: Philip Higgins <philip_higgins@hotmail.com>
Sent: Thursday, March 10, 2016 5:37 AM
To: LAFCO
Subject: RE: Farmland Annexation of the Southeast Quadrant

RE: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners:

My name is Philip Higgins and as a resident of Santa Clara County and having lived here for 22 years and spent many weekends experiencing the farm life and open spaces surrounding Morgan Hill, I oppose the City of Morgan Hill's intended annexation and development of the Southeast Quadrant.

Please deny their request. To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl. We have already lost so much valuable farm land in our area and have had urban sprawl destroy what was once prime productive land to create additional impermeable surfaces, and increase traffic and noise increasing our dependence on other areas for food production.

Thank you,

Philip Higgins

Abello, Emmanuel

From: Sheila Hill <sheiladh@sbcglobal.net>
Sent: Thursday, March 10, 2016 8:17 AM
To: Palacherla, Neelima
Subject: SE Quadrant

I am writing to ask LAFCO to vote no on the City of Morgan Hill's bid to annex the SE quadrant near San Martin. I believe farmland would cease to exist and urban sprawl would be the end result. California is the leading provider of fruits and vegetables for our nation.

Thank you for your consideration.

Sheila Hill
1140 Easy Street
Morgan Hill, CA 95037

Sent from Yahoo Mail on Android

Abello, Emmanuel

From: Margaret Hinebaugh <margaret_hinebaugh@yahoo.com>
Sent: Tuesday, March 08, 2016 2:00 PM
To: LAFCO
Subject: Morgan Hill SEQ annexation

Dear Chairperson Tucker and LAFCo commissioners,

I oppose the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant. I urge LAFCo to deny the annexation request, and to protect Morgan Hill from incessant rezoning and suburban sprawl.

It is disingenuous for Morgan Hill to say they support agricultural preservation through the development of ag land. This is not a sensible plan. The proposed school and sports fields can and should be placed elsewhere within existing urban areas.

Regards,
Margaret Hinebaugh
Santa Clara County resident

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:42 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Margaret Hinebaugh [mailto:margaret_hinebaugh@yahoo.com]
Sent: Wednesday, March 02, 2016 5:05 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Margaret Hinebaugh
740 Hamilton Ln.
Santa Clara, CA 95051

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Regards,
Margaret Hinebaugh

Abello, Emmanuel

From: Trina Hineser <thineser@e-ecosound.com>
Sent: Wednesday, March 09, 2016 2:05 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Trina Hineser

Trina Hineser

San Martin

Abello, Emmanuel

From: Mark Hineser <hinesers@verizon.net>
Sent: Wednesday, March 09, 2016 2:06 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Mark Hineser

Mark Hineser

San Martin

Abello, Emmanuel

From: Mark Hoffmann <mjrhoffmann@charter.net>
Sent: Wednesday, March 09, 2016 3:15 PM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

I'm a resident of Morgan Hill and deeply concerned about our City officials' intention to annex agricultural land.

Please deny the City's request to annex land in the Southeast Quadrant.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely,

Mark Hoffmann

Mark Hoffmann

Morgan Hill

Abello, Emmanuel

From: Tracy Hutcheson <tracyhut@gmail.com>
Sent: Wednesday, March 09, 2016 8:45 PM
To: Palacherla, Neelima
Cc: Cat.Tucker@ci.gilroy.ca.us; district10@sanjoseca.gov; board@valleywater.org; district2@openspaceauthority.org; Yeager, Ken; Wasserman, Mike; susan@svwilsonlaw.com; Julie Hutcheson

Dear LAFCO Commissioners,

As a Morgan Hill resident, one of the primary reasons for moving specifically to Morgan Hill was because of it's attention to farmland boundaries between cities and it's beautiful downtown. Purely by the look of the city and it's perimeter in 2004 (when I moved my family to MH) the city seemed to provide attention to the importance of maintaining farmland and building up it's downtown in a sensible way. The city did not jump on the big box 101 corridor buildup strategy of Gilroy nor the irrational spread and sprawl that San Jose has done. Since then the city's lack of planning and push-through mentality with the South East quadrant seems to have bucked everything I hold dear about Morgan Hill.

I'm a silicon valley executive with plenty of places to choose from if we'd wanted wall to wall city and concrete. We chose differently to preserve sustainability of the land, teach our children about their heritage and be in a place that is different than the rest of the valley. I grew up with my parents and relatives all having been farmers and lived in a farmland community. I treasure that upbringing for my family. I personally live right next door to the South East Quadrant and want the area to be preserved and not encroached upon, a place I can see sustainable farming with new business models, and a place I can teach my kids about their heritage.

This city's unnecessary and thoughtless plan will increase nothing good including taxes, traffic, utility and commercial sprawl. Why would we take this position **against** farmland and new farmers looking for land? The proposed uses can and should be built within city limits on the overabundance of available vacant land.

The region's remaining farmland will be a hot commodity in the approaching years for this area and the area along with LAFCO commissioners will be seen as prescient in the coming years. Please deny this urban service area request by Morgan Hill city so that growth happens in our existing urban areas. Sprawl sucks. Thank you for this opportunity to provide public comment.

Sincerely,
Tracy Hutcheson
Morgan Hill resident and father

Abello, Emmanuel

From: Katja Irvin <katja.irvin@sbcglobal.net>
Sent: Tuesday, March 08, 2016 6:37 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Katja Irvin

San Jose

Abello, Emmanuel

From: John Jenkins <jenkins5289@gmail.com>
Sent: Wednesday, March 09, 2016 11:25 AM
To: Palacherla, Neelima
Subject: Morgan Hill SEQ

I strongly oppose the city of Morgan Hill's request to have LAFCO approve the annexation of any part of the southeast quadrant. I value our region's remaining farmland. LAFCO needs to help Morgan Hill protect open space resources as both green space and productive land. Let growth happen in our urban areas, on land that needs filling in. We already have too much sprawl.
-John Jenkins
Resident of Morgan Hill since 1990

Abello, Emmanuel

From: Lynette Judd <lynjudd@gmail.com>
Sent: Thursday, March 10, 2016 8:44 AM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

Please deny the City's request to annex land in the Southeast Quadrant.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely,

Lynette Judd

San Jose

Abello, Emmanuel

From: Chetan Kulkarni <chetan.vanderbilt@gmail.com>
Sent: Tuesday, March 08, 2016 2:08 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Chetan Kulkarni

San Jose

Abello, Emmanuel

From: Debra Kenyon <debbiekenyon@mac.com>
Sent: Wednesday, March 09, 2016 3:06 PM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

Please deny the City's request to annex land in the Southeast Quadrant.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We moved out to Morgan Hill to get away from the "big" city - Quit stuffing houses in the small foot print of Morgan Hill. The traffic in the last 5 years has been terrible - and I'm not talking about the freeway!

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely,
Debra Kenyon

Debra Kenyon

Morgan Hill

Abello, Emmanuel

From: Arvind Kumar <chhaprahiya@yahoo.com>
Sent: Tuesday, March 08, 2016 2:06 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Arvind Kumar

San Jose

Abello, Emmanuel

From: Bill Leikam <wcleikam@gmail.com>
Sent: Wednesday, March 09, 2016 11:25 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Bill Leikam

Palo Alto

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:33 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Barbara Lo [mailto:lob243@aol.com]
Sent: Wednesday, March 02, 2016 9:52 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Barbara Lo
1388 Suzanne Ct.
San Jose, CA 95129

March 3, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Barbara Lo

Abello, Emmanuel

From: Connie Ludewig <cludewigs2@sbcglobal.net>
Sent: Wednesday, March 09, 2016 10:27 PM
To: Palacherla, Neelima
Subject: NO to Morgan Hill urban sprawl

I am a San Martin resident, and am strongly opposed the city's request to have LAFCO approved the annexation of any part of the southeast quadrant. I value our region's remaining farmland.

LAFCO needs to help Morgan Hill protect open space resources as both green space and productive land. Let growth happen in our urban areas, on land that needs filling in. We already have too much sprawl.

It is very disappointing that the city of Morgan Hill is not only remiss with informing residents in that area, particularly Maple Ave (which divides Morgan Hill and San Martin), but they have been deceptive in claiming that they have informed the public. No residents in that area, that I've talked to, were remotely aware of prospective development.

I urge you to Vote NO, and disallow Morgan Hill to abuse their power to develop much needed farmlands in the south county.

Connie Ludewig

"Every flower is a soul blossoming in nature". Gerard DeNerval

Abello, Emmanuel

From: Elizabeth majewski <lwamaj@icloud.com>
Sent: Tuesday, March 08, 2016 12:19 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,Elizabeth MAjewski

Elizabeth majewski

Gilroy

Abello, Emmanuel

From: Mandy McClellan <mandy@carlquistlaw.com>
Sent: Tuesday, March 08, 2016 2:08 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Mandy McClellan

Mandy McClellan

Morgan Hill

Abello, Emmanuel

From: Dan McCorquodale <dan@senatordan.com>
Sent: Wednesday, March 09, 2016 12:31 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners, As a former County Supervisor, and a Supervisor that proposed the Ordinance that took the County out of the development of housing in the Unincorporated areas, I felt that generally the cities would be much more responsible in approving developments since they would have to provide the majority of services required by the residents. If they were unwilling to consider the impact of their actions on the neighboring cities or the county at large, then LAFCO would act to limit their annexations. For this and other reasons I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Dan McCorquodale

San Jose

Abello, Emmanuel

From: Paul McJunkin <pbmcjunkin@gmail.com>
Sent: Tuesday, March 08, 2016 10:34 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,
My name is Paul McJunkin. I lived on the Morgan Hill /Coyote area in the late 60,s. I recall Hiking the Eastern Foothills where the Present day 101 is now. The Freeway was Mandatory to meet the Traffic needs of course. It Is ""NOT MANDATORY nor NECESSARY "" to BUILD in the GREEN-BELT eastern foothills of our COYOTE VALLEY . Please Don,t Allow this to occur....
I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely, Paul B. McJunkin

Paul McJunkin

Manteca

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:37 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Dan Melin [mailto:Danmelin@comcast.net]
Sent: Wednesday, March 02, 2016 10:02 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Dan Melin
976 Foothill Dr
San Jose, CA 95123

March 3, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Dan Melin

Abello, Emmanuel

From: Mike Meyer <bibspritz@gmail.com>
Sent: Tuesday, March 08, 2016 9:27 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Mike Meyer

Gilroy

Abello, Emmanuel

From: Susan Middagh <Suemiddagh@yahoo.com>
Sent: Wednesday, March 09, 2016 4:05 PM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

Please deny the City's request to annex land in the Southeast Quadrant.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely,

Susan Middagh

Gilroy

Abello, Emmanuel

From: mikemonroe170@gmail.com on behalf of Mike Monroe <mike.valleyofheartsdelight@gmail.com>
Sent: Tuesday, March 08, 2016 11:08 AM
To: Palacherla, Neelima
Subject: Please Deny SEQ USA Amendment/Annexation

Dear LAFCO Commissioners:

I am writing to ask that you deny the City of Morgan Hill's request to annex a portion of Southeast Quadrant (SEQ). This plan for sprawl would seriously detract from the character of Morgan Hill if you approve this request.

As a South County resident and business owner for thirty years I have seen significant changes in our landscapes. Both the economic activity and demographic pressures are increasing so rapidly that I have reluctantly concluded that the result will be the Silicon Valley paradigm - economics up and quality of life compromised. I'm relying on you to turn my vision around.

For most residents, it seems that the landowners are saying that agriculture is no longer viable. Perhaps this is true, maybe we have gone over the tipping point because of the past zoning and development decisions. While the City says it is supports agriculture and open space preservation, in reality it seems to be positioning itself through new zoning and boundary lines to make the loss of farmland inevitable.

My understanding is that LAFCO's key goals are to encourage responsible growth and to discourage sprawl and preserve agricultural and open space lands. You have the big picture - either acquiesce to more farmland conversion or force Santa Clara County, the Cities of Morgan Hill and Gilroy, and all stakeholders to come to the table and develop a regional plan that is equitable and smart for us now and for our posterity.

Sincerely,

Mike Monroe

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:48 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Rigmor Munkvold [mailto:rigmor13@yahoo.com]
Sent: Thursday, March 03, 2016 11:22 AM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Rigmor Munkvold
16824 Hilltop Ct
Morgan Hill, CA 95037

March 3, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Rigmor Munkvold

Abello, Emmanuel

From: Christine Nagel <clouise@cox.net>
Sent: Wednesday, March 09, 2016 11:48 AM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Christine Nagel

San Jose

Abello, Emmanuel

From: P <Priscillagarcia05@gmail.com>
Sent: Tuesday, March 08, 2016 5:50 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

P

San Jose

Abello, Emmanuel

From: Curt Palm <cpalm@curtpalm.com>
Sent: Tuesday, March 08, 2016 2:07 PM
To: LAFCO
Subject: Morgan Hill USA Amendment

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Curtis Palm
2315 Arabian Ct.
Morgan Hill, CA 95037-3802

Abello, Emmanuel

From: Cathy Perino <cat16145@gmail.com>
Sent: Thursday, March 10, 2016 7:53 AM
To: Palacherla, Neelima
Subject: annexation

Dear LAFCo Commissioners,

I strongly oppose the City's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I value our region's remaining farmland. LAFCo needs to help Morgan Hill protect open space resources as both greenspace and productive land. Let growth happen in our urban areas, on land that needs filling in. We already have too much sprawl.

Thank you

Catherine Perino
16145 Hill Road
Morgan Hill, CA 95037

Abello, Emmanuel

From: Dave Poeschel <dave.poeschel@gmail.com>
Sent: Wednesday, March 09, 2016 7:40 AM
To: Council Member Cat Tucker; Wasserman, Mike; Office of Councilmember Khamis; Susan@svwilsonlaw.com; Sequoia Hall; Linda J. LeZotte; Yeager, Ken; Chavez, Cindy; ykishimoto@openspace.org; Terry Trumbull; District2@sanjoseca.gov; TaraMilius@gmail.com; Palacherla, Neelima; Abello, Emmanuel
Subject: LAFCO Morgan Hill USA Letter Attached: Please Deny
Attachments: MH LAFCO Letter DP.docx

Dear LAFCO Chair Tucker and Commissioners,

Pease read the attached letter priory to your March 11, 2016 meeting.

Thank You,
David Poeschel

David W. Poeschel
6004 Crossview Circle
San Jose, CA 95120

March 9, 2016

Santa Clara County Local Agency Formation Commission
70 West Hedding Street, First Floor San Jose, CA 95110
Via email: Cat.Tucker@ci.gilroy.ca.us, Mike.Wasserman@bos.sccgov.org, district10@sanjoseca.gov, Susan@svwilsonlaw.com, district3@openspaceauthority.org, linda@lezottelaw.com, Ken.Yeager@bos.sccgov.org, cindy.chavez@bos.sccgov.org, ykishimoto@openspace.org, TerryT1011@aol.com, District2@sanjoseca.gov, TaraMilius@gmail.com, Neelima.Palacherla@ceo.sccgov.org, emmanuel.abello@ceo.sccgov.org

Re: MORGAN HILL URBAN SERVICE AREA (USA) AMENDMENT 2015

Dear Chair Tucker and LAFCO Commissioners,

Please follow staff recommendations and deny Morgan Hill USA amendments. It is unfortunate but the structure of our economy forces the hand of government to play an active role in preserving food production for national security needs through zoning and subsidies. Government must enforce important regulations in many other aspects of our lives as well. Mustering the will to enforce these policies is not an easy task but is required if we are going to minimize climate change and preserve the farmlands which sustain us.

Preserving the SEQ farmland is important not just for itself but because SEQ helps support the agricultural infrastructure used by the whole of the region. Morgan Hill has not adequately supported its argument that this land is needed for development rather than using infill nor shown that the sports complex idea is economically viable rather than an obfuscation scheme.

However, recent studies show even the small parcels are still viable as agriculture and the area's agricultural economic value is increasing. The City's plan to mitigate their loss is insufficient to accomplish the stated goals (would not be able to purchase easements locally).

The County and the Santa Clara County Open Space Authority have a state Sustainable Agriculture Lands Conservancy Strategy grant to create a South County policy and implementation plan to protect agricultural lands and reduce greenhouse gases. Please give it a chance.

At one time San Jose, Santa Clara, Sunnyvale, and Milpitas, for example, were unique communities surrounded by fertile agricultural lands and orchards in the beautiful Santa Clara Valley. Not so today. Especially with the enactment of Proposition 13, it is clear that sprawl-style development has not provided fiscal stability to cities. California state legislation designed to combat this sprawl provided LAFCO with the authority to deny them when they are proposed. Please support a healthier direction for the region's economy and life style and deny Morgan Hills USA amendments.

Sincerely,

David W. Poeschel

Abello, Emmanuel

From: Sheela Ram-Prasad <bunnyhugger19@gmail.com>
Sent: Tuesday, March 08, 2016 2:46 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo Commissioners,

My name is Sheela Ram-Prasad and I am an active and concerned citizen who has been living in the San Jose bay area since I was born. As a resident of Santa Clara County, I oppose the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant. Please deny their request. To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl. We can only appreciate the beauty of nature and land by preserving it and keeping it alive.

Thank you,
Sheela Ram-Prasad

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http://www.stopanimaltests.com/

Please always choose cruelty-free products...

*"**Until we stop harming all other living beings, we are still savages.**" -- Thomas A. Edison*

Abello, Emmanuel

From: dan djk <danbear2k@yahoo.com>
Sent: Tuesday, March 08, 2016 10:36 AM
To: LAFCO
Cc: Frances Nance
Subject: Morgan Hill SEQ

Related to 3/11/16 meeting
My entire family and 90 % of my neighborhood are Strongly Recommending LAFCO board Deny Morgan Hill petition to expand The SEQ application.
The reasons are as stated:

1 traffic Mitigation is inadequate
Peak loads are intolerable as is!
Local and freeway and any additional traffic will be disastrous!
In my small neighborhood.

Without expanding all roads including 101 Watsonville red Monterey Ed Condit ave Maple ave Hill ave Etc.

And all roads north and south of said project are Inadequate!!

2 Air Quality had rapidly deteriorated in the last few years Due to over building and traffic delays.
My asthma is worse due to
Poor air quality.

3 plant life near the SEQ is dying rapidly And wildlife are being destroyed daily by current traffic.
Imagine what will happen if it goes forward!!.

4 I heard the Open Space Authority has also raised these concerns!!
They ate the Professionals!

5 there is no need to expand city limits There are a large number of vacant lots throughout the city that can be used for all purposes.

6 the Water supply has already been compromised by perchlorate and possible graveyard development projects!
I have seen struggling and dead wildlife in the creeks like never seen before!

7 financial inadequacies in Morgan hill.
The city barely maintains its existing open spaces and parks, Maintenance means throwing a load of ugly bark or rocks on the ground , and many areas are weeded 6 feet high with fire hazards! Why add to this problem??

8 inadequate fresh water is already
An issue.
My water Rate and bill has been doubled since 2015 And I have artificial turf!!
Expansion has the result of quadrupling in town that expenses to pay for poorly designed sewers and failing water lines.

9 why expand now when the city is in
Financial crises? Is there a special interest being given preferential treatment?

We the people want to know!!

Abello, Emmanuel

From: Phill Laursen <phidgety@gmail.com>
Sent: Tuesday, March 08, 2016 6:52 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

We urge you not to approve the City of Morgan Hill's request to annex any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

We value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Phill & Kathy Laursen

Phill Laursen

Gilroy

Abello, Emmanuel

From: Stephen Lazarus <Stephen.M.Lazarus.C69@alumni.upenn.edu>
Sent: Tuesday, March 08, 2016 7:03 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Stephen Lazarus

Los Altos

Abello, Emmanuel

From: Neeharika <neeharika.gupta@gmail.com>
Sent: Tuesday, March 08, 2016 7:45 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Neeharika

Sunnyvale

Abello, Emmanuel

From: Emily M. Renzel <marshmama2@att.net>
Sent: Tuesday, March 08, 2016 2:07 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I may have written you previously on this, but want to reiterate my opposition to Morgan Hill's attempt to annex any part of the Southeast quadrant.

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely, Emily M. Renzel

Emily M. Renzel

Palo Alto, CA

Abello, Emmanuel

From: Sarrah Reshamwala <sarrah.reshamwala@gmail.com>
Sent: Tuesday, March 08, 2016 1:09 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners,

My name is Sarrah Reshamwala and I am a botanist. As a resident of Santa Clara County, I oppose the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant. Please deny their request. To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl.

Thank you,

Sarrah Reshamwala

Abello, Emmanuel

From: Donna Rose <dmtms@aol.com>
Sent: Tuesday, March 08, 2016 11:42 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Donna Rose

Morgan Hill

Abello, Emmanuel

From: Linda roma <Turtleroma1@gmail.com>
Sent: Wednesday, March 09, 2016 6:55 PM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

Please deny the City's request to annex land in the Southeast Quadrant.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely, Linda Roma

Linda roma

Morgan Hill

Abello, Emmanuel

From: Megan Rotter <Megerotter@gmail.com>
Sent: Wednesday, March 09, 2016 12:13 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,
Megan

Megan Rotter

Morgan hill

Abello, Emmanuel

From: Alex Ross <alexr@stanford.edu>
Sent: Tuesday, March 08, 2016 4:20 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Once it's gone, it's gone forever. A subdivision or a strip mall is no substitute for open country. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Alex Ross

4175 Wilkie Way

Abello, Emmanuel

From: Lisa Ruminski <Lisa.ruminski@gmail.com>
Sent: Thursday, March 10, 2016 8:16 AM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Esteemed LAFCo Commisioners,

Please stop the annexation of Morgan Hill farmland. I was a Monterey Peninsula resident for 30 years and only moved here 9 years ago. Since then, I have watched with horror the rapid and uncontrolled growth of suburban sprawl and the attendant traffic and parking problems.

Please help our little city plan more wisely by denying access to our precious farmland and beautiful views.

Thank you for considering my comments.

Sincerely,

Lisa Ruminski

Morgan Hill

Abello, Emmanuel

From: Carol Ruth <carolruth1@gmail.com>
Sent: Tuesday, March 08, 2016 8:14 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Carol Ruth

Stanford

Abello, Emmanuel

From: PATRICIA SANDO <patriciasando@hotmail.com>
Sent: Tuesday, March 08, 2016 10:22 AM
To: Cat Tucker
Cc: Palacherla, Neelima
Subject: SEQ Comment

My husband and I have lived in this beautiful valley since 1986. We very much appreciate the efforts of many people to preserve as much agricultural look and feel of the area as possible. Having said that, we also are very much in favor of allowing a Catholic High School to be on the forty acres they have requested in the Murphy/Tennant area.

We recognize the dynamic tension between those who say "no development of any kind unless you grow strawberries" and those who say "let's just build the hell out of it." In general, we share the goal to preserve the status quo. But, we also recognize the need to think about the future.

That is why we have been active financial and emotional supporters of the proposed new Catholic School. Even though the forty acres would no longer produce hay, it would certainly develop young citizens who can contribute to the fabric of the community.

Thank you for your consideration of our support of the school.

Patricia and Lowell Sando

Abello, Emmanuel

From: Clysta <clysta@igc.org>
Sent: Tuesday, March 08, 2016 2:34 PM
To: LAFCO
Subject: Opposed to annexation of SE Quadant MH

Dear Chairperson Tucker and LAFCO commissioners,

I am a former two term Director of the Santa Clara Valley Open Space Authority. I am well aware of the development pressures in South County and the need for agricultural and green belts on our Valley floor. In my own landlocked City of Santa Clara I worked hard to establish Ulistac Natural Area along the Guadalupe River. It is now a local and regional resource of wetlands, oak woodlands and native plants smack in the middle of the County. It exists because citizens asked for it.

I oppose the City of Morgan Hill's intended annexation and development of the Southeast Quadrant. I ask that you please deny their request.

To preserve our quality of life in this County it is important to stop sprawl and ask communities to thoughtfully plan and develop their existing footprint in environmentally sensitive ways. Our next generations will thank us and you for preserving rural and natural landscapes in our County.

Thank you,

Clysta Seney
Santa Clara, CA

Abello, Emmanuel

From: sherri <sherrisliter@aol.com>
Sent: Wednesday, March 09, 2016 4:30 PM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

Please deny the City's request to annex land in the Southeast Quadrant.

The City's request is not reasonable given how much vacant land it has within its current city limit. It should make every effort to focus growth within that limit. Building on prime farmland when there isn't a proven necessity is wasteful and costly to our quality of life. Furthermore, there is no widespread community support for this proposal.

We need to be much more thoughtful in our planning efforts. I support the County's plans to tie farmland protection and climate change mitigation efforts. This is the kind of effort that could help better direct future growth, and potentially protect a significant amount of remaining farmland.

Thank you for considering my comments.

Sincerely, Sherri Sliter

sherri

morgan hill

Abello, Emmanuel

From: Larry Spivak <larry8141@yahoo.com>
Sent: Tuesday, March 08, 2016 11:58 PM
To: LAFCO
Subject: Annexation in Morgan Hill

Dear Chairperson Tucker and LAFCo commissioners,

My name is Lawrence Spivak and I live in San Jose but work in Morgan Hill for a winery on the east side of Highway 101. As a resident of Santa Clara County and as a worker in Agriculture, I am really in opposition to the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant. The city is not totally in-built yet with sufficient land for further development within the current city limits. Please deny their request. To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl. We don't need another San Jose in this valley.

Thank you,
Lawrence Spivak

Abello, Emmanuel

From: It's Ours. Our Morgan Hill <ourmorganhill@gmail.com>
Sent: Wednesday, March 09, 2016 3:11 PM
To: Palacherla, Neelima
Subject: Please deny the City's request to annex land in the Southeast Quadrant

Dear LAFCo Commissioners,

On behalf of It's Ours. Our Morgan Hill. (Morgan Hill's most popular Facebook page with close to 20,000 followers- with a mission to promote the beauty of our town), we strongly ask all LAFCO Commissioners to please deny the City's request to annex land in the Southeast Quadrant.

We are certain that a much better plan for this beautiful area can get worked out that considers the entire SEQ and not just certain pieces.

We do not oppose specific projects, but the process the City of Morgan Hill has chosen with foregoing the inclusion of the SEQ projects as part of the GP 2025 update and lack of conversations with the broader community.

The current plans are flawed and open the gate for broader development in the SEQ.
These projects would just be the beginning and not the end. We already know of discussions abut the huge Chiala development planned in the SEQ and other projects.
There also is no assurance that the annexed land would not be rezoned for housing or used for commercial buildings incl. hotels, gas stations, strip malls and there-like.

The City's track record of walking the talk is not great. Several previous annexation projects ended up not leading to where the City told you it would and ended up being used for residential developments.

We already have too much traffic, growth and urban sprawl happening in our beautiful area! Let's learn from the mistakes of the past and let's do this one right!

Please do NOT approve of these annexation projects and help protect our viable AG land in South County for generations to come! Work with our community and stakeholders on a better plan! It can be done!

Rene Spring for
It's Ours. Our Morgan Hill.
http://ourmorganhill.com

It's Ours. Our Morgan Hill

Morgan Hill

Abello, Emmanuel

From: Virginia Smedberg <virgviolin@hotmail.com>
Sent: Tuesday, March 08, 2016 8:58 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. I grew up in Palo Alto and well remember driving down Bayshore Highway between orchards filled with trees and fields full of yellow mustard (and lupine & poppies). We've already lost too much of that fertile farmland to houses. Open land - farmed and wild - is essential to Ma Nature's eons-long designed ecosystem.

Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Virginia Smedberg

Palo Alto

Abello, Emmanuel

From: Alex <alexshoor@aol.com>
Sent: Tuesday, March 08, 2016 8:12 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear Commissioner,

Since 1984, the Bay Area has lost more than 15 percent of its farmland and Santa Clara County has lost 45 percent.

Speaking only on behalf of myself, I oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant.

All of us value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. Our County cannot thrive if we continue to We have more sprawl in our beautiful rural areas.

Thank you for this opportunity to share my perspective.

Sincerely,
Alex Shoor

Alex

San Jose

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:38 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Erica Stanojevic [mailto:ericast@gmail.com]
Sent: Wednesday, March 02, 2016 8:19 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Erica Stanojevic
611 Centennial St.
Santa Cruz, CA 95060

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Erica Stanojevic

Abello, Emmanuel

From: Shelle Thomas <biggspl@aol.com>
Sent: Wednesday, March 09, 2016 7:56 AM
To: LAFCO
Subject: No to SEQ annexation

March 9, 2016

My family has lived in Morgan Hill for more than 100 years. And I have been involved in the city planning process since the 1970s. We are in this for the long run and desire a well planned city. The southeast quadrant plan before you is not needed or well planned.

Morgan Hill currently has sufficient land within the city limits to meet the proposed uses. Morgan Hill citizens favor keeping agricultural and open space lands protected and not replaced by urbanization.

Pleased deny the City of
Morgan Hill request to annex the SEQ.

George Thomas
Morgan Hill, California

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:45 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Susan Trivisonno [mailto:susan_trivisonno@hotmail.com]
Sent: Wednesday, March 02, 2016 1:17 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Susan Trivisonno
2810 Oak Estates Ct
San Jose, CA 95135

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community. There is no need to annex the farmland.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Susan Trivisonno

Abello, Emmanuel

From: Carolyn Tognetti <clyntognetti@aol.com>
Sent: Tuesday, March 08, 2016 3:57 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Carolyn Tognetti

Gilroy

Abello, Emmanuel

From: Yvette Doublet-Weislak <yweislak@yahoo.com>
Sent: Tuesday, March 08, 2016 3:58 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. This plan will increase traffic, reduce our quality of life, affect rural views, and cause the unnecessary loss of farmland. The proposed uses can and should be built within city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. We already have too much sprawl. Thank you for this opportunity to provide public comment.

Sincerely,

Yvette Doublet-Weislak

Morgan Hill

Abello, Emmanuel

From: Susan S. Wicks <susan.wicks@comcast.net>
Sent: Tuesday, March 08, 2016 3:04 PM
To: Palacherla, Neelima
Subject: Please Protect Farmland & Open Space in the SEQ

Dear LAFCo Commissioners,

The land being considered for annexation is one of the last viable wildlife corridors and fly-over stops before hitting San Francisco Bay for migratory birds, particularly the importance the area serves to replenish their reserves. Please reconsider conserving this important habitat for species that rely on native plants, open-spaces for wildlife-habitat, which are so necessary to the survival of endemic wildlife that has been permanently affected by the further encroachment of development in and around the San Francisco Bay area. When planning, consider how far you'd be willing to walk between you, your home, and both your fuel and water sources. We've invaded their territory, much to the detriment of all. Please consider the benefits of wildlife while making your decisions.

I strongly oppose the City of Morgan Hill's request to have LAFCo approve the annexation of any part of the Southeast Quadrant. I do understand the city of Morgan Hill's need to acquire addition revenue for internal operations, as well as the rights of individual property owners to do what they please with their land, however, this plan will increase traffic, reduce our quality of life, affect rural views, cause the unnecessary loss of farmland and will be the detriment to wildlife along both land and air wildlife corridors. The proposed uses can and should be built within Morgan Hill city limits on the abundance of available vacant land.

I value our region's remaining farmland. Please deny this annexation request so that growth happens in our existing urban areas. Develop above and below ground instead of increasing urban sprawl. I appreciate your thoughtful consideration in this matter.
Sincerely,

Susan S. Wicks

San Jose

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:42 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Margaret Wilkes [mailto:margaretwilkes@comcast.net]
Sent: Wednesday, March 02, 2016 12:10 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Margaret Wilkes
429 Patch Ave.
San Jose, CA 95128

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits. Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation.

Sincerely,
Margaret Wilkes

Abello, Emmanuel

From: Christine Wolfe <cwolfe_9898@yahoo.com>
Sent: Tuesday, March 08, 2016 4:22 PM
To: LAFCO
Subject: Opposition to annexation of the Southeast Quadrant

Dear Chairperson Tucker and LAFCo commissioners:

My name is Christine Wolfe and I have lived in Santa Clara County for 60 years and enjoy the open space in the valley. As a resident of Santa Clara County, I oppose the City of Morgan Hill's intended annexation and development of the the Southeast Quadrant. Please deny their request. To me, it is important that we preserve our remaining agricultural and open space landscapes in our valley, and avoid sprawl.

Thank you,

Christine Wolfe

Abello, Emmanuel

Subject: FW: Please oppose Morgan Hill's request to annex farmland

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:46 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Please oppose Morgan Hill's request to annex farmland

-----Original Message-----
From: Swanee Edwards [mailto:swanee@garlic.com]
Sent: Wednesday, March 02, 2016 7:32 PM
To: susan@svwilsonlaw.com
Subject: RE: Please oppose Morgan Hill's request to annex farmland

Susan,

Thank you for your reply! I did not expect it. I think we have met but no matter I am planning to be at the LAFCo Meeting and am a member of several activists "smart Growth" organization and I just joined SPUR. I am a good friend of Dennis Kennedy's.

Ever Onward,

Swanee Edwards
Public Policy Chair Morgan Hill AAUW
408-782-1017

-----Original Message-----
From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 02, 2016 5:06 PM
To: swanee@garlic.com
Subject: RE: Please oppose Morgan Hill's request to annex farmland

Thank you for your comments. As a public servant and long term Morgan Hill resident, I am sensitive to the concerns of the citizens. I am in the process of reviewing the extensive and comprehensive LAFCO staff report.
This matter will be heard at 10:00 a.m. on March 11th at the Santa Clara County Board of Supervisors Chambers. I will be considering all comments received prior to and at the hearing. Susan Wilson

-----Original Message-----
From: Swanee Edwards [mailto:swanee@garlic.com]
Sent: Wednesday, March 02, 2016 12:10 PM
To: susan@svwilsonlaw.com
Subject: Please oppose Morgan Hill's request to annex farmland

Swanee Edwards
98 Melody Lane
Morgan Hill, CA 95037

March 2, 2016

Dear Susan Vicklund Wilson,

This proposal by the City of Morgan Hill continues a trend which has already resulted in the loss of 40% of all agricultural lands in Santa Clara County over the past 20 years. The City has nearly 100 years worth of vacant industrial and commercial lands to develop on within its city limits.
Instead of trying to develop farmland outside of its boundaries, the City should instead invest in building on its vacant lands to promote a more vibrant community.

I encourage you to fulfill LAFCo's key goals of discouraging urban sprawl and preserving agricultural and open space lands by rejecting the City of Morgan Hill's request for annexation. Please look at this proposal carefully and make the correct decision in rejecting this application

Sincerely,
Swanee Edwards

PUBLIC CORRESPONDENCE

LETTERS WITH UNSTATED POSITION

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Thursday, March 10, 2016 6:59 AM
To: Palacherla, Neelima
Subject: FW: Mobile Web - Opinion - Mercury News editorial: Morgan Hill land grab has to be stopped

-----Original Message-----
From: Shelle Thomas [mailto:biggspl@aol.com]
Sent: Wednesday, March 09, 2016 7:06 PM
To: susan@svwilsonlaw.com
Subject: Mobile Web - Opinion - Mercury News editorial: Morgan Hill land grab has to be stopped

http://www.mercurynews.com/opinion/ci_29617325/mercury-news-editorial-morgan-hill-land-grab-has

Mercury News editorial: Morgan Hill land grab has to be stopped

Mercury News Editorial
San Jose Mercury News

Posted:Wed Mar 09 16:36:40 MST 2016

The future of farmland in Santa Clara County hinges on a decision Friday by the county's Local Agency Formation Commission on an outrageous annexation proposal by the city of Morgan Hill.

LAFCO determines whether cities can annex rural land. The state-mandated agency's mission is stopping sprawl and encouraging orderly and sustainable growth as prescribed in the county's general plan. There's a clear set of criteria for LAFCO's seven commissioners to approve annexation. Morgan Hill's bid to develop 229 acres of prime farmland in what's known as the Southeast Quadrant meets not a single one of them.

If the agency says yes to this, it's game over for a rural South County. Approval would say to other landowners and cities: Hey, all those policies for saving farmland? We were just kidding.

Then the farms will go quickly because each tract that's built up makes the next less viable. Even owners who want to farm will feel forced to sell. Other outrageous attempts at annexation are already in the works. Gilroy is trying to make a huge grab of 721 acres for some 4,000 homes on its northern edge.

LAFCO says Morgan Hill has 45 years worth of vacant commercial land within its borders and lots of additional land zoned for housing and other uses. It has plenty of room for the schools, ball fields and commercial development it wants to put in the Southeast Quadrant.

The city seems to encourage buying rural land for development and asking permission later. It did this itself, purchasing land for ball fields in the Southeast Quadrant.

In 2003 Morgan Hill persuaded LAFCO to annex rural land on its northeast edge that the Diocese of San Jose had already purchased to build a school. LAFCO said, oh well, for a school, OK. The diocese then sold that land. Homes are being built there.

Now the diocese has bought land for a campus in the Southeast Quadrant, and Morgan Hill again is using it as an argument to annex. LAFCO would be crazy to do it a second time.

Morgan Hill claims development of the quadrant will raise money for farmland preservation, but the American Farmland Trust and others did the math and found the city's plan highly inadequate. Besides, farmland is a finite resource. Building on it in order to save it? Really?

Rural landowners want their property annexed so they can sell it at a higher price for hotels, strip malls and particularly for housing, as the diocese did last time. Fortunately, Santa Clara County and the valley's Open Space Authority have a remedy in the works. They received a $100,000 grant from the state to set up a program to buy conservation easements, giving farmers at least some compensation for keeping their land in agriculture. When the plan is in place, funding is expected to be available to carry it out.

Property rights advocates don't like planning for land uses that can limit profits. But communities need non-glamorous places to get their cars fixed, as an example.

And this region benefits from farming. Land use planning is a trade-off for living in a society.

County Supervisor Ken Yeager, a new LAFCO member, is a big proponent of making fresh, healthy food available to all, especially in neighborhoods where supermarkets are scarce. Farmers markets help, but you need farms nearby.

Yeager has supported creative policies encouraging even urban farms. We're hopeful he'll stand up for South County farmland as well -- and that a solid majority of the commission will join him.

RELATED LINKS

• Morgan Hill Mayor Steve Tate advocating the annexation plan, http://www.mercurynews.com/opinion/ci_29237053
/ Former Councilman Mark Grzan opposing the annexation bid, http://www.mercurynews.com/opinion/ci_29578019
• Mercury News reporter Eric Kurhi on Santa Clara County's farmland preservation initiative, http://www.mercurynews.com/breaking-news/ci_29548503
• LAFCO agenda for Friday including maps and staff reports on the annexation plan, http://santaclaralafco.org/images/resumes/agenda_packet/StaffReport_20160215.pdf

Abello, Emmanuel

From: Annette DiResta <morganhillrealestate@outlook.com>
Sent: Tuesday, March 08, 2016 9:01 AM
To: Palacherla, Neelima; Noel, Dunia
Cc: julie@greenfoothills.org; Trina Hineser
Subject: RE: SEQ
Attachments: MH Comm1.png; MH Comm2.png; MH Comm3.png; MH Comm4.png

Wonderful, flat parcels as alternative locations for recreational facilities and parking, eliminating traffic congestion on the east side of 101.

Parcels in San Martin can be purchased through eminent domain and applicants can purchase properties closer to their constiuents where it truly is "local serving".

Annette DiResta
Broker | Owner | BRE 01526376
Morgan Hill Real Estate
Commercial | Residential
408.500.9158 C | 800.696.0753 F

From: morganhillrealestate@outlook.com
To: neelima.palacherla@ceo.sccgov.org; dunia.noel@ceo.sccgov.org
CC: julie@greenfoothills.org; thineser@e-ecosound.com
Subject: SEQ
Date: Tue, 8 Mar 2016 08:54:29 -0800

Good Morning Neelima and Dunia,

I have been a resident of Morgan Hill, Gilroy and now in San Martin; moved to south county in 1997. I worked for Coldwell Banker and Alain Pinel Realtors and have an extensive history of selling properties locally.

After serving a short time on SMPAC, attending SMNA meetings and currently in Leadership Morgan Hill Class of 2016; I've had a rather "condensed" course on MH's General Plan and matters involving south county growth and have contacted Dave Cortese multiple times regarding our issues, lack of being heard by Planners and poor representation by county officials.

I have also expressed my opinions to Supervisor Wasserman and in a public hearing last Wednesday in Morgan Hill about the parcel at California and Monterey in San Martin, I did say that it was a possible breach of the Brown Act to not tell the public, as our representative, about the SEQ.

There are 2 phrases that the City of Morgan Hill uses to strongly advocate their desire to acquire the SEQ, that being:

1. sphere of influence
2. retaining agriculture and recreation

What is obviously being ignored are the acreage parcels on the opposite side of 101 that is flat, vacant and close to the freeway, making it an ideal location for expanded recreational use which I will forward in another email. One parcel is 6 acres, the other for almost 19. Another vast area for use is between Sobrato High School and 101.

I believe the City of Morgan Hill is completely ignoring these options. Last Friday we had "City Government Day" at City of Morgan Hill and I spoke to Andrew Crabtree about the plan. He stated there were no access roads to these parcels. I told him if I hired him as a consultant, he'd figure out a way to make that happen, which I believe can be easily remedied (adding a frontage road or simply off Juan Hernandez).

Mr. Chiala called me last night wanting to discuss my statement at a LAFCO meeting last Friday that I knew of farmers with deep pockets that want to buy land. They have a real estate team already so I would need to be the listing broker before discussing any details.

By keeping important fertile soil as true agriculture, and not "preserved" by adding recreational facilities and parking on top of such valuable soil, the City can indeed obtain a win/win situation--it just takes a willingness to explore a better option.

Another option is to incorporate San Martin into Morgan Hill, keeping its individuality; but having a more effective, local government. My suggestion was to have SMNA as our City Council, Trina Hineser as Mayor, and SMPAC/SMNA members serve as a part of LAFCO since their motives and intent are to truly retain agriculture land as agriculture.

If this were to happen, 2 parcels currently under review: 18 flat acres at California and Monterey, and the former driving range off Monterey and Fitzgerald, would be another ideal location for large recreational facilities. Driving down Monterey/101 can be added retail and restaurants to increase local revenue.

My request is that the SEQ be simply moved to the west side of 101, with no other changes.

Thank You,

Annette DiResta
Broker | Owner | BRE 01526376
Morgan Hill Real Estate
Commercial | Residential
408.500.9158 C | 800.696.0753 F

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Wednesday, March 09, 2016 3:49 PM
To: Palacherla, Neelima
Subject: FW: Possibility to meet?

-----Original Message-----
From: Bob Isaacs [mailto:bisaacs@pacbell.net]
Sent: Wednesday, March 09, 2016 3:26 PM
To: susan@svwilsonlaw.com
Subject: Re: Possibility to meet?

Susan,
Thanks for connecting. Email makes it so difficult to communicate fully but I totally understand your position and your hectic schedule regarding the LAFCO business. I'll try and get to the point quickly here.

One of my major concerns, should the annexation attempt fail, is that emergency services available to the church will never be improved for many, many years to come. On most Sundays there can be 250-300 people on campus all at the same time. A few times during the course of the year 600-700 people will be congregated. Presently the church has access to local fire and sheriff emergency response. On site water storage is very limited and is insufficient for extended fire operations. The nearest hydrant is well over 500 feet away. With the successful annexation there would be hydrants actually installed on the property with an unending supply of water. Morgan Hill PD would be the primary response agency with arrival times usually within the 3-5 minute timeframe. Presently the Sheriff or CHP respond to criminal incidents and of course there is no guaranteed expediency due to their widespread patrol area. I speak with a sense of validity due to my 24 year career in law enforcement and fire services with the city of Sunnyvale.

The existing septic system/leach field is overtaxed whenever there are large gatherings on the church property. These gatherings are made up of residents from Morgan Hill, Gilroy, San Martin, Hollister and south San Jose. With the successful annexation, a direct hook up with the sewer lines located directly in front of the church would alleviate any possible issues with increased nitrate levels.

These two arguments for the annexation are directly health and safety related. There can be no dispute with the need for increased services and LAFCO is the only agency preventing this from happening.

The last point I will make due to limited time on both of our schedules is this; Morgan Hill Bible Church has been located at its present site since the early 90's. During that time there has never been an issue while coexisting with the agricultural areas to the south. The church provides an excellent buffer between the residential areas to the north and the farmland south. The church provides several acres of open space for recreational use i.e...soccer, baseball, field hockey, to the community(roughly half of the total MHBC parcel). I can think of no better buffer area that LAFCO could ever consider than the present situation!

Susan, I know you are a very thoughtful and intelligent person. I believe that if you consider these points and compare them to the opposing views, you will find that the community of Morgan Hill and the county of Santa Clara will greatly benefit from this annexation approval.

Thanks for your time and consideration on this matter!

With best regards,
Bob Isaacs

> On Feb 29, 2016, at 1:05 PM, susan@svwilsonlaw.com wrote:
>
> Good Morning Bob,
> Yes that DeBert litigation was quite something. With regards to the Morgan Hill application affecting the Bible Church, I am in the process of reviewing the lengthy staff report. I am familiar with this area and remember the prior application a few years ago (in fact, I think we may have even spoken then). Please feel free to email me with any comments you would like me to consider. As you are aware as a LAFCO commissioner, I am responsible for upholding LAFCO policies and purpose which can be challenging when there are competing interests Again, please fee free to email me any comments or concerns you have. S. Wilson
>
> -----Original Message-----
> From: Robert Isaacs [mailto:bisaacs@pacbell.net]
> Sent: Wednesday, February 24, 2016 6:39 PM
> To: susan@svwilsonlaw.com
> Cc: Robert Isaacs
> Subject: Possibility to meet?
>
> Hi Susan,
> I know you clearly remember the Charlene DeBert lawsuit on Armsby Lane. Remember, I was the good guy in all of it? Even though it was many years ago I still feel frustration with someone like that and how she manipulated her way through the court system. I do so appreciate the fact that you were there to represent the water company and communicated with Bruce Douglas so effectively. You know, I took the lawsuit as a personal affront to the entire Armsby Community and knew I needed to step up and use common sense for the common good. Thankfully the court system found in our favor, and I have to acknowledge your commitment to make that happen.
>
> Anyway, my reason for contacting you is to see if there is any possibility that you could sit with me for a few minutes and discuss the upcoming LAFCO hearing next week? I'm sure you're not aware of the fact that Colleene and I have attended Morgan Hill Bible Church for almost 30 years. I have been involved in all aspects of the function of the church and am very aware of the present situation with the proposed annexation. I'm hoping that if you would allow a few minutes of your time to meet with me there may be a possibility that I can provide some added insight and my own dose of common sense.
>
> Again, I know you're incredibly busy and may feel that there is no need for further discussions. I believe there is room for that and look forward to connecting at your convenience.
>
>
> Respectfully,
> Bob Isaacs
>
> Bob Isaacs

Abello, Emmanuel

Subject: FW: Possibility to meet?

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 2:43 PM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Possibility to meet?

-----Original Message-----
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To: susan@svwilsonlaw.com
Cc: Robert Isaacs
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Respectfully,
Bob Isaacs

Bob Isaacs

Abello, Emmanuel

From: Annette DiResta <morganhillrealestate@outlook.com>
Sent: Tuesday, March 08, 2016 8:54 AM
To: Palacherla, Neelima; Noel, Dunia
Cc: julie@greenfoothills.org; Trina Hineser
Subject: SEQ

Good Morning Neelima and Dunia,

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After serving a short time on SMPAC, attending SMNA meetings and currently in Leadership Morgan Hill Class of 2016; I've had a rather "condensed" course on MH's General Plan and matters involving south county growth and have contacted Dave Cortese multiple times regarding our issues, lack of being heard by Planners and poor representation by county officials.

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I believe the City of Morgan Hill is completely ignoring these options. Last Friday we had "City Government Day" at City of Morgan Hill and I spoke to Andrew Crabtree about the plan. He stated there were no access roads to these parcels. I told him if I hired him as a consultant, he'd figure out a way to make that happen, which I believe can be easily remedied (adding a frontage road or simply off Juan Hernandez).

Mr. Chiala called me last night wanting to discuss my statement at a LAFCO meeting last Friday that I knew of farmers with deep pockets that want to buy land. They have a real estate team already so I would need to be the listing broker before discussing any details.

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Another option is to incorporate San Martin into Morgan Hill, keeping its individuality; but having a more effective, local government. My suggestion was to have SMNA as our City Council, Trina Hineser as Mayor,

and SMPAC/SMNA members serve as a part of LAFCO since their motives and intent are to truly retain agriculture land as agriculture.

If this were to happen, 2 parcels currently under review: 18 flat acres at California and Monterey, and the former driving range off Monterey and Fitzgerald, would be another ideal location for large recreational facilities. Driving down Monterey/101 can be added retail and restaurants to increase local revenue.

My request is that the SEQ be simply moved to the west side of 101, with no other changes.

Thank You,

Annette DiResta
Broker | Owner | BRE 01526376
Morgan Hill Real Estate
Commercial | Residential
408.500.9158 C | 800.696.0753 F

Abello, Emmanuel

Subject: FW: Morgan Hill SRL Follow Up

From: susan@svwilsonlaw.com [mailto:susan@svwilsonlaw.com]
Sent: Wednesday, March 09, 2016 8:17 AM
To: Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>
Subject: FW: Morgan Hill SRL Follow Up

correspondence with city

From: Steve Rymer [mailto:Steve.Rymer@morganhill.ca.gov]
Sent: Tuesday, February 09, 2016 6:01 PM
To: susan@svwilsonlaw.com
Subject: Re: Morgan Hill SRL Follow Up

You are welcome.

Sent from my iPhone

On Feb 9, 2016, at 3:19 PM, "susan@svwilsonlaw.com" <susan@svwilsonlaw.com> wrote:

> Thank you. S. Wilson
>
> ---
>
> **From:** Steve Rymer [mailto:Steve.Rymer@morganhill.ca.gov]
> **Sent:** Wednesday, February 03, 2016 1:41 PM
> **To:** susan@svwilsonlaw.com
> **Cc:** Steve Tate
> **Subject:** Morgan Hill SRL Follow Up
>
> Hi Susan...
>
> Thanks again for meeting with us to discuss the City's LAFCO application...we truly appreciate you spending the time...below and attached are the follow up items you requested.
>
> 1. Why is Catholic high school proposed in SEQ and not previous location in the city? I confirmed that they did not continue to pursue the site between Monterey and Hale due to the requirements of the railroad. The second reason is that they did not want the planned road extension to bisect the campus.
> 2. Has anything changed with the Monterey-Hordness part of the application? Yes, four existing houses next to the Bible Church are now included. In addition, the City did follow-through on its commitment to adopt a City-wide Agricultural Preservation Ordinance that is now in effect.
> 3. The section of white on the SEQ map you asked about has been revised to include the proper designation: residential estate (orange)
> 4. We have also attached both location maps
>
> Please let me know if I missed anything or if you have further questions...we look forward to the March 11 LAFCO meeting...thanks again.

Steve

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Wednesday, March 09, 2016 8:16 AM
To: Palacherla, Neelima
Subject: FW: Santa Clara LAFCO

Correspondence with Michael Moore from Morgan Hill Times.

From: susan@svwilsonlaw.com
Sent: Tuesday, March 01, 2016 7:20 PM
To: 'Michael Moore'
Subject: RE: Santa Clara LAFCO

As a public servant and long term Morgan Hill resident, I am sentive to the concerns of the citizens and consider all comments in my decision-making process. I have been the Public Member of Santa Clara County LAFCO since 1995. Throughout my tenures, I have fostered the protection of agricultural lands and open space while promoting orderly and responsible growth following LAFCO's legistlative directive. This can be challenging in the wake of economic, social, and political pressures. I remain committed to the purpose and role that LAFCO serves in our communiteis and state. Susan Wilson

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From: Michael Moore [mailto:mmoore@newsvmedia.com]
Sent: Monday, February 29, 2016 1:11 PM
To: susan@svwilsonlaw.com
Subject: Re: Santa Clara LAFCO

Susan, Thank you. I was hoping to get some comments on your experience on the LAFCO board since you're the only board member who lives in Morgan Hill, and I think you have served on the board longer than any other current member. What is important to you as LAFCO commissioner when you approach each decision the board must make? What has inspired or motivated you to stay on the LAFCO board for as long as you have? Even just a quote or a few sentences along these lines would be greatly appreciated.

"susan@svwilsonlaw.com" <susan@svwilsonlaw.com> writes:

Good morning,

Thank you for your inquiry regarding LAFCO. Feel free to contact the Executive Director, Neelima Palacherla, regarding the general information on LAFCO that you are seeking including commissioners. Also our website www.santaclaralafco.org has information regarding LAFCOs. The 3/15/15 article in Gilroy Dispatch also gives a great summary on LAFCOs purpose and role.

Susan Vicklund Wilson
Attorney At Law
P.O. Box 1287
Morgan Hill, CA 95038

(408)779-4888

Michael Moore
Morgan Hill Times
editor@morganhilltimes.com
(408) 963-0121 desk
(770) 324-4614 cell

Abello, Emmanuel

Subject: FW: Meeting regarding LAFCO March 11th Meeting

From: Issa Ajlouny [mailto:issaajlouny@earthlink.net]
Sent: Thursday, February 18, 2016 3:21 PM
To: susan@svwilsonlaw.com
Subject: Meeting regarding LAFCO March 11th Meeting

Susan, I talked to you in December after the LAFCO meeting regarding Morgan Hill Bible Church and the Morgan Hill application coming up in March. I was hoping we from Morgan Hill Bible could meet with you now that the staff report has been released. Please let me know if this is still possible and what are good times and days for you?

Thank You,
Issa Ajlouny

Abello, Emmanuel

From: susan@svwilsonlaw.com
Sent: Wednesday, March 09, 2016 8:17 AM
To: Palacherla, Neelima
Subject: FW: Royal Oaks

-----Original Message-----
From: Don at Del Fresh Produce [mailto:dhordness@delfresh.com]
Sent: Wednesday, February 24, 2016 2:01 PM
To: susan@svwilsonlaw.com
Subject: Re: Royal Oaks

Thank you for getting back to me. I'm available for questions at any time. Don

> On Feb 24, 2016, at 7:33 AM, "susan@svwilsonlaw.com" <susan@svwilsonlaw.com> wrote:
>
> Thank you for your comments. I am in receipt of our staff report and am reviewing same in preparation for meeting. If I have any questions regarding your application or comments I will contact you. Or if you have any further comments, please feel free to email me.
>
> -----Original Message-----
> From: Don at Del Fresh Produce [mailto:dhordness@delfresh.com]
> Sent: Monday, February 22, 2016 3:32 PM
> To: susan@svwilsonlaw.com
> Subject: Royal Oaks
>
> Susan,
> I realized I didn't leave my phone number. Don
>
> 408-968-9404
>