AGENDA
REGULAR MEETING
Wednesday, August 14, 2002
1:15 p.m.

CHAMBERS OF THE BOARD OF SUPERVISORS
70 West Hedding Street, First Floor, East Wing
San Jose, CA 95110

CHAIRPERSON: Linda J. LeZotte
COMMISSIONERS: Blanca Alvarado, Donald F. Gage, Suzanne Jackson, Susan Vicklund-Wilson
ALTERNATES: Patricia Figueroa, Pete McHugh, Chuck Reed, Mary Lou Zoglin

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

If you wish to participate in the following proceedings, you are prohibited from making a campaign contribution of more than $250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than $250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings.

If you or your agent have made a contribution of more than $250 to any commissioner or alternate during the twelve (12) months preceding the decision, in the proceeding that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

1. ROLL CALL

2. PUBLIC PRESENTATIONS

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

3. APPROVE MINUTES OF JUNE 13, 2002 MEETING

4. APPROVE CONSENT CALENDAR

*4.1 Cupertino Sanitary District, Verde Vista 13.

A petition by property owners to annex two properties with a combined acreage of 1.09 acres located at 20520 Verde Vista Lane, Saratoga, CA, to Cupertino Sanitary District, designated as Verde Vista 13.
Possible Action: Approve annexation to Cupertino Sanitary District and waive protest proceedings

5. RECONSIDERATION OF MORGAN HILL 2001 USA AMENDMENT:
   AREA 1 - SUNNYSIDE AVENUE (STODDARD)
   A request by property owner for reconsideration of the Morgan Hill Urban Service Area (USA) Amendment for Area 1, Sunnyside Avenue (Stoddard). The proposal was denied by LAFCO on June 13, 2002.
   Possible Action: Deny the request to reconsider the proposal OR grant request to reconsider and hold public hearing

6. MORGAN HILL 2001 URBAN SERVICE AREA (USA) AMENDMENT:
   AREA 1 - SUNNYSIDE AVENUE (STODDARD)
   A proposal to include Area 1 consisting of three parcels, totaling 9 acres located on the east side of Sunnyside Avenue and approximately 1,300 feet south of the Sunnyside Avenue and Edmundson Avenue intersection, into the USA of the City of Morgan Hill.
   Possible Action: Public hearing will not be held if Commission does not grant request for reconsideration of proposal per Agenda Item No. 5. If hearing is held, consider proposal and staff recommendation.

7. CITY OF SAN JOSE 2002 USA AMENDMENT
   A request by the City of San Jose to expand its USA to include the following four areas:
   - Area A - 17-acre portion of APN 015-40-005 located at the western terminus of Dixon Landing Road;
   - Area B - 8-acre portion of APN 652-08-009 located on Murillo Avenue, opposite of Groesbeck Hill Park;
   - Area C - 8-acre portion of APN 654-03-009 located about 1,070 feet east of Murillo Avenue and 380 feet north of Quimby Road; and
   - Area D - 9-acre portion of APN 678-13-013 located on the northeast side of Piercy Road and about 400 feet west of Tennant Avenue.
   Possible Action: Consider the USA amendment request and staff recommendation

8. GILROY 1999 USA AMENDMENT: GILROY SPORTS PARK
   A request by the City of Gilroy to include into its USA, 140 acres comprising the Sports Park and adjacent commercial and residential properties located West of Monterey Road and South of Luchessa Avenue, and potential annexation of three parcels (APNs 808-21-030, 808-21-028, and 808-21-026) that comprise the Sports Park. (Continued from the June 13, 2002 meeting)
   Possible Action: Consider the USA amendment request and staff recommendation
9. **LAFCO SERVICE REVIEWS**
Recommendations on establishment of boundaries and priorities for conducting service reviews
Possible Action: Approve staff recommendation

10. **REPORT ON WEST LOYOLA ANNEXATION & SEWER PROJECT**
Possible Action: Accept staff report

11. **LAFCO ANNUAL REPORT (Fiscal Year 2001-2002)**
Possible Action: Accept July 2001-June 2002 LAFCO Annual Report

12. **EXECUTIVE OFFICER'S REPORT**
12.1 **Greenbelt Alliance's Coyote Valley Visioning Project (CVVP)**
Invitation to participate on the CVVP Partnership Committee
Possible Action: Authorize staff to participate on CVVP Partnership Committee

Possible Action: Authorize staff and interested Commissioners to attend the conference and authorize travel expenses funded by the LAFCO budget

12.3 **CALAFCO Executive Board Nominations**

13. **PENDING APPLICATIONS**
There are no pending applications

14. **WRITTEN CORRESPONDENCE**
14.1 **CALAFCO Newsletter**
14.2 **Newspaper Articles**

15. **ADJOURN**
Adjourn to the next regular business meeting on Wednesday, October 9, 2002.

**NOTE TO COMMISSIONERS:**
Upon receipt of this agenda, please contact Emmanuel Abello, LAFCO Clerk at (408) 299-5088 if you are unable to attend the LAFCO meeting.
SANTA CLARA COUNTY
Local Agency Formation Commission

MINUTES

WEDNESDAY, JUNE 13, 2002

1. ROLL CALL

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 13th day of June 2002 at 1:20 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California, with the following members present: Chairperson Linda J. LeZotte, and Commissioners Blanca Alvarado, Donald Gage, Susan Vicklund-Wilson and Mary Lou Zoglin.

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

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

2. PUBLIC PRESENTATIONS

Richard Larsen, Chairman, Leadership Committee, West Loyola Annexation Project, addresses the Commission to help facilitate annexation of the West Loyola Area to Los Altos Hills and seek sewer connection. He states that the parcels are contiguous to Ravensbury, an area that has been annexed and is now installing a sewer system. The area is also contiguous to Mora Drive which has not yet been annexed; however, it has been approved by LAFCO for sewer extensions. Eighty-eight percent of West Loyola residents signed a petition for annexation to Los Altos Hills. However, the Town requires that a sewer master plan be formulated before the Town can approve further sewer extensions. He advises that it will take one and a half years to complete the plan and proposes that LAFCO coordinate with the City of Los Altos and Town of Los Altos Hills to allow the neighborhood to temporarily hook up to sewers. He states that he will present a proposal at the Los Altos Hills Town Council's town meeting on June 20, 2002. Chairperson LeZotte requests that the matter be referred to staff for report on August 14, 2002. Ms. Palacherla states that it is the responsibility of Los Altos Hills Town Council to initiate the proceedings for annexation, because the area is within the Town’s Urban Service Area (USA).
Mr. Larsen expresses concern that both the City and the Town have not taken any steps to initiate the annexation process. Ms. Kretchmer advises that staff will determine LAFCO's role in the matter.

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the matter be referred to staff for report at the August 14, 2002 meeting.

3. **APPROVE MINUTES OF APRIL 10, 2002 MEETING**

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is ordered on a vote of 4-0, with Commissioner Zoglin abstaining, that the minutes of April 10, 2002 meeting be approved, as submitted.

4. **APPROVAL OF CONSENT CALENDAR**

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the consent calendar be approved.

4.1* **WEST VALLEY SANITATION DISTRICT—DEER PARK ROAD**

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that Resolution No. 02-05 be adopted, approving the annexation of 17203 Deer Park Road to West Valley Sanitation District (WVSD), designated as WVSD 2002-01 (Deer Park Road), and waiving the protest proceedings.

4.2* **SAN JOSE DE-ANNEXATION—CASALOMA ROAD**

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that Resolution No. 02-06 be adopted, approving the de-annexation of approximately 1.5 acre portion of 327 Casa Loma Road from the City of San Jose and waiving the protest proceedings.

5. **PUBLIC HEARINGS**

5.1 **MORGAN HILL 2001 URBAN SERVICE AREA (USA) AMENDMENT**

5.1A **MORGAN HILL 2001 USA AMENDMENT—SUNNYSIDE AVE. (STODDARD)**

This being the time and place set for public hearing to consider a request by the City of Morgan Hill to amend its USA to include Sunnyside Avenue (Stoddard), Chairperson LeZotte declares the hearing open.

Ms. Palacherla reports that the site is within the urban growth boundary of the City of Morgan Hill and is surrounded by the City limits and USA on three sides. There
are two single family homes currently on the property and it is anticipated that 44 new homes will be built on the subject properties after annexation. She states that Measure P dictates that the City will not request a USA expansion if there is more than a five-year supply of vacant residential lands on either side of Monterey Road. However, the Desirable Infill Policy provides an exemption if the certain land is less than 20 acres, if it is adjacent to the city limits, if the city can provide services, and if the project will provide a benefit to the city. Ms. Palacherla notes that the property is in compliance with Morgan Hill’s General Plan because it is less than 20 acres, adjacent to City limits and USA, and the City is able to provide services. She indicates that the proposed USA amendment will be a benefit to public welfare because of the looping of a waterline to the south of the property. In terms of LAFCO policy, she states that there is no agricultural land impacted by the proposal, the boundary proposed is logical, and the City is able to provide the necessary services. She further states that the issues concerning this proposal relate to the availability of vacant land and also its growth inducing impact. She reports that the City has approximately 11 years worth of vacant residential land on the west side of Monterey Road and a larger amount of vacant residential land on the eastern side. LAFCO policies encourage compact development and require that available lands be used first before new lands can be developed. Ms. Palacherla further advises that the proposed new road to access Edmundson Avenue will go through many unincorporated lands, which would create incentive to other landowners along that road to also develop their properties. Ms. Palacherla expresses the opinion that this would result in a growth inducing impact and notes that staff recommends denial of the application.

Terry Linder, Senior Planner of the City of Morgan Hill, states that she generally concurs with the staff analysis and recommendations relating to Items Nos. 5.1B and 5.1C, however, she does not concur with the staff analysis on the Morgan Hill 2002 USA Amendment, Sunnyside Avenue (Stoddard). She advises that while the City has more than enough vacant land reserves, and that Area 1 can be exempted under the Desirable Infill Policy because the City can serve the property, it is surrounded on three sides by the city boundary, it is less than 20 acres, and it will benefit the community with a looping of a water line. She cites that since County has allowed new developments in the area, Morgan Hill also wants to control the land use and development of that area. To promote circulation, a road connection to Edmundson Avenue is necessary. Finally,
she states that there are no water and sewer services available at Edmundson and Sunnyside avenues at this time. In response to a query by Commissioner Wilson, Ms. Linder states that the proposed new road to Edmundson Avenue will run parallel to Edmundson Creek. In response to an inquiry by Commissioner Zoglin, Ms. Linder states that there are new developments in the area approved by the County in the past two years. Ms. Palacherla explains that the newly developed area has been zoned by the County as Rural-Residential which allows the building of single family homes on 5 to 20 acre lots.

Commissioner Gage moves that staff recommendation be approved to deny the application. Commissioner Wilson seconds the motion. Commissioner Wilson notes that there are additional speakers who want to address the Commission. Chairperson LeZotte requests public comment.

Richard Stoddard, property owner, states that the inclusion of his property into Morgan Hill’s USA will benefit the citizens. He states that the project meets the desirable infill criteria under Measure P, was approved by the City Council in November 2000, and is bounded by the City on three sides. Mr. Stoddard furthers states that the project benefits Morgan Hill by creating a water line and has already benefited the City by constructing a storm drain on the eastern edge of his property and water lines along Via Castaña. He notes that this development complies with the infill provisions, because it allows orderly growth consistent with the General Plans of Morgan Hill and the County. He reports that other landowners in the area are willing to allow the road to pass through their properties, and that his property is no longer agricultural. He clarifies that the number of new houses that will be built on his property is only in the mid-20s.

David Cruz, property owner of an adjacent property, requests that the Commission deny the request, because the plans include his driveway and water well. He notes that Measure P has been very flexible and that the area is already congested.

Receiving no further requests from the public to speak, the Chairperson orders that the hearing for this item be closed.

It is unanimously ordered that the staff recommendation be approved to deny the request by the City of Morgan Hill for the 2001 expansion of its USA in Area 1, consisting of 9 acres located on the east side of Sunnyside Avenue.
5.1B MORGAN HILL 2001 USA AMENDMENT — HALE AVENUE (CATHOLIC HIGH SCHOOL)

This being the time and place set for public hearing to consider a request by the City of Morgan Hill to amend its USA to include Hale Avenue (Catholic High School), Chairperson LeZotte declares the hearing open.

Ms. Palacherla reports that the site is approximately 30 acres and is within the urban growth boundary of Morgan Hill. It is surrounded by the Morgan Hill’s USA on three sides and the City limits on two sides. She notes that subsequent to annexation, a private high school will be built on the property and that Morgan Hill’s Measure P does not apply to non-residential proposals. With regard to LAFCO policies, she states that the proposal is a logical extension of the City boundary, the City is able to provide all the necessary services, and that it is the only parcel of the required size within its boundaries that can accommodate a high school. Ms. Palacherla further notes that the Environmental Impact Report indicates that the alternative sites which were considered would have similar impacts. However, this project would result in the loss of 30 acres of prime agricultural land. She notes by saying that this land has been dry-farmed during the last five years, the proposal will not impact adjacent farmlands or open space areas, and that staff recommends approval of the USA expansion.

Roger Shanks, Burton Clifford Associates, contractor for the Catholic Church of San Jose, requests that the Commission approve the application because the high school will serve Morgan Hill and the surrounding communities.

Ms. Palacherla modifies the staff recommendation to include the condition that Morgan Hill adopt a monitoring plan in compliance with the California Environmental Quality Act (CEQA). On the query of Chairperson LeZotte, Ms. Kretchmer advises that, if the Commission approves the staff recommendation, the CEQA monitoring plan is included in the approval.

Receiving no further requests from the public to speak, the Chairperson orders that the hearing for this item be closed.

On motion of Commissioner Gage, seconded by Commissioner Alvarado, it is unanimously ordered that the staff recommendation (Resolution No. 02-07) to approve the request by the City of Morgan Hill for the 2001 expansion of its USA in Area 2, consisting of 30 acres located on the west side of Monterey Road, east of Hale Avenue, be approved.
5.1C  **MORGAN HILL 2001 USA AMENDMENT—CONDIT ROAD (SOCCERFIELD)**

This being the time and place set for public hearing to consider a request by the City of Morgan Hill to amend its USA to include Condit Road (Soccerfield), Chairperson LeZotte declares the hearing open.

Ms. Palacherla reports that the site, which is developed as a soccer field, was purchased by the City of Morgan Hill and the City desires to include the property within its jurisdiction. There is no further development plan or change in use being proposed. However, she states that it is possible that the City may want to expand the facility in the future. The site is within Morgan Hill's urban growth boundary and is adjacent to its USA on two sides. The City's Measure P and Desirable Infill policy will not apply because it is non-residential. She continues by stating that there is no impact on existing agricultural lands, the USA amendment will result in a logical boundary, and the City is currently providing water service and will provide sewer service after annexation. Ms. Palacherla concludes by stating that the City does not have any vacant lands designated as public facility within its boundaries, and that staff recommends approval of the USA amendment.

Receiving no request from the public to speak, the Chairperson orders that the hearing for this item be closed.

On motion of Commissioner Gage, seconded by Commissioner Alvarado, it is unanimously ordered that the staff recommendation (Resolution No. 02-08), approving the request of the City of Morgan Hill for the 2001 expansion of its USA in Area 3, consisting of 35 acres located on the west side of Murphy Avenue, east of Condit Road, be approved.

5.2  **GILROY 1999 USA AMENDMENT (GILROY SPORTS PARK)**

Chairperson LeZotte announces that the City of Gilroy has requested a continuation of this item to the August 14, 2002 meeting.

On motion of Commissioner Gage, seconded by Commissioner Alvarado, it is unanimously ordered that the City of Gilroy's 1999 USA amendment be continued to the August 14, 2002 meeting.

5.3  **LAFCO FINAL BUDGET FOR FISCAL YEAR 2002-2003**

On motion of Commissioner Gage, seconded by Commissioner Alvarado, the LAFCO Final Budget for fiscal year 2002-2003 is unanimously approved.
6. EXECUTIVE OFFICER'S REPORT

6.1 LOGO FOR LAFCO

Ms. Palacherla states that the Cortese-Knox-Herzberg Act requires LAFCOs to be independent agencies, and a LAFCO logo has been designed to emphasize LAFCO's independence. Ms. Palacherla recommends that the Commission approve the logo and authorize its use.

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the LAFCO logo be approved and its use be authorized.

6.2 SENATE LOCAL GOVERNMENT COMMITTEE AB 2838 IMPLEMENTATION SURVEY

Ms. Palacherla directs attention to staff's response to a survey by the State Senate Local Government Committee requesting information on the progress of implementation of Assembly Bill 2838. The Senate Committee requests that LAFCOs review the responses before submitting the survey.

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the response to the survey questionnaire be approved.

6.3 STATUS REPORT ON SERVICE REVIEWS PROJECT

Ms. Palacherla reports that staff continues to work on the service reviews project and has hired a consultant to assist with Stage 2 tasks. Staff will present the service reviews priorities for the Commission’s approval on August 14, 2002.

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the staff report be approved relating to the status of the service reviews project.

7. PENDING APPLICATION

Ms. Palacherla notes that there is a pending application by Cupertino Sanitary District to annex two properties with a combined area of 1.090 acres located at 20520 Verde Vista Lane, Saratoga, CA, designated as Verde Vista No. 13.

8. WRITTEN CORRESPONDENCE

8.1 LETTER ON WEST LOYOLA ANNEXATION PROJECT

This item was discussed during the public presentation.
9. **ADJOURNMENT**

   On the order of the Chairperson, there being no objection, the meeting is adjourned at 1:57 p.m. to the next regular meeting to be held on Wednesday, August 14, 2002 at 1:15 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

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Linda J. LeZotte, Chairperson
Local Agency Formation Commission

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Emmanuel Abello, LAFCO Clerk
REPORT OF THE EXECUTIVE OFFICER

Date: August 6, 2002
Designation: Cupertino Sanitary District, Verde Vista No. 13
Type of Application: Annexation to District (LAFCO Heard Change of Organization)
Filed By: Resolution
Date of Hearing: Aug 14, 2002

1. REVIEW OF PROPOSAL
   a. Acreage and location:
      1.01 acres located at 20520 and 20518 Verde Vista Lane
   b. Effect on community services
      □ Provision of all municipal services
      □ Provision of all district services
      □ Municipal/District services not provided
      □ Detachment from
      □ School District Impact Report
      □ County Transit Impact Report
   c. □ Inhabited  □ Uninhabited
   d. Are boundaries Definite and Certain? □ Yes  □ No
   - Conforms to Sphere of Influence? □ Yes  □ No
   - Creates island, corridor or strip? □ Yes  □ No
   - Conforms to road policy? □ Yes  □ No
   - Conforms to lines of assessment? □ Yes  □ No
      (if no, explain)
   e. Present land use:
      Single Family Residential
   f. Proposed land use:
      same
   g. Involves prime agricultural land or Williamson Act land? No

2. ENVIRONMENTAL REVIEW OF PROPOSAL
   □ Annexation is Categorically Exempt from CEQA
      Class 19 Section 15319(b) and Class 3 Section 15303(a) and (d)
   □ The City is the Lead Agency and completed Initial Study and Negative Declaration/Final EIR
   □ LAFCO is the Lead Agency and prepared Negative Declaration/Draft EIR

3. SUGGESTED CONDITIONS OR OTHER COMMENTS:
   See Exhibit C (Terms and Conditions)

4. PROTESTS:

5. RECOMMENDATIONS:
   Approve annexation to Cupertino Sanitary District, subject to terms and conditions (see Exhibit C), and waive protest proceedings.

By: _________________________________
Neelima Palacherla, Executive Officer

Date: 8/6/02
Date prepared: July 22, 2002

Hearing date: August 14, 2002

To: The Santa Clara County Local Agency Formation Commission

From: Dunia Noel, LAFCO Analyst

Subject: Cupertino Sanitary District Annexation: Verde Vista No. 13

Recommended Environmental Action:

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

Reasons for Recommendation:

The project is exempt under CEQA Class 19, Section 15319 (b); and Class 3, Section 15303 (a) and (d) that states:

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

Section 15303: Class 3 consists of construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures...The number of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include, but are not limited to:

(a) One single-family residence or a second dwelling unit in a residential zone.

(d) Water main, sewage, electrical, gas, and other utility extensions, including street improvements of reasonable length to serve such construction.

Cupertino Sanitary District proposes to annex two parcel (Assessor Parcel Numbers: 503-20-109 and 503-20-110) totaling 1.01 acres located on the west side of Saratoga-Sunnyvale Road between Verde Vista Court and Toni Ann Place in the City of Saratoga. The parcels, located at 20520 and 20518 Verde Vista Lane, is located in the City of Saratoga and have an existing 2,134 sq. ft. home on one of the parcels. The property owner would like to demolish the existing home, abandon the existing septic system, construct two new single-family residences, and connect the new residences to sewer through the Cupertino Sanitary District.

Commissioners: Blanca Alvarado, Donald F. Gage, Suzanne Jackson, Linda LeZotte, Susan Vicklund Wilson
Commission Secretary: (408) 299-5088
Regarding the annexation into the Cupertino Sanitary District, the parcel is zoned R-1-12,500 (Residential with a 12,500 square foot minimum lot size requirement). The parcels are located within the City of Saratoga and are not eligible for further subdivision. The parcel is located inside of the City of Saratoga’s Urban Service Area and inside of the City of Saratoga’s Sphere of influence. The parcel is located within Cupertino Sanitary District’s Sphere of Influence. The proposed annexation to Cupertino Sanitary District is thus exempt from CEQA because the special district annexation meets the requirements of the Class 19 and Class 3 exemptions.
EXHIBIT "A"

DESCRIPTION OF TERRITORY TO BE ANNEXED TO CUPERTINO SANITARY DISTRICT

VERDE VISTA NO. 13
APRIL, 2002

The following described real property situate in the City of Saratoga, County of Santa Clara, State of California.

BEGINNING at a point in the present boundary line of the Cupertino Sanitary District as established by annexation entitled, Verde Vista No. 2, filed for record in Book 7555 of Official Records at page 193, Santa Clara County Records said point being at the intersection of the center line of Verde Vista Lane and the southerly prolongation of the westerly line of Parcel 1 as shown on that certain Parcel Map filed for record in Book 730 of Maps at page 18, Santa Clara County Records; thence along said westerly line of said Parcel 1 and its southerly prolongation and the easterly line of said annexation Verde Vista No. 2 N 0°14'00" E 250.00 feet to the northwesterly corner of said Parcel 1; thence along the northerly line of Parcels 1 and 2 of said Parcel Map S 89°31'00" E 189.97 feet to the northeasterly corner of Parcel 2 of said Map and a point on the westerly line of that certain annexation to the Cupertino Sanitary District entitled, Verde Vista No. 5 filed for record in Book 9124 of Official Records at page 155, Santa Clara County Records; thence along the easterly line of said Parcel 2 and its southerly prolongation and the westerly line of said annexation Verde Vista No. 5 S 0°14'00" W 250.00 feet to the center line of Verde Vista Lane; thence along said center line N 89°31'00" W 189.97 feet to the POINT OF BEGINNING.

Said parcel of land containing 47,492 square feet or 1.090 acres, more or less.

This description was prepared for the annexation of territory to the Cupertino Sanitary District. This description is not to be used to create or subdivide any parcel of land.

Prepared by;
Marvin D. Kirkeby
R.C.E. No. 14001
Expires 3/31/2005
Exhibit C

TERMS AND CONDITIONS FOR ANNEXATION
TO CUPERTINO SANITARY DISTRICT

The annexation shall be subject to the following terms and conditions:

1. In the event that pursuant to rules, regulations or ordinances of the District, as now or hereafter amended, the District shall require any payment of a fixed or determinable amount of money, either as a lump sum or in installments, for the acquisition, transfer, use or right of use of all or any part of the existing property, real or personal, of the District, such payment will be made to the District in the manner and at the time as provided by the rules, regulations or ordinances of the District as now or hereafter amended.

2. Upon and after the effective date of said annexation, the Property, all inhabitants within such Property, and all persons entitled to vote by reason of residing or owning land within the Property shall be subject to the jurisdiction of the District, shall have the same rights and duties as if the Property had been a part of the District upon its original formation, shall be liable for the payment of principal, interest and any other amounts which shall become due on account of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of the District and shall be subject to the levying or fixing and collection of any and all taxes, assessments, service charges, rentals or rates as may be necessary to provide for such payment; and shall be subject to all of the rates, rules, regulations and ordinances of the District, as now or hereafter amended.

3. The owner of Assessor's Parcel Number 503-20-110 shall grant to the District an easement at the northeast corner of said parcel for the purpose of installing maintenance facilities for the District's sewer line, such easement to be at a location and in form and substance approved by the District Manager. The easement referred to herein shall be recorded in the Office of the Recorder for Santa Clara County, California, and constitute encumbrances against Parcel 503-20-110 that shall run with the land.
August 5, 2002

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: Reconsideration of Morgan Hill Urban Service Area (USA) Amendment (2001) AREA 1 (Sunnyside – Stoddard)

Agenda Items #5 and #6

ACTIONS REQUIRED BY COMMISSION

1. The Commission is first required to vote on whether or not the Commission grants the reconsideration of the proposal based on Government Code Section 56895.

2. If the Commission decides to accept the reconsideration:

   a. The Commission will consider whether to hear the item at this time or continue it to the October 9, 2002 meeting as requested in letter dated July 31 2002 from the property owner’s attorney, Mr. Bruce Tichinin. (See Attachment B)

   b. Lastly, the Commission will take action on the proposal either at this meeting or at a future hearing.

STAFF RECOMMENDATION

If the Commission votes to reconsider the proposal, staff recommends that the Commission:

   a. Deny the request for further continuance of the item.

   b. Deny the inclusion of Area 1 (Sunnyside-Stoddard) into Morgan Hill Urban Service Area (USA).

PROJECT DESCRIPTION

Mr. Dick Stoddard, landowner is requesting reconsideration of the LAFCO action taken at the June 13, 2002 meeting to deny inclusion of Area 1 containing 9 acres located on the...
east side of Sunnyside Avenue into the Morgan Hill USA. For a detailed description of the project, please refer to the Staff Report dated May 28, 2002 (see Attachment A)

BACKGROUND

Section 56895 of the Cortese Knox Hertzberg Act (CKH Act) allows any person / agency to file a written request for reconsideration of a LAFCO resolution within 30 days of the adoption of the resolution. The law also requires that to allow reconsideration by the Commission, the written request must state any new or different facts that could not have been presented previously. Attached are the two letters from Mr. Dick Stoddard requesting reconsideration and stating the reasons for requesting reconsideration. (See Attachment C)

New Facts

As mentioned above, state law requires that the applicant include in their written request any new or different facts that could not have been presented previously. Staff believes that the new information on which Mr. Stoddard is basing his request for reconsideration is the fact that two alternative routes were presented to and discussed with the City of Morgan Hill for completion of Via Castana to serve as access to proposed development on the subject site. The letter also indicates that Mr. Stoddard is in support of the extension to Sunnyside Avenue.

Deny Request for Continuance

Mr. Bruce Tichinin, the attorney for the property owner is seeking continuance of this item to analyze LAFCO records of the past 10 years.

Each LAFCO application is analyzed and considered independently based on LAFCO policies and state law. The new facts relevant to this reconsideration proposal pertain to where the access road is being located, and not to LAFCO actions over the past 10 years. For this reason staff recommends that the Commission deny the request for continuance.

Deny Urban Service Area Expansion for Area 1

At the June LAFCO meeting there was some uncertainty as to how access would be provided to the proposed development. Mr. Stoddard in his letter clarifies that two alternative proposals were considered by the City Council. One of the options is to extend Via Castana northward along the eastern border of the subject property and extend northerly through the Rubino property to intersect Edmundson. The other option is to extend Via Castana to Sunnyside Avenue along the northern border of the subject property. To become feasible, both options require additional right of way acquisitions from properties not included in this application. These rights of way have not yet been secured. The City Council has not made a decision on the two options but will require that a traffic study be completed prior to any actual development.
Staff believes that these facts do not completely alleviate the issues raised by staff in the previous Staff Report regarding availability of excess vacant residential lands within the existing USA and the growth inducing impacts generated by the proposal.

Staff recommends denial of the USA expansion request because the project is not consistent with LAFCO policies. The city has approximately 11 years worth of vacant residential land just on the west side of Monterey Road, as stated in the previous staff report. Addition of more residential lands to the City at this time is premature and is against the general concepts of infill and compact development.

Also, if the first option for the access road were chosen, it would involve extending a road through an unincorporated rural area to connect to Edmundson Avenue. This, as mentioned previously, would destroy the rural character of the area as well as make it more feasible for those properties to seek to develop those lands thus leading to potential additional growth.

ATTACHMENTS

Attachment A: Staff Report dated May 28, 2002; Area 1 (Sunnyside – Stoddard) Morgan Hill 2001 USA Amendment

Attachment B: Letter dated July 31, 2002 from Mr. Tichinin, the attorney requesting continuance

Attachment C: Letters from Mr. Dick Stoddard dated July 11, 2002 and July 13, 2002 requesting reconsideration of LAFCO action regarding Morgan Hill USA Application Area 1
May 28, 2002

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: Morgan Hill Urban Service Area (USA) Amendment (2001)
AREA 1 (Sunnyside – Stoddard)

RECOMMENDATION

1. CEQA Action

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

a. Find that the Initial Study and Negative Declaration approved by the City of Morgan Hill was completed in compliance with CEQA and, together with the additional information being provided by the City, is an adequate discussion of the environmental impacts of the project,

b. Find that prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as outlined in the Initial Study and Negative Declaration.

2. AREA 1 (Sunnyside–Stoddard)

Deny the inclusion of Area 1 containing 9 acres, into Morgan Hill Urban Service Area.

PROJECT DESCRIPTION

The City of Morgan Hill proposes to expand its Urban Service Area (USA) boundary to include 3 adjacent parcels (APN: 767-32-018, 767-32-021, and 767-20-22) totaling 9

Commissioners: Blanca Alvarado, Donald F. Gage, Suzanne Jackson, Linda LeZotte, Susan Vicklund Wilson
Commission Secretary: (408) 299-5088
acres located on the east side of Sunnyside Avenue, approximately 1,300 ft. south of the Sunnyside Avenue/Edmundson Avenue intersection.

Two of the parcels contain existing single-family homes. The third parcel (0.17 Acres), which belongs to the City of Morgan Hill, contains a segment of West Little Llagas Creek and is used for flood control purposes. This parcel is assumed not to have any development potential and is included solely for the purpose of creating an orderly and logical boundary.

BACKGROUND

Land uses on Project Site and Surrounding Areas

The project site currently has a County General Plan designation of "Rural Residential", with a zoning designation of RR-sr. (5-20 acre minimum lot size depending on the parcel's average slope).

The City's General Plan designation for the area is "Single Family Medium (3-5 dwelling units per acre)," with an anticipated zoning designation of "R-1 7,000". The two developable parcels total 8.83 acres and have a maximum development potential of 5 units per acre. This would result in the potential development of a maximum of 44 new homes after annexation.

The adjoining properties to the south, west and east are all developed with single-family residences in the City. The land uses adjacent to the north side of the area consists of single-family homes located within the unincorporated county. The zoning on those parcels is Rural Residential (RR) with minimum lot sizes between 5 and 20 acres.

Residential Development Control System (RDCS)

The citizens of Morgan Hill adopted RDCS (Measure E) in 1977, in response to the extraordinary growth experienced by the City in the early and mid 1970's. RDCS was designed to slow rapid growth by a building allocation system that would limit building allocations issued each year. To receive a building allocation, an application would have to compete against other application in a development review process held approximately every year. The projects that received the highest combined score would be eligible for building allocation. The criteria used to score projects numerically are included in the attached packet of information from the City. The number of building allotments given each year under Measure E were based on a target population of 30,000 in the year 2000 which allowed for an average of 200 new residential units per year.

Measure P

In November 1990, Morgan Hill voters approved Measure P, a ballot initiative that modified the City's Residential Development Control System. In addition to limiting annual residential growth to 250 building permits per year and setting a January 1, 2010,
population cap of 38,800, several of the provisions of Measure P also pertain to the expansion of the City’s USA.

Section 18.78.070 (A) of the Morgan Hill Municipal Code (in which Measure P is codified) states that the City shall neither apply to LAFCO, nor otherwise request or support, the addition of any land to its USA, until such time as the City Council finds that the amount of undeveloped residentially developable land either to the east of Monterey Road or to the West of Monterey Road within the existing USA is insufficient to accommodate five years’ worth of residential growth for the land on that side of Monterey Road. The projected rate of growth for the purposes of this determination shall be the rate of growth provided for by the general plan and the Residential Development Control System, Measure P. After making such a finding of land insufficiency, the City may support the addition of land to the USA only on the side having the insufficiency, and only to the extent necessary to support five or fewer years of growth on that side of Monterey Road.

Desirable Infill

However, Measure P provided for minor exceptions to the land use study requirement. This exception is known as “Desirable Infill”. Desirable Infill (codified into section 18.78.070(B) of the City’s Municipal Code) is defined by Measure P as a tract of land not exceeding twenty acres in size and abutted on two sides by the city limits or on one side by the city limits and having two other sides within a quarter mile of a city limit, as determined by a perpendicular line drawn from the side of the parcel to the city boundary, and whose inclusion into the USA would not unduly burden city services and would beneficially affect the general welfare of the citizens of the City. The Morgan Hill City Council adopted a policy setting forth criteria for “Desirable Infill Standards”. These standards are included within the attached packet of information from the City. In December 1992, LAFCO agreed to consider minor urban service area amendments submitted by the City of Morgan Hill which meet the City’s Desirable Infill standards.

ENVIRONMENTAL CONSIDERATIONS

Initial Study and Negative Declaration

An Initial Study and Negative Declaration was prepared for the proposal, a copy of which is attached. As a responsible agency under CEQA, LAFCO must find that the Initial Study and Negative Declaration approved by the City of Morgan Hill was completed in compliance with CEQA and, together with the additional information being provided by the City, is an adequate discussion of the environmental impacts of the project, further finding that LAFCO reviewed and considered the environmental effects of the project.

An analysis of the environmental information is contained in the attached LAFCO Analyst’s staff report.
CONSISTENCY WITH MORGAN HILL GENERAL PLAN

Urban Growth Boundary

The proposal area is within the City's urban growth boundary, which was adopted by the City in 1996.

Desirable Infill Standard

Since the proposal area has a residential land use designation, pursuant to the City's Measure P, it may be included in the USA if it is consistent with the Desirable Infill Standard.

According to the City's analysis, the area meets all of the criteria set up in Measure P for the desirable infill standard by:

1. meeting the physical / locational requirement,
2. receiving a passing score under Part 1 of RDCS which evaluates the city's ability to provide services to the area and,
3. being considered orderly and contiguous and providing a beneficial element to the city. The City Council resolution states that including this area in its USA would benefit the City by allowing for the gridding of the water lines within the La Crosse neighborhood. A second benefit identified by the City is that the City would have control of development occurring in the area. (The second benefit is not included in the City's adopted criteria for meeting the Desirable Infill Standard.)

CONSISTENCY WITH COUNTY GENERAL PLAN

The proposal area is consistent with the Growth and Development 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, without substantial adverse environmental impacts, and not likely to create severe off-site impacts on the surrounding areas or to any natural resource.

The proposal is only partially consistent with policy C-GD 8. Although the area is contiguous to the existing urbanized area, and all needed public services and facilities can be provided within 5 years without lessening existing levels of service, it is inconsistent with the policy because the city already has more than a 5 year supply of vacant residential land within its USA. Please see detailed discussion below.
CONSISTENCY WITH LAFCO POLICIES

Conversion of Prime Agricultural Lands and Open Space

The area does not consist of identified prime agricultural lands. Single-family homes currently exist on two of the parcels. Therefore the proposal would not impact agricultural lands or open space.

Logical and Orderly, Efficient Boundaries

The proposed expansion is surrounded by the city and its current USA boundary on three sides.

Growth Inducing Impact

The proposed access to this property would be through the extension of a road through the unincorporated parcel (Rubino property) located north of this area to Edmundson Avenue. Extension of infrastructure through this area at this time is likely to generate growth prematurely on the unincorporated properties between this area and Edmundson Avenue, especially since these properties are all within the City’s urban growth boundary. Permission for the access has not yet been secured.

Five-Year supply of Vacant Land

The City’s RDCS requires that one third of all development be constructed on the west side of Monterey Road, one third on the east and the remaining third on either side. The proposal area is located on the west side of Monterey. There is about 400 acres of vacant land with a residential designation on the west side. Based on the average density this would allow for 1,363 units. It is assumed that Measure P allows construction of about 250 units per year. Assuming that 125 units are built on the west side, this would mean that there is about 11 years worth of vacant residential land just on the west side of Monterey Avenue. There is at least as much vacant residential land on the east side of Monterey Road as well.

In cases where there is more than 5 years worth of vacant land within the existing boundaries, LAFCO policies require the City to explain why the additional land is necessary to be included at this time. The City states that inclusion its USA, annexation and development of the project site within the City would benefit the City by allowing for gridding of the water system and by giving the city more control over land development in the area.

Ability of City to Provide Urban Services

The area is located within the fire protection services’ five-minute response area of the Santa Clara County Fire Department. Since this response time is consistent with the City Emergency Services Master Plan, there would be no need for any additional fire protection facilities in the project vicinity.
The area is located adjacent to existing residential areas which are currently provided with police services from Morgan Hill Police Department. In general, the development of the area would add to the growth of the community and therefore contribute to the need for additional police staff. Site-specific plans, which are not yet available, will be required to determine the actual impact to the department.

A 6-inch sewer line exists along the property frontage on Sunnyside Avenue and another 6-inch line is currently stubbed to the proposal area’s southerly boundary. South County Regional Wastewater Authority (SCRAW) treats the wastewater for the City of Morgan Hill. Development that is in accordance with City General Plan land use designations is anticipated in the SCRAW’s phased wastewater treatment schedule.

Adequately sized (10 inch) water line exists along the property frontage on Sunnyside and an 8-inch water line is stubbed to the southerly boundary. The City’s Water System Management Plan takes into account all development that occurs in accordance with General Plan land use designation. The development of the housing units will be deducted from the total City population cap of 38,800 for the year 2010 and so has been anticipated for future water supply needs and facilities.

Ability of School District to Provide School Facilities

Annexation and development of the area would result in a maximum of 44 new housing units. Based on an estimate of about 0.71 students per housing unit (provided by MHUSD), a total of 31 new students would be generated as a result of the new development. It is estimated that 54% (19 students) would attend the elementary school, 24% (5 students) would attend the middle school and 22% (8 students) would attend the high school. The MHUSD is planning for enrollment levels to be consistent with the year 2010 City population cap of 38,800 residents under General Plan build out. This annexation is included in the General Plan’s calculations and is consistent with school district’s facilities plan for year 2010.

Fiscal Impacts Analysis

It is estimated that the new development (44 new homes) would generate about 140 new residents at the rate of 3.19 persons per housing unit.

Fiscal Impact to City

Development of the area is projected to generate a slight surplus of about $40,200 in Fiscal Year 2002-2003, a large portion of which is due to property transfer tax revenue from initial sale of residential properties. In Fiscal Year 2003-04, the surplus will be about $29,100 and by 2006-07, the surplus will be about $31,167.
Fiscal Impact to County of Santa Clara

It is estimated that the net increase of 134 new residents to the City as a result of the development would result in a County deficit of about $14,550 in Fiscal Year 2002-03 and increase to about $16,700 by Fiscal Year 2006-07.

Fiscal Impact to Morgan Hill Unified School District (MHUSD)

Each year, the State Department of Education establishes a revenue limit for the school district that is adjusted according to changes in districts’ average daily attendance. The state provides the district with operating revenues so that the district’s local property tax revenue plus the state provided funding equals the revenue limit. So, as the public school attendance rises, MHUSD expects school revenues and expenditures to increase.

CONCLUSION

Staff recommends that this area (Area 1 Sunnyside-Stoddard) be denied for inclusion in the urban service area at this time as there currently exists about 11 years worth of vacant residential land just on the west side of Monterey Road within the city and more vacant land on the east side of Monterey Road. To insure more compact development and to discourage premature conversion of rural lands, it is critical that the City use up the vacant land within its boundaries before seeking to add more land for development. Although in this case there is no impact on agricultural lands or on the provision of efficient services, it is likely that inclusion of these lands would encourage adjacent unincorporated lands to seek inclusion in the near future especially since the development of this property is hinged on the extension of a road through a private property that is currently in the county outside the City’s urban service area.

ATTACHMENTS

Attachment A: Map of the Area

Attachment B: LAFCO Analyst Report with Environmental Analysis

Attachment C: Fiscal Impact Report for Area
Urban Service Expansion to the City of Morgan Hill

- City Limit
- Urban Service Boundary
- Urban Growth Boundary

Exhibit A-1
Stoddard Property, Area I
To: The Santa Clara County Local Agency Formation Commission
From: Dunia Noel, LAFCO Analyst
Subject: 2001 MORGAN HILL URBAN SERVICE AREA EXPANSION - AREA 1 (Sunnyside-Stoddard)

Recommended CEQA Action:

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

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

Purpose:

The City of Morgan Hill proposes to expand their Urban Service Area (USA) boundary to include 3 adjacent parcels (APN: 767-32-018, 767-32-021, and 767-20-22) totaling 9 acres located on the east side of Sunnyside Avenue, approximately 1,300 ft. south of the Sunnyside Avenue/Edmundson Avenue intersection. The property owner, Roberta Stoddard, initiated the proposal. This area is within Morgan Hill’s Urban Growth Boundary but is outside of Morgan Hill’s Urban Service Area boundary and City Limits. All three parcels are co-terminus with the City’s USA boundary.

Background:

Existing and Proposed Use of the Property

Two of the parcels contain a single-family home. The third parcel (.17 Acres), which belongs to the City of Morgan Hill, contains a segment of West Little Llagas Creek. The
City parcel is assumed not to have any development potential and is included solely for the purpose of creating an orderly and logical boundary.

The City is proposing to include the parcels in its USA and to eventually annex the area. A specific timeframe for the annexation has not been identified in the application. The applicant estimates that 6.6 of the 9 acres are developable as 7,000 sq. ft. lots, resulting in the potential development of approximately 41 new homes.

Applicable General Plan and Zoning Designations

The parcel currently has a County General Plan designation of “Rural Residential”, with a zoning designation of “RR-sr” (5-20 acre minimum lot size depending on the parcel’s average slope).

The City’s General Plan designation for the area is “Single Family Medium (3-5 dwelling units per acre),” with an anticipated zoning designation of “R-1 7,000 (1 dwelling unit per 7,000 sq. ft.).” Because of the area’s residential land use designation the area is subject to the restrictions of the City’s Residential Development Control System (RDCS). Section 18.78.080 (Measure P) of the Morgan Hill Municipal Code states, “the City shall grant no new extension of urban services for residences beyond its urban service area except in the event that the City has entered into a mutual aid agreement or if there has been a failure of an existing septic system or well.” The RDCS requires that amendments to the City’s USA boundary must meet the City’s “Desirable Infill” definition. The City of Morgan Hill estimates that the development potential of the area is 41 units.

Surrounding Land Uses

The adjoining properties to the south, west and east are all developed with single-family residential subdivisions. The land uses adjacent to the north side of the area consists of single-family homes located within the unincorporated county.

ENVIRONMENTAL ASSESSMENT:

Premature Conversion of Agricultural and Open Space Lands

According to the U.S. Department of Conservation Farmland Mapping and Monitoring Program (FMMP) Important Farmland Map, the project area is not identified as “prime farmland.” The FMMP identifies the area as consisting of lands identified as “grazing” and “other land.” “Grazing” land is land on which existing vegetation, whether grown naturally or through management, is suitable for grazing. “Other Land” is land not included in any other mapping category. Common examples of “other land” include low-density rural developments, vacant and nonagricultural land surrounded on all sides by urban development, and water bodies smaller than forty acres. Based on the above information, the environmental document concluded that proposed USA boundary amendment would not result in a loss of Prime Farmland or Farmland of Statewide Importance. Lastly, the proposed project would have no significant impacts on open space resources.
Growth Inducement and Precedent Setting Implications

Approval of the proposed USA boundary expansion would allow for 3 parcels totaling 9 acres to be annexed into the City of Morgan Hill and developed for residential uses. In 1996, the City of Morgan Hill established an Urban Growth Boundary (UGB) to ensure compact urban growth and infill development. The project area is located inside this UGB. The UGB limits expansion of urban services over the next 20 to 30 years to only those parcels located within the UGB. The project area is also contiguous with the City's current USA boundary.

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

Provision of Public Services and Utilities

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

The project area is located within the fire protection services five-minute (or less) response area of the Santa Clara County Fire Protection District. Since the fire services could be provided to the project area within five minutes, which is consistent with the City's Emergency Services Master Plan, the proposed USA boundary adjustment would not result in the need for any additional fire protection, or fire protection facilities in the project vicinity.

Schools that are at or beyond capacity currently serve the project area. Although, a specific development application for the project area has not been proposed, an USA expansion to include the project area will increase the development potential of the subject parcels. Existing City policies require developers to dedicate land, construct facilities, or pay fees to offset the costs of new schools. Due to the overcrowding currently experienced by the MHUSD and anticipated future, subsequent development applications through the RDCS would require reasonable fair share contributions of school fees.

The current wastewater treatment module for the City is also nearing capacity; however, the next phase of the treatment facility schedule, which is a module with the capacity to
accommodate an additional three million gallons per day (gpd) of wastewater will be implemented to provide additional capacity. Existing water, sewer and storm drainage facilities located in the right-of-way of roadways adjacent to the project area would be extended to the project area.

The water and wastewater supply effects of the expansion of these facilities to serve future development of the project area, in accordance with the General Plan land use designations, were anticipated in the City’s Water System Management Plan and Sanitary Sewer Master Plan and associated environmental documents. The development of any future residential units in the project area would be deducted from the City population cap of 38,000 for the year 2010 and therefore has already been anticipated for future supplies of water and waste treatment facilities.
Via US Mail & Facsimile: (408) 295-1613

Local Agency Formation Commission
Santa Clara County
County Government Center, 11th Floor
70 West Hedding Street, East Wing
San Jose, CA 95110

ATTN: LAFCO Commissioners

Re: MEETING DATE: AUGUST 14, 2002
REQUEST FOR CONTINUANCE OF RECONSIDERATION HEARING FOR
MORGAN HILL 2002 USA AMENDMENT # 00-2(SUNNYSIDE AVENUE-STODDARD)

Dear Commissioners:

Kindly be advised that I represent the property owners, Roberta Stoddard and Dick Stoddard, in the above application for reconsideration of your June 13, 2002 decision denying the application for inclusion of their property in the Morgan Hill Service Area.

Presentation of my client's position requires that I review and analyze the actions of LAFCO on the past 10 years of applications to LAFCO from the City of Morgan Hill. LAFCO staff has been very cooperative and helpful in arranging for the copying of these records, which I received yesterday. Because the records make up a stack of paper 9 inches high, it will be impossible for me to make a competent review, analysis and preparation of presentation to you, and still attend to the balance of my practice in time for your August 14, 2002 meeting — for which the reconsideration hearing is currently scheduled.

Accordingly, I am respectfully requesting that you continue the hearing until the first week in October, 2002, or thereafter.

Thank you very much for your kind consideration of this request.

Very truly yours,

BRUCE TICHININ

BT:td
cc: Neelima Palacherla
    Roberta Stoddard
    Dick Stoddard (via facsimile: 925-609-7299)
Ms. Neclima Palacheria  
Local Agency Formation Commission  
Santa Clara County  
70 West Hedding Street  
San Jose, CA  95110

Dear Ms. Palacheria,

This letter is to formally request that the commission reconsider its finding in its resolution of June 13, 2002, regarding our application for the inclusion of our property in the Morgan Hill Urban Service Area (USA #00-02 Sunnyside-Stoddard). We believe our request for reconsideration should be granted for the following reasons.

1) Based on the commissioners motion for denial, and second, prior to any public testimony being given, we believe the information provided in our public testimony was not only not heard, but irreparably damaged by the commissioners inappropriate action.

2) Upon review of LAFCO's prior history (since 1989) of approvals for USA residential property development in the Morgan Hill area, the "Desirable Infill Standards" were used to approve the developments. Our project has met these same standards and is not being given the same equal consideration.

3) As a basis for your denial, the commission has stated that there is too much land available for development within the existing USA. In actuality, the percentage of undeveloped land within the current USA, is now less than it was at the time the previous projects were approved.
4) The commission stated in its finding, that this project would provide a greater chance for future development in the area. It is incomprehensible, how the commission can hold our project responsible, and deny our application based on its inability to make good sound judgment regarding future development in this area.

5) An additional benefit provided to the city and the area was provided prior to our application, when the city was provided the land to install a storm drain system along the Edmundson Creek at the eastern border of the property. This corrected a flooding problem in the area that had existed for years and was worsened by the additional runoff from the residential development to our East. This benefit should be included with the benefits of our project, since this land is being included in our application.

6) It is our belief that the Desirable Infill provisions of the development process were included for this type of project. These standards were established to provide a way the cities could gain benefit from a “desirable” property, irrespective of the amount of vacant land for residential development within the existing USA.

Please reconsider our application at your earliest convenience and let us know if we can provide any additional information necessary to assist you in your deliberations.

Sincerely,

Dick Stoddard
Ms. Neelima Palacheria  
Local Agency Formation Commission  
Santa Clara County  
70 West Hedding Street  
San Jose, CA 95110

Dear Ms. Palacheria,

This letter is to confirm our conversation regarding our request for reconsideration of the commissions findings in its resolution of June 13, 2002, regarding our application for the inclusion of our property in the Morgan Hill Urban Service Area (USA #00-02 Sunnyside-Stoddard).

During our meeting in June, Ms. Linder from the City of Morgan Hill talked about the route for the completion of Via Castana Drive. Since this is one of the “benefits” of our development (completion of a stubbed street), we spent a great deal of time and funds in investigating the routing of this road. During the City of Morgan Hills initial approval of our USA application, two alternate routes were discussed.

One route was to extend the road northward along the eastern border of our property and extend northerly through the Rubino property and meeting Edmundson Ave. perpendicularly. We have met with the property owner to discuss this option and have received their approval and support.

The second route was to extend Via Castana Drive to Sunnyside Ave. along the northern border of our property. This would develop an intersection at the corner of Sunnyside, Via Castana, and Casino Real. We worked with the City of Morgan Hills traffic consultant to design this intersection, and have extensive documentation and drawings we would like to present. We strongly believe this is the best route for the extension of this road for all parties concerned.

Sunnyside Ave. is an extremely hazardous location for the existing citizens. The traffic speeds and quantities experienced in front of our property are beyond excessive and unsafe. In order to
control the traffic to safer, residential speeds, we believe Sunnyside Ave. should be broken up into shorter sections with reduced speed zones. This can be accomplished by developing this intersection with 4-way stop signs.

Please include this information with our original request for reconsidering our application. We look forward to properly presenting this information at our next hearing.

If we can be of any further assistance, please feel free to call us.

Sincerely,

Dick Stoddard
There has been a request to continue consideration of Agenda Item #7 to allow time for City of San Jose to provide additional information necessary for staff analysis.
August 6, 2002

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: Gilroy Urban Service Area Amendment (USA) - 1999 Gilroy Sports Park and Adjacent Areas

Agenda Item # 8

Revised Staff Recommendation:

1. CEQA Action and Findings

   Please see LAFCO Analyst’s report dated August 6, 2002 (Attachment A) for revised CEQA recommendations and for revised environmental analysis of project.

2. Project

   a. Deny inclusion of the area (14 parcels) into the Gilroy urban service area

   b. Conditionally approve annexation of only the three (3) parcels with APNs 808-21-030, 808-21-0128 and 808-21-026 (See Attachment B for Map and Legal Description for annexation area) pursuant to Government Code Section 56742 based on:

      1. The Gilroy City Council applying the pre-zoning designation for the 3 parcels as recommended by the Planning Commission on August 1, 2002.

      2. The City of Gilroy implementing the mitigation measures for the loss of agricultural lands included in the current City of Gilroy General Plan and as specified in the attached LAFCO Analyst Report dated August 6, 2002. (see Attachment D: Mitigation Measures for the Gilroy General Plan)

   c. Waive protest proceedings, provided the City is able to obtain and submit to LAFCO staff within 20 days of LAFCO action, written consent from the
County of Santa Clara and the South Santa Clara County Fire Protection District to waive protest proceedings.

Background

In the LAFCO Staff Report dated May 31, 2002 (Attachment C), staff had recommended that the Commission deny the City’s USA request but consider annexation of only the three Sports Park parcels without including them within the City’s USA. Based on that staff recommendation, Gilroy staff submitted the maps, legal descriptions and fees necessary to process the LAFCO staff recommended annexation proposal.

However, since the May 31 LAFCO Staff Report was written, some new issues have arisen regarding the Sports Park project. This report contains information on those new issues / information and explains the reasons for the revised staff recommendation. For detailed project description and staff analysis, please see the May 31 Staff Report (Attachment C). Staff is still recommending denial of the USA amendment and recommending annexation of the three Sports Park parcels upon the City complying with certain conditions.

City of Gilroy General Plan’s Mitigation Measures

On June 13, 2002, the Gilroy City Council adopted its current General Plan, which among several other changes to the City’s policies and landuse designations, removed 660 acres of prime agricultural land from the Agricultural Preserve and included it within the City’s 20-year boundary. The City’s EIR and SEIR for the Sports Park states that the Agricultural Preserve would serve as partial mitigation for the loss of agricultural lands associated with the Sports Park. LAFCO staff believes that with the removal of 660 acres, this partial mitigation no longer exists for the Sports Park development.

To compensate for the loss of these 660 acres of agricultural land, the City of Gilroy has adopted other mitigation measures as part of its General Plan that would apply to any land use approval (such as zoning changes, annexation of lands to city or urban service area amendments) that result in the conversion of land that is designated as prime farmland or farmland of statewide importance to an urban use. (See Attachment D) The City has not applied these policies to the Sports Park project as the City Council took action on the Sports Park prior to the adoption of these mitigation policies.

However, LAFCO is considering the Sports Park project under the City’s current General Plan. To ensure consistency with the current General Plan the City needs to comply with the mitigation measures it has adopted. If the City does not adopt its mitigation measures, the proposal would not be consistent with City’s General Plan. Therefore, LAFCO staff recommends that the annexation of the Sports Park be contingent on the City complying with its adopted mitigation measures for loss of agricultural lands.
Viability of Agriculture on Parcels Adjacent to Sports Park

Some concerns have been brought to staff’s attention regarding how the parcels adjacent to the Sports Park, proposed for residential and commercial development, will become less viable for agriculture as the parcels are already small and would now be surrounded by the Sports Park and other existing urban development that pose “practical life” difficulties to farming those lands. And therefore are requesting that these parcels be included into the City’s urban service area.

Farming along the urban rural interface can pose many conflicts for both the farmer and the urban population. Issues experienced by the urban neighbors may relate to “nuisances” such as odor, noise, dust, use of chemicals and pesticides which may affect how the land is farmed; and the farming community may be concerned about increased traffic, trespassing and vandalism of the farms. Staff acknowledges that these pressures along with agricultural competition and economic incentives to develop these lands into urban uses would make it difficult to farm lands at the urban edge.

Nonetheless, a recent report funded by the Santa Clara County and the Santa Clara County Farm Bureau, “The Feasibility of Maintaining and Enhancing Agriculture in Santa Clara County” indicates that there is an emerging agriculture in the county where farmers are working in unique and innovative ways to overcome these traditional issues and adapt to the local context and the economic realities of farming at the urban edge. The new agriculture is smaller in scale (5-20 acres) and involves more intensive agricultural operations. Examples of such efforts involve specialty, niche agriculture and direct marketing of products, processing and packaging agricultural products on site and combining agricultural operations with some aspect of agro-tourism. Some of these entrepreneurial methods being adopted change and broaden the assumptions for what would be considered “agricultural viability”. The report also discusses the urban-rural link and provides examples on how farming and agricultural lands contribute to and benefit from an urban environment. The future of agriculture in Santa Clara County will depend on how quickly farmers adapt to the new agricultural realities and whether local policies and procedures recognize and support agriculture’s special needs. Staff would like to arrange for a presentation of the report to the Commission at a later date.

With regard to the proposal at hand, staff maintains its position that inclusion of the adjacent properties proposed for residential and commercial development into the urban service area is premature at this time as the City has excess vacant land within its current boundaries. Please see May 31 Staff Report for a detailed analysis of this issue.

Pre-Zoning of Sports Park Parcels

Government Code Section 56375 and LAFCO policies require a pre-zoning designation prior to annexation of lands. State law requires LAFCO decisions regarding an annexation be based on the general plan and pre-zoning of the city. The Gilroy 1999-2020 General Plan adopted on June 13, 2002 indicates that the land use designation for the
three parcels is “Park/Recreation Facility.” The City Planning Commission forwarded a recommendation to the City Council on the pre-zoning of the lands to PF (Park and Public Facility) on August 1, 2002. The City Council was scheduled to adopt a pre-zoning designation for these parcels at its August 5 meeting. The Council continued the item to September 2, 2002. There is currently no pre-zoning designation on these parcels. Therefore staff recommends that LAFCO condition the annexation approval on the City Council applying the pre-zoning designation as recommended by the Planning Commission.

Definite and Certain Proposal

The County Surveyor has determined that the proposal is definite and certain upon review of the map and legal descriptions of the annexation boundaries that the City has submitted. Inclusion of the three parcels would not result in boundaries splitting lines of assessment.

Waiver of Protest Proceedings

Government Code Section 56663 (c) allows LAFCO to waive protest proceedings after annexation approval if the annexation proposal has 100% consent from property owners and if all agencies losing or gaining territory as a result of the annexation, provide written consent to waive protest proceedings. The City of Gilroy is in the process of obtaining those waivers from the County of Santa Clara and the South County Fire Protection District, the two agencies losing territory as a result of this annexation. LAFCO staff is recommending that the Commission waive the protest proceedings provided the City submits to LAFCO within 20 days of the LAFCO action, the required waivers from the agencies. If the City is not able to obtain the waivers, LAFCO Executive Officer will have to notice and hold a protest proceeding as required by the Cortese Knox Hertzberg Act.

Referral to Affected Agencies

A notice of the annexation proposal has been forwarded to all affected agencies. No comments have been received yet from any of the agencies.

Attachments

Attachment A: LAFCO Analyst Report dated August 6, 2002 with revised CEQA recommendations and analysis.

Attachment B: Map and Legal Description of the Proposed Annexation Area

Attachment C: LAFCO Staff Report Dated May 31, 2002

Attachment D: Mitigation Measures for the City of Gilroy General Plan as approved by the City Council on June 13, 2002
Date prepared: August 6, 2002

Hearing date: August 14, 2002

To: The Santa Clara County Local Agency Formation Commission

From: Dunia Noel, LAFCO Analyst

Subject: REVISED ENVIRONMENTAL REPORT FOR - 1999 GILROY URBAN SERVICE AREA EXPANSION (Sports Park, Residential, and Commercial)

I. RECOMMENDED CEQA ACTION AND REQUIRED FINDINGS:

As a Responsible Agency under CEQA, LAFCO must take the following actions regarding the Environmental Impact Report and Subsequent Environmental Impact Report (SEIR) for this project before it approves the annexation and/or USA expansion:

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 EIR and SEIR.

2. Find that [a] the EIR and SEIR 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 1 - “Findings of Potential Significant, and Significant, Environmental Impact” for a summary of impacts).
   - Aesthetics
   - Cultural Resources
   - Air Quality
   - Hydrology
   - Biological Resources
   - Interior Noise
   - Transportation Circulation

3. Find that the EIR and SEIR identified two potentially significant impacts resulting from the project that cannot be mitigated to less than significant level. These impacts are listed below:
   - Agricultural Resources
   - Exterior Traffic Noise

4. Find that all feasible mitigation measures and alternatives have been imposed to mitigate or avoid the project’s significant effects. However, because the City
subsequently amended its General Plan and reduced the size of the agricultural preserve, which was the primary means of mitigating the project’s agricultural impacts, this mitigation measure will no longer mitigate the project’s impacts. Therefore, to make the required finding that all feasible mitigation measures have been imposed for the project’s agricultural impacts, substitute mitigation is being imposed for these impacts and consists of those measures set forth in the City’s current General Plan (Attachment 2 - 4.4-A1. a., b., c.).

5. Find that conditions have been imposed on the project to ensure that the mitigation measures imposed on the project are fully enforceable, and adopt a mitigation monitoring and reporting program ("MMRP") that is identical to the monitoring program approved by the Gilroy City Council, as Lead Agency, for the Project (Attachment 3), with the addition of the substitute mitigation measures for agricultural impacts (Attachment 2 - 4.4-A1. a., b., c.) and require the City to submit an annual report to LAFCO concerning the status of the project’s mitigation measures.

6. Find that, despite the imposition of all feasible mitigation measures and alternatives, the project’s agricultural and traffic noise 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 suggests the following overriding considerations:

**Overriding Considerations for LAFCO Approval of Modified Project:**

The City of Gilroy approved the Gilroy Sports Park on June 7, 2002. LAFCO staff is recommending that LAFCO consider annexing into the City of Gilroy the three parcels that are the site for the future Gilroy Sports Park without bringing these parcels into the City’s Urban Service Area. The annexation of the Sports Park will allow the City to provide the necessary city services to the project site.

**Agricultural Resources**

Staff’s recommendation removes adjacent agricultural land from the project and therefore will reduce the loss of prime agricultural land and the potential loss of prime agricultural land on adjacent properties. Furthermore, the modified project will create a valuable and unique recreational and park resource not currently available to the public.

**Exterior Traffic Noise Impacts**

Staff’s recommendation removes the area proposed for residential development from the project and therefore the exterior traffic noise associated with the operation of the Gilroy Sports Park will not impact the proposed residential area. Furthermore, the modified project will create a valuable and unique recreation and park resource not currently available to the public that outweighs any potential impacts on other existing development surrounding the Sports Park site.

7. 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.
8. If the City does not agree to implement the agricultural mitigation policies set forth in the City’s current General Plan (Attachment 2 - 4.4-A1. a., b., c.), a Supplemental EIR must be prepared to analyze all feasible mitigation measures that could potentially be implemented by the City to reduce the Project’s significant agricultural impacts.

II. REASONS FOR REVISION OF ENVIRONMENTAL REPORT:

Please note that this environmental report supersedes the previous environmental report for this project dated May 31, 2002. This revised environmental report was necessary due to the following:

The City of Gilroy’s Adoption of a Revised General Plan and Mitigations

The City of Gilroy adopted its Revised General Plan on June 13, 2002. The Revised General Plan included the adoption of the new 20-Year Boundary east of Highway 101 that resulted in the placement of 664 acres of prime agricultural land located within the Gilroy Agricultural Lands Area into the new 20-Year Boundary. The Gilroy Agricultural Lands Area was cited as a partial mitigation for the agricultural impacts associated with the Gilroy Sports Park. However, on June 13, 2002, the City of Gilroy revised the City’s 20-Year Boundary and thus compromised the primary means of mitigating the Project’s impact on agriculture. Furthermore, the City of Gilroy has not proposed an alternative mitigation for the Gilroy Sports Project that would replace this prior mitigation. Therefore the EIR and SEIR for the Sport Park is no longer adequate for LAFCO approvals. However, the City’s new General Plan includes mitigation measures (Attachment 2 - 4.4-A1. a., b., c.) that if used as substitute mitigation would meet the requirement that all feasible mitigation measures have been imposed for the project’s impacts on agricultural lands.

If the City is unable or unwilling to provide adequate mitigation measures (Attachment 2 - 4.4-A1. a., b., c.) that would address the Project’s impacts on agricultural lands, LAFCO must prepare a Supplemental Environmental Impact Report.

LAFCO denial of the Project does not require further environmental review.

Viability of Agriculture on Parcels Adjacent to the Sports Park

Since the Commission’s June 13th meeting, some concerns have been brought to staff’s attention regarding how the parcels adjacent to the Sports Park, proposed for residential and commercial development will continue to be viable for agriculture given that the parcels are already small and would be surrounded by the Sports Park and other existing urban development that pose “practical life” difficulties to farming those lands. Farming along the urban rural interface can pose many conflicts for both the farmer and the urban population. Issues experienced by the urban neighbors may relate to “nuisances” such as odor, noise, dust, use of chemicals and pesticides that affect how the land is farmed; and the farming community may be concerned about increased traffic, trespassing and vandalism of the farms. However, staff is also aware that some farmers are working in unique and innovative ways to overcome these traditional issues and adapt to the local context and the economic realities.
As a result of this information, LAFCO staff is retracting their earlier (May 31, 2002) findings regarding the Sports Park’s “relative compatibility with the adjacent farmlands” and that the Sports Park “will not impose an adverse impact on the adjacent farmlands.” It is now the opinion of LAFCO staff that the Sports Park could adversely impact the surrounding farmland and may further restrict surrounding agricultural operations. However, staff believes that the Sports Park will have less adverse impact on agricultural lands than many other urban uses at that same site.

III. PROJECT DESCRIPTION:

The City of Gilroy proposes to expand their Urban Service Area (USA) boundary to include 14 parcels forming a 140.21-acre project site, which includes the approved Gilroy Sports Park and habitat buffer on 78.36 acres, approved trail extension and habitat buffer on 7.00 acres, proposed residential development on 27.72, and proposed commercial land uses on 27.13 acres. Upon approval of the USA expansion, the City plans to annex the project site. The project site is adjacent to southerly and westerly boundaries of Gilroy’s Urban Service Area, specifically located South of West Luchessa Avenue and West of Monterey Road and Monterey Frontage Road, north of Uvas Creek and Farman Lane, and east of Uvas Creek. The project site has been in the 20-year planning area since the City’s current general plan was adopted in 1979.

IV. BACKGROUND:

Existing and Proposed Use of the Property

The project site comprises 14 parcels with a total land area of 140.21 acres of prime agricultural land. During the site visit staff observed that 30 acres of land was currently being farmed with row crops. However, the SEIR stated that, a total of 128.20 acres is currently farmed with row crops. The flood control levee occupies 7.00 acres, commercial and utility uses occupy 0.8 acres and rural residential, agricultural structures and yards occupy approximately 4.2 acres. The project site also encompasses small, undeveloped areas of riparian vegetation along Uvas Creek, on the western periphery.

The approved sports park will convert three parcels comprising 78.36 acres of the project site from agricultural land to athletic fields, habitat buffer, parking and access areas and ancillary uses. The project site also includes an approved trail extension and habitat buffer on 7.00 acres, a proposed residential development on 27.72 acres and proposed commercial land uses on 27.13 acres. This project, in total, would result in the conversion of 140.21 acres of agricultural lands to urban uses.

Applicable General Plan and Zoning Designations

The project site currently has a County General Plan designation of “Open Space Reserve”. This designation is used for land that is adjacent to an existing USA but for which no long-term use has been determined. The County Zoning designation for the project site is “A-20” Agricultural Zoning (20-acre minimum).
The City of Gilroy's current General Plan land use designations for the project site are "Residential-Neighborhood District," "Commercial-General Services," and "Park/Recreation Facility."

**Surrounding Land Uses**

Land to the south and west of the project site are currently in agriculture. South of and contiguous with the project site is agricultural land bordered by Uvas Creek on its west and south, and Monterey Frontage Road on its east. Greenhouses occupy some of this agricultural land and the remainder is farmed with row crops. West of the project site, across Uvas Creek, is additional agricultural land. Land to the north and east of the project site is developed with urban uses. North of the project site is an established residential neighborhood of single-family houses. East of the project site are commercial uses, including hotels, automobile dealership and mini-storage. Park and open space areas are located upstream of the project site along Uvas Creek. A bicycle trail runs along the east bank of Uvas Creek northwest of the project site and will be extended south of the project site as part of the approved sports park project. U.S. Highway 101 is located to the east of the project site approximately 300 feet from the south end of the project site, and approximately 1,100 feet from the north end of the project site and project vicinity.

**Monitoring Program**

A mitigation monitoring program (Attachment 3) is required for all environmental documents when significant impacts are identified. In addition, specific monitoring compliance with mitigations described in the *EIR* and *SEIR* should occur at the time of annexation, pre-zoning, and use permit approval. As LAFCO is requiring substitute mitigation measures for agricultural impacts (Attachment 2 - 4.4-A1. a., b., c.), LAFCO staff is recommending that the City submit an annual report to LAFCO concerning the status of the project's mitigation measures.

**V. ENVIRONMENTAL FACTORS OF CONCERN TO LAFCO**

**Premature Conversion of Agricultural Lands and Open Space**

According to the *EIR* and *SEIR*, the soil on the project site is Yolo loam. Yolo loam is a well-drained soil underlain by alluvium from the sedimentary rock. The soil is categorized as Agricultural Class I and is considered to be the most productive soil in the Santa Clara Valley (United States Department of Agriculture Soil Conservation Service 1974). Class I soils are those that have few limitations that restrict their use.

Based on the California Department of Conservation's Important Farmlands Map, the entire project site is designated at "Prime Farmland." "Prime Farmland" is defined by the California Department of Conservation as land with the best combination of physical and chemical features able to sustain long-term production of agricultural crops. This land has the soil quality, growing season, and moisture supply needed to produce sustained high yields.
According to the City’s of Gilroy’s Vacant Land Survey, the City of Gilroy has an approximate nine-year supply of residential land within its existing USA. There is an approximate 18-year supply of vacant commercial land. Although the sports park is already approved at the selected site, the Vacant Land Survey reviewed alternative sites within the USA that are of suitable size and terrain for placement of a similar facility. The Survey identified three alternative sites that are within the existing USA. However, according to City staff, the City has adopted specific plans for two of the areas and they do not include such type of development and the third area is within an established residential area that the City would be unable to acquire.

Lands within a City’s Urban Service Area are to be developed within a five-year timeframe. Including the project site within the City’s USA would result in the premature conversion of agricultural lands, given that the project site is prime farmland that is currently in production, and that the City has a more than adequate supply of lands within its current USA already designated for residential development, commercial-general service development. Additionally, the SEIR states that there are alternatives sites for the sports park within the current USA.

**Provision of Public Services**

According to the EIR and SEIR, the City of Gilroy would provide police, fire, and general government services currently provided by the county if the proposed project is approved. No water or sewer services are currently provided to the project site. The City of Gilroy Fire Department would provide fire protection and emergency medical response services to the proposed project. The proposed project will add approximately 500 residents and therefore the required increase in personnel would be the equivalent of three-quarters of an officer. Existing police facilities would accommodate the required increase in personnel. This would enlarge the geographic range of coverage for the fire department and police department but would not require addition or enlargement of facilities or the addition of equipment or personnel.

The City of Gilroy will assume responsibility for the provision of water and sanitary sewer services to the proposed commercial and residential areas of the project site upon annexation, in addition to the future water and wastewater service already committed to the approved sports park. Development of the project site was accounted for in the City’s most recent Water Master Plan and Sewer Master Plan. According to the SEIR, the City of Gilroy wastewater treatment plant has adequate capacity to accommodate the additional wastewater.

**Growth Inducement**

The proposed project itself is an extension of urban services into a previously unserved area. Although all urban service infrastructure is currently available near the project site, the approval of the USA amendment would make that infrastructure available to the project site and would result in future growth and development in that area.

The project site is currently within the City of Gilroy’s 20-year planning area. The proposed project would transfer the project site into the City of Gilroy’s USA.
Provision of urban services and development within a USA is to occur within a five-year timeframe. The Gilroy Sports Park has previously been approved for a portion of the project site. Approval of the USA amendment request would encourage and facilitate development within the project site.

As discussed in the SEIR, extension of services to the southern parcels on the project site and development of these parcels could result in development pressure on the land south of the project site. Although this area is designated in the City's General Plan as "Open Space," landowners may request an USA amendment and a change in general plan designation to open their land to development. Similar pressures may be felt to the West of Uvas Creek where a finger of land less than one-half mile wide would remain outside of the Gilroy USA. According to the SEIR, these areas were included in the City's Water Master Plan and Sewer Master Plan.

Traffic and Circulation

The results of the level of service analysis indicate that the proposed project will have a potentially significant impact on three intersections in Gilroy, as well as one roadway segment. The proposed project includes mitigation measures that would reduce the project's impacts on any of the affected intersections and the affected roadway to a less than significant level.

City's Adoption of Overriding Considerations Statement for Agricultural Resources Impacts and Exterior Traffic Noise Impacts

On March 18, 2002 the City of Gilroy adopted a Statement of Overriding Considerations for the Gilroy Urban Service Area Amendment 98-03 (Gilroy Sports Park, Residential Area, and Commercial-General Services Area). Please see Attachment 4.

ATTACHMENTS

Attachment 1- City of Gilroy’s Findings of Potential Significant, and Significant, Environmental Impact
Attachment 2- Additional Mitigation Measures for City of Gilroy General Plan as approved by the City Council on June 13, 2002
Attachment 3- Mitigation Monitoring Program for Gilroy Urban Service Area Amendment 98-02 Subsequent EIR
Attachment 4- City of Gilroy Resolution No. 2002-17, Including the City's Adopted Statement of Overriding Considerations
Exhibit A

I. Findings of Potentially Significant, and Significant, Environmental Impact

A. Aesthetics

1. Nighttime Lighting

   a) Potentially Significant Impact: The proposed project would place residences near the planned athletic field lights of the approved Gilroy Sports Park. Several of the planned lights are within 400 to 500 feet of, and aimed towards, the nearest homes. These field lights would be directly visible from the windows of these homes. This would be a significant adverse impact resulting from light or glare that could effect residents in these homes.

   b) Mitigation Measure (1): Subject to the review and approval of the City of Gilroy Planning Division, prior to approval of a tentative subdivision map, the applicant for residential development on the parcels north of the Gilroy Sports Park site shall provide a landscape plan that is consistent with the Gilroy Consolidated Landscape Policy, and includes a double row of trees along the Gilroy Sports Park boundary, utilizing tree species that will attain a crown between 30 and 50 feet above street level. One row of trees may be planted on the Gilroy Sports Park side of the shared property boundary. The plantings shall be a minimum size of 24-inch boxed specimens and shall be planted prior to occupancy of the houses located within 100 feet of the Gilroy Sports Park.

   c) Finding: Implementation of the above mitigation measure will reduce this potentially significant impact to a less than significant level.

B. Air Quality

1. Construction Emissions

   a) Potentially Significant Impact: The proposed project is located close to residential areas. Lack of feasible construction dust control measures could result in a significant adverse air quality impact due to construction activities.

   b) Mitigation Measure (2): The following dust control measures shall be incorporated into all permits for any phase of proposed construction on the project site. The measures shall be implemented as necessary to adequately control dust subject to the review and approval of the City of Gilroy Planning Division.

   The following measures shall be implemented at all construction sites:
- Water all active construction areas at least twice daily;
- Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least two feet of freeboard;
- Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites;
- Sweep daily (with water sweepers) all paved access roads, parking areas and staging areas at construction sites;
- Sweep streets daily (with water sweepers) if visible soil material is carried onto adjacent public streets.

The following additional measures shall be implemented at construction sites greater than four acres in area:

- Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more);
- Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.);
- Limit traffic speeds on unpaved roads to 15 mph;
- Install sandbags or other erosion control measures to prevent silt runoff to public roadways;
- Replant vegetation in disturbed areas as quickly as possible.

Subject to determination by the Gilroy Planning Division the following measures shall be implemented at construction sites that are very large or are located near sensitive receptors:

- Install wheel washers for all existing trucks, or wash off the tires or tracks of all trucks and equipment leaving the site;
- Install wind breaks, or plant trees/vegetative wind breaks at windward side(s) of construction areas;
- Suspend excavation and grading activity when winds (instantaneous gusts) exceed 25 miles per hour;
- Limit the area subject to excavation, grading and other construction activity at any one time.

c) Finding: Implementation of the above mitigation measure would reduce this potentially significant impact to a less than significant level.

C. Biological Resources

1. Invasive Plant Species
a) Potentially Significant Impact: The existing riparian habitat along Uvas Creek and the planned habitat buffer are sensitive areas that could be affected by the presence of non-native, invasive plant species. Any deterioration of habitat quality caused by the introduction of non-native, invasive plant species into the riparian habitat and/or buffer would be a potentially significant impact. Landscaped streetscape areas shown in the conceptual residential plan would adjoin the Uvas Creek riparian corridor and could result in the introduction of non-native, invasive plant species. This is considered a potentially significant adverse environmental impact.

b) Mitigation Measure (3): A landscape plan consistent with the Gilroy Consolidated Landscape Policy shall be prepared for common and street side planting areas abutting the Uvas Creek habitat corridor, subject to the review and approval of the City of Gilroy Planning Division. The landscape plan shall include appropriate locally obtained native plant species and shall not include plantings of non-native, invasive plant species. Native grasses or other native species shall be preferred in the areas adjacent to the Uvas Creek levee to provide additional native habitat in association with the Uvas Creek habitat corridor.

c) Finding: Implementation of the above mitigation measure will reduce this potentially significant impact to a less than significant level.

2. Loss of Potential Active Raptor Nesting Habitat

a) Potentially Significant Impact: The riparian woodland habitat found along Uvas Creek contains potential nesting habitat for raptors, including white-tailed kite, northern harrier, Cooper's hawk, and short-eared owl, which are protected by the CDFG. Should active raptor nests occur in the area proposed for development (i.e., trail and bridge construction through the riparian corridor), any construction and site preparation activities within or immediately adjacent to nest habitat, if conducted during the nesting season, could result in the direct loss of nests, including eggs and young, or the abandonment of an active nest by the adults. Depending on the number and extent of raptor nests on the site that may be disturbed or removed, the loss of active raptor nests would be a potentially significant impact.

b) Mitigation Measure (4): Subject to the review of the City of Gilroy Planning Division, no earlier than 45 days and no later than 20 days prior to commencement of clearing, grading or construction in or adjacent to any riparian habitat, a field survey shall be conducted by a qualified biologist to determine if active raptor nests are present in the construction zone or within 250 feet of the construction zone. These surveys shall be required only if any construction would occur during the nesting and/or breeding season of raptors potentially nesting in the areas proposed for development (generally March 1 through August 1). If active nests are found within the survey area, at the discretion of the biologist, clearing and construction within 250 feet shall be
postponed or halted until the nests are vacated and juveniles have fledged and there is no evidence of a second attempt at nesting.

Mitigation Measure (6): Prior to commencement of construction activities, the applicant shall arrange for a qualified biologist to inform workers of the potential presence of the all special-status species, their protected status, work boundaries, and measures to be implemented to avoid loss of these species during construction activities.

c) Finding: Implementation of the mitigation measures presented above will reduce this impact to a less than significant level.

3. Loss of Potential Active Burrowing Owl Nesting Habitat

a) Potentially Significant Impact: Potential burrowing owl habitat exists along the slope of the levee in the northwest corner of the project site. Residential development, trail connections and landscaping would occur on and near the levee. Should active burrowing owl nests occur along the slope of the levee, any construction and site preparation activities within or immediately adjacent to nest habitat, if conducted during the nesting season, could result in the direct loss of nests, including eggs and young, or the abandonment of an active nest by the adults. Depending on the number and extent of burrowing owl nests on the site that may be disturbed or removed, the loss of active burrowing owl nests would be a potentially significant impact.

b) Mitigation Measure (5): Subject to the review of the City of Gilroy Planning Division, no earlier than 45 days and no later than 20 days prior to commencement of grading or construction on or adjacent to the slope of the levee, field surveys shall be conducted at least four consecutive evenings by a qualified biologist to determine if burrowing owls are present in the construction zone or within 250 feet of the construction zone. These surveys shall be required only if any construction would occur during the nesting and/or breeding season of burrowing owls potentially nesting in the area (February 1 through August 31) and/or during the winter residency period (December 1 and January 31). Pre-construction survey results shall be submitted to the California Department of Fish and Game for review and approval. If active nests are found within the survey area, a burrowing owl habitat mitigation plan shall be submitted to the California Department of Fish and Game for review and approval. The burrowing owl habitat mitigation plan shall contain mitigation measures contained in the California Department of Fish and Game Staff Report on Burrowing Owl Mitigation (California Department of Fish and Game 1995). Compliance with this mitigation measure may include, but not be limited to, the following:

- Avoidance of occupied burrows during the nesting season (February 1 through August 31);
• Acquisition, protection and funding for long-term management and monitoring of foraging habitat adjacent to occupied habitat;

• Enhancement of existing burrows and/or creation of new burrows;

• Passive relocation of burrowing owls.

c) Finding: Implementation of the mitigation measure presented above, as well as mitigation measure (6) presented above, will reduce this impact to a less than significant level.


a) Potentially Significant Impact: Several special-status species may potentially occur in Uvas Creek and in the riparian habitat adjacent to Uvas Creek. Any adverse effects on these special-status species, if present, resulting from construction activities associated with the residential area adjacent to the riparian habitat would be a significant impact.

b) Mitigation Measure (7): All food-related trash items shall be enclosed in sealed containers and regularly removed from the project area to deter attraction of potential predators of the California red-legged frog, foothill yellow-legged frog, western spadefoot toad, California tiger salamander, and western pond turtle. Pets shall not be allowed on the construction site. The proper location of the trash containers shall be subject to the review and approval of the City of Gilroy Community Development Department.

c) Finding: Implementation of the mitigation measure presented above, as well as mitigation measure (6) presented above, will reduce this impact to a less than significant level.

5. Effects of Nighttime Lighting on Wildlife

a) Potentially Significant Impact: Nighttime lighting of roads adjacent to Uvas Creek in the proposed residential area could spill over into the riparian woodland habitat and could potentially disturb wildlife species occurring in the riparian habitat, restrict the movement or activity of wildlife species in the riparian habitat, or facilitate increased predation of wildlife species, which could potentially include special-status species. Restricted movement of wildlife species and increased predation of special-status species occurring as a result of increased levels of nighttime light would be a potentially significant impact.

b) Mitigation Measure (8): Subject to the review and approval of the City of Gilroy Planning Division, luminaires in the proposed residential area shall be limited in height to 20 feet and shall be of a full cutoff design to reduce light
spillage to adjacent areas. Luminaires located along a street adjacent to the Uvas Creek levee shall be located to the east side of the street.

c) Finding: Implementation of the mitigation measure presented above will reduce this impact to a less than significant level.

D. Cultural Resources

1. Potentially Historic Resources

a) Potentially Significant Impact: Background research and a field reconnaissance conducted by Archaeological Resource Management in December 1999 indicates that the project site contains four potentially historic houses. These houses are likely to be removed to accommodate future development on the project site. The houses may also have significant buried historic resources associated with them. Loss or disturbance of these houses and any associated historic resources is a potentially significant impact.

b) Mitigation Measure (9): Prior to removal of any of the potentially historic houses on the project site an historical evaluation shall be completed. The historic evaluation shall include an architectural description of the structure, an historic background for the property and the completion of an appropriate State Department of Parks and Recreation form with photographic documentation.

c) Finding: Implementation of the mitigation measure presented above will reduce this impact to a less than significant level.

2. Potentially Buried Cultural Resources

a) Potentially Significant Impact: Background research and a field reconnaissance conducted by Archaeological Resource Management indicates that the project area may contain buried and unknown significant cultural resources. The Santa Clara Valley is known to be rich in buried prehistoric resources, especially the alluvial soils found near waterways. Therefore, due to the proposed project's location in a creek-side environment and the presence of a recorded historic resource directly adjacent to the trail extension, there is an elevated chance that currently unidentified buried cultural resources may be found during construction on the project site. Disturbance of prehistoric or historic cultural resources would be considered a significant impact.

b) Mitigation Measure (10). The developers for any portion of the project site shall contract with a qualified archaeologist to arrange a schedule for monitoring during grading and excavation activities due to the project site's creek-side location and proximity to recorded historic and prehistoric sites.
Mitigation Measure (11): Due to the possibility that significant buried cultural resources might be found during construction the following language shall be included any permits issued for the project site, including, but not limited to building permits for future development, subject to the review and approval of the Gilroy Planning Division:

If archaeological resources or human remains are discovered during construction, work shall be halted at a minimum of 200 feet from the find and the area shall be staked off. The project developer shall notify a qualified professional archaeologist. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented.

Mitigation Measure (12): In the event of an accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the City shall ensure that this language is included in all permits in accordance with CEQA Guidelines section 15064.5(e):

If human remains are found during construction there shall be no further excavation or disturbance of the site of any nearby area reasonably suspected to overlie adjacent human remains until the coroner of Santa Clara County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent (MLD) from the deceased Native American. The MLD may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a MLD or the MLD failed to make a recommendation within 24 hours after being notified by the commission; b) the descendent identified fails to make a recommendation; or c) the landowner or his authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.
c) **Finding:** Implementation of the mitigation measures presented above will reduce this impact to a less than significant level.

E. **Hydrology**

1. **On-Site Flooding**

   a) **Potentially Significant Impact:** The proposed commercial area and portions of the proposed residential area are within 100-year flood zones as identified on the FEMA maps. The Gilroy Floodplain Control Ordinance allows development within 100-year floodplains provided certain measures are taken to prevent potential damage from flooding. Portions of the commercial area are within a 25-year flood zone based on a hydrology study conducted for the Gilroy Sports Park. Development within these areas prone to flooding presents potential risks to health and safety of people and damage to buildings and property. This is a potentially significant impact.

   b) **Mitigation Measure (13):** Any applicant for development within FEMA-delineated 100-year flood zones on the project site shall have a hydrology report, based on the Army Corps of Engineers flow rates for Uvas Creek, prepared for that development by a qualified hydrologist or engineer, to specify hydrology-related design requirements for the site and buildings, subject to the review and approval of the City of Gilroy Engineering Division and SCVWD prior to issuance of a building permit. The hydrology report shall address the following requirements:

   - Site plans and building designs shall comply with the City of Gilroy Flood Plain Control Ordinance.
   - Development on the project site shall not impede the flow of floodwaters.
   - Procedures shall be developed and site plans designed that will assure that any materials, supplies or goods used, stored or hold for sale at the proposed use that may present health hazards or risks of water contamination during flood conditions are securely kept at least one foot above the 100-year flood level.
   - Development on the project site shall not result in an increase in floodwater levels off the project site.

   Calculations for both the 25-year and 100-year flood events shall be submitted in support of these requirements. All grading, design or other recommendations of the hydrology report shall be incorporated into project plans.

   c) **Finding:** Implementation of the mitigation measures presented above will reduce this impact to a less than significant level.
2. Off-Site Flooding

a) Potentially Significant Impact: The proposed commercial area and portions of the proposed residential area are within 100-year flood zones as identified on the FEMA maps. The Gilroy Floodplain Ordinance allows development within 100-year floodplains provided certain conditions are met, including elevating the first floor elevations to at least one foot above the 100-year flood elevation. Construction within the floodplain could potentially result in diversion of floodwaters and increases in flood levels off the project site. This would be a significant environmental impact.

b) Mitigation Measure (13) see above.

c) Finding: Implementation of mitigation measure 13 above will reduce this potentially significant impact to a less than significant level.

2. Flood Flowage Easement

a) Potentially Significant Impact: SCVWD holds a flood flowage easement that restricts land use and development on a large portion of the project site. Inappropriate development within this easement could put structures at risk of damage and people at risk of injury or death from storm-related flooding. Structures within the flood flowage easement could impede the flow of floodwaters and result in additional flooding in adjacent areas. The flood flowage easement is contained almost entirely within the Gilroy Sports Park site. Drainage plans and site design for the approved Gilroy Sports Park have accounted for flood flows within this easement. Portions of the proposed residential and commercial areas are within the flood flowage easement. Construction in this area may have impacts on the flow of floodwaters that could potentially have impacts both on- and off-site.

b) Mitigation Measure (13) see above.

c) Finding: Implementation of mitigation measure 13 above will reduce this potentially significant impact to a less than significant level.

3. Surface Water Quality During Construction

a) Potentially Significant Impact: During construction, grading would expose sediments to rain or wind erosion and subsequent transportation of sediments to the Uvas Creek, Pajaro River and Monterey Bay. The silt load that could be generated could degrade the quality of water in the Uvas Creek, Pajaro River and Monterey Bay by transporting other pollutants adhered to sediments, obstructing natural flow patterns at the points of sediment deposition, or adversely affecting biological resources.
Materials used and wastes generated during construction would degrade water quality also. Wastes generated commonly include wash water from concrete mixers, paints and painting equipment cleaning activities, oil, grease and fuel constituents from vehicle use, storage and maintenance, solid wastes from tree and shrub removal during land clearing, and wood and paper materials from packaging of building products.

Development of the project site would increase the amount of runoff from the site under some weather conditions by adding new impervious surfaces and would generate non-point source pollutants from newly established urban activity at the project site. The runoff would contain pollutants typical of urban activity, such as oil and grease, fuel constituents, heavy metals, organic chemicals, bacteria, and sediments. These pollutants would degrade the quality of the surface waters in Uvas Creek, Pajaro River and Monterey Bay. Introduction of pollutants into a watercourse is a significant environmental impact.

b) Mitigation Measure (14): The project applicant for any proposed development, shall, for each phase of the development, submit a Notice of Intent (NOI) and detailed engineering designs to the Central Coast RWQCB. This permit shall require development and implementation of a SWPPP that uses storm water “Best Management Practices” to control runoff, erosion and sedimentation from the site. The SWPPP must include Best Management Practices that address source reduction and, if necessary, shall include practices that require treatment. The SWPPP shall be submitted to the City of Gilroy Engineering Division for review and approval prior to approval of a building permit for each phase of the project.

Mitigation Measure (15): The project applicant for any proposed development within 50 feet of a waterway or flood flowage easement shall submit plans for review by, and obtain an approved permit from the Santa Clara Valley Water District (SCVWD) prior to approval of a building permit for each phase of the project.

c) Finding: Implementation of the mitigation measures presented above will reduce this potentially significant impact to a less than significant level.

4. Surface Water Quality During Operation

a) Potentially Significant Impact: A variety of contaminants are common to urban area storm water and irrigation run-off. These contaminants include coliform bacteria, sediment, organic chemicals, nutrients and pesticides from landscaping and athletic fields, and fuel constituents, heavy metals, oil and grease from automobiles, roads and parking areas. The proposed project will introduce new urban pollutants to the project site and this could potentially result in the pollution of Uvas Creek and the Pajaro River. These contaminants could be transported to the drainage system, polluting downstream water systems. This would be a significant adverse environmental impact.
b) **Mitigation Measure (16):** Project plans for any development proposed for the project site, subject to the review and approval of the City of Gilroy Engineering Division shall include a sedimentation basin adequate for filtering out heavy storm water contaminants such as silt, and grease traps suitable for filtering out other urban pollutants to the extent feasible. Additional measures as presented in "Start at the Source, Design Guidance Manual for Storm Water Quality Protection," prepared by the Bay Area Storm Water Management Agencies Association and "Parking Lot Best Management Practices Manual," prepared by the Santa Clara Valley Urban Run-off Pollution Prevention Program may be required for specific projects. Any physical water quality safeguards shall be installed prior to occupancy of the proposed development, and any best management practices plan must be implemented upon occupancy.

c) **Finding:** Implementation of the mitigation measures presented above will reduce this potentially significant impact to a less than significant level.

F. **Noise**

1. **Interior Noise Levels in Homes on the Project Site**

   a) **Potentially Significant Impact:** Title 24 of the California Code of Regulations requires a maximum interior noise level of 45 dBA. Traffic and Gilroy Sports Park noise at the proposed residential area would exceed the City standard of 60dBA_{DNL} for exterior areas. Typical residential construction provides approximately 15 dB of noise reduction, so interior noise levels would be expected to exceed 45 dBA. This would be a significant adverse environmental impact.

   b) **Mitigation Measure (18):** Subject to the review and approval of the City of Gilroy Building Division, the applicant for any residential development on the project site shall conduct an acoustical study and establish engineering requirements to be included in construction plans to maintain interior noise levels at no greater than 45 dBA_{DNL}.

   Interior noise attenuation techniques may include forced air ventilation or air conditioning for all habitable rooms with a window facing noise sources, triple-paned windows, sound insulation or other appropriate means that will reduce interior noise levels to no greater than 45 dBA_{DNL}.

2. **Short-term Construction Noise**

   a) **Potentially Significant Impact:** Construction activities at the project site would result in noise levels that exceed the standards specified in the *City of Gilroy General Plan*. This would be a significant environmental impact.
b) Mitigation Measure (19): The following language shall be included on any permits issued at the project site, subject to the review and approval of the City of Gilroy Engineering Division. "All noise generating construction activities shall be limited to weekdays between 7:00 AM and 7:00 PM, and to Saturdays and City holidays between 9:00 AM and 7:00 PM. No construction is allowed on Sundays. In addition, temporary berms or noise attenuation barriers shall be utilized when necessary."

c) Finding. Implementation of the mitigation measure presented above would reduce this potentially significant impact to a less than significant level.

G. Traffic

1. West Luchessa Avenue/Church Street

a) Potentially Significant Impact: The addition of project traffic to the West Luchessa Avenue/Church Street intersection would cause both overall intersection operations and the worst approach to deteriorate from acceptable operating levels to LOS F during both the PM and Saturday peak hours. The Caltrans Peak Hour Volume warrant requirements are also satisfied for the intersection of West Luchessa Avenue and Church Street during the PM and Saturday peak hours under Project Build-out Conditions. The proposed project's impact at this intersection would be reduced to a less than significant level with the implementation of the following mitigation measure. With implementation of this mitigation measure the intersection is projected to operate at LOS B during the AM, PM, and Saturday peak hours under Project Build-out Conditions.

b) Mitigation Measure (20): The following street improvements shall be made to the intersection of West Luchessa Avenue and Church Street:

- installation of a traffic signal with two-phase operation;
- re-configuration of the northbound and southbound approaches as necessary to provide one approach lane for all movements;
- provision of one left-turn lane and one shared through and right-turn lane on the eastbound and westbound approaches.

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels. Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.
c) Finding. Implementation of the mitigation measure presented above will reduce this potentially significant impact to a less than significant level.

2. Monterey Street/Luchessa Avenue

a) Potentially Significant Impact: The intersection of Monterey Street and Luchessa Avenue is projected to degrade from LOS C to LOS F during the PM peak hour with the addition of project-generated traffic.

b) Mitigation Measure (21): The following street improvements shall be made to the intersection of Monterey Street and Luchessa Avenue:

- construction of a second northbound left-turn lane and an exclusive eastbound right-turn lane;
- addition of a right-turn arrow for the eastbound right-turn movement (so vehicles in this movement could move while the northbound left-turn movement has a green arrow).

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels. Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.

c) Finding. Implementation of the mitigation measure presented above will reduce this potentially significant impact to a less than significant level.

3. Monterey Street/Monterey Frontage Road

a) Potentially Significant Impact: The operation of the Monterey Street/Monterey Frontage Road intersection is projected to deteriorate from acceptable level under Background Conditions to LOS F during the PM and Saturday peak hours with the addition of project traffic and construction of the proposed traffic signal. This is considered a significant adverse environmental impact.

b) Mitigation Measure (22). Following or in conjunction with the signalization of the intersection of Monterey Street and Monterey Frontage Road, the following street improvements shall be made:

- re-configuration of the southbound approach as necessary to provide one left-turn lane, two through lanes, two right-turn lanes;
- re-configuration of the westbound approach as necessary to provide one shared lane for all movements;
re-configuration of the northbound approach as necessary to two left-turn lanes, one through lane, one shared through/right-turn lane;

- re-configuration of the eastbound approach as necessary to provide one exclusive left-turn lane, one shared through and left-turn lane, and one right-turn lane.

- right-turn arrows shall be provided for the eastbound and southbound right-turn movements to provide LOS C intersection operations during all three study periods. This lane configuration will require split phase operation of the eastbound and westbound approaches.

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels. Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.

c) Finding. Implementation of the mitigation measure presented above will reduce this potentially significant impact to a less than significant level.

4. Luchessa Avenue Roadway Segment

a) Potentially Significant Impact: With the addition of project-generated traffic, one of the key roadway segments is projected to deteriorate to an unacceptable level of service. The segment of West Luchessa Avenue between Princevalle Street and Monterey Street is projected to degrade from LOS A to LOS E, an unacceptable level based on the City of Gilroy standard. This is considered a significant impact.

b) Mitigation Measure (23): A right-of-way sufficient for a six-lane arterial shall be dedicated to the City of Gilroy along the West Luchessa Avenue frontage of the project site. The dedication shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis. The dedication shall be implemented at such a time as to allow construction necessary to prevent the deterioration of traffic operations below acceptable levels.

Mitigation Measure (24): West Luchessa Avenue shall be widened to four lanes between Monterey Street and Princevalle Street. The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels. Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.
c) **Finding:** Implementation of the mitigation measures presented above will reduce this potentially significant impact to a less than significant level.

**II. Findings of Unavoidable Significant Environmental Impact**

**A. Agricultural Considerations**

1. **Loss of Prime Farmland**

   a) **Unavoidable Significant Impact:** Approval of the Urban Service Area amendment and development of parcels adjacent to the Gilroy Sports Park site, in conjunction with development of the approved Gilroy Sports Park, would result in the loss of 133.21 acres of designated prime farmland. Approximately 128.21 acres of this farmland is in agricultural production. This would be a significant unavoidable adverse environmental impact.

   b) **Mitigation Measures:** No feasible mitigation measures are available to reduce this impact to a less than significant level. The establishment of the Gilroy Agricultural Lands Area by both the City of Gilroy and the County of Santa Clara serves as a regional mitigation for losses of prime farmland in southern Santa Clara County outside of the agricultural lands area. Although this regional mitigation has been implemented, it does not reduce the loss of prime farmland to a less than significant level and the proposed project would still be considered to have a significant and unavoidable impact on prime farmland.

   c) **Finding:** The regional mitigation measure does not avoid or substantially lessen the impact to prime farmland on the project site. There are no other recommended mitigation measures. Specific economic, social, and other considerations make adequate mitigation infeasible.

   d) **Statement of Overriding Consideration:** The City Council hereby finds that because of economic, social, and other considerations, the benefits of the project outweigh the unavoidable loss of prime agricultural land. First, the proposed project will create a valuable and unique recreational and park resource not currently available to the public. Second, the project is in an area where urban services are immediately available. Third, the development of the project will contribute to the City's job base. Fourth, the project will contribute to the City's tax base. Fifth, the project site is contiguous to the City's existing urban developed lands within the City and represents a consistent and logical expansion. The City finds that each of these benefits constitutes a separate and independent ground for finding that the benefits of the proposed project outweigh the risks of its potential significant adverse environmental impacts.

2. **Potential Loss of Prime Farmland through Growth-inducement on Adjacent Parcels**
a) Unavoidable Significant Impact: Implementation of the proposed project could induce the adjacent farmland to the south of the project site and nearby farmland to the west of the project site to be converted to non-agricultural uses. These parcels adjacent to the project site are within the proposed City of Gilroy 20-year planning area but are proposed to be designated for open space uses. Development pressures could result in a change of general plan designation and subsequent development.

b) Mitigation Measures: The establishment of the Gilroy Agricultural Lands Area by both the City of Gilroy and the County of Santa Clara serves as a regional mitigation for losses of prime farmland in southern Santa Clara County outside of the agricultural lands area. Although this regional mitigation has been implemented, it does not reduce the loss of prime farmland to a less than significant level and the proposed project would still be considered to have a significant and unavoidable impact on prime farmland.

c) Finding: The regional mitigation measure does not avoid or substantially lessen the impact to prime farmland on the project site. There are no other recommended mitigation measures. Specific economic, social, and other considerations make adequate mitigation infeasible.

d) Statement of Overriding Consideration: The City Council hereby finds that because of economic, social, and other considerations, the benefits of the project outweigh the potential unavoidable loss of prime agricultural land on adjacent properties. First, the proposed project will create a valuable and unique recreational and park resource not currently available to the public. Second, the project is in an area where urban services are immediately available. Third, the development of the project will contribute to the City’s job base. Fourth, the project will contribute to the City’s tax base. Fifth, the project site is contiguous to the City’s existing urban developed lands within the City and represents a consistent and logical expansion. The City finds that each of these benefits constitutes a separate and independent ground for finding that the benefits of the proposed project outweigh the risks of its potential significant adverse environmental impacts.

3. Long-Term and Short-term Noise from Gilroy Sports Park Activities

a) Unavoidable Significant Impact: Activities at the approved, but not yet constructed Gilroy Sports Park, including athletic events and traffic entering and exiting the project site would generate long-term noise. The noise generated by these activities would be up to 63 dBA_{DNL} thereby exceeding acceptable City standards (60 dBA_{DNL}) at the proposed residential area north of the Gilroy Sports Park. These noise levels would be within City standards (65 dBA_{DNL}) for the commercial areas. In addition, activities at the approved, but not yet constructed Gilroy Sports Park, including spectator shouting and public address system announcements, would generate short-term, annoyance
noise at the residential area. The short-term noise generated by these activities would be up to 80 dBA.

b) **Mitigation Measures:** Mitigation measures are available that would reduce both long-term and short-term operational noise impacts to a less than significant level. To reduce the long-term noise to a less than significant level, a six-foot tall acoustically effective barrier would be required along the northern boundary of the Gilroy Sports Park site. To reduce flanking noise, the barrier would continue along the east boundary of the residential area for a distance of 100 feet. The barrier height is in reference to the nearest ball field elevation at the foot of the bleachers. This barrier would reduce the noise level to 60 dBA$_{DNL}$ at the nearest residences. To reduce short-term noise impacts to a less than significant level an 11-foot tall acoustically effective barrier would be required along the northern boundary of the Gilroy Sports Park site. To reduce flanking noise, the barrier would continue along the east property line of the residential project for a distance of 100 feet, diminishing in height to six feet at its terminus. This barrier would reduce noise levels at the nearest residences to 55 dBA$_{DNL}$.

To achieve an acoustically-effective barrier, the barrier would need to be made air-tight, i.e. without cracks, gaps, or other openings and would need to provide for long-term durability. The barriers could be constructed of wood, concrete, stucco, masonry, earth berm or a combination thereof. All joints, including connections with posts or pilasters would need to be sealed air-tight and no openings would be permitted between the upper barrier components and the ground.

Implementation of the mitigation measures necessary to reduce the noise impacts to a less than significant level would not be feasible. The location of the barrier is partly within the SCVWD flood flowage easement. Placement of the barrier would potentially impede the flow of floodwaters and could result in increased flooding impacts in other areas. This would be a significant adverse secondary environmental impact. Therefore, Gilroy Sports Park noise impacts on the proposed residential area would be an unavoidable significant impact.

c) **Finding:** No feasible mitigation measures are available that would reduce the noise impact to a less than significant level.

d) **Statement of Overriding Consideration:** The City Council hereby finds that because of economic, social, and other considerations, the benefits of the project outweigh the unavoidable impact of noise from the Sports Park at the adjacent planned residential area to the north. First, the proposed project will create a valuable and unique recreational and park resource not currently available to the public. Second, the project is in an area where urban services are immediately available. Third, the development of the project will contribute to the City’s job base. Fourth, the project will contribute to the City’s tax base. Fifth, the project site is contiguous to the City’s existing
urban developed lands within the City and represents a consistent and logical expansion. The City finds that each of these benefits constitutes a separate and independent ground for finding that the benefits of the proposed project outweigh the risks of its potential significant adverse environmental impacts.

4. Exterior Traffic Noise at Residential Areas along Monterey Street

a) Unavoidable Significant Impact: At General Plan build-out, noise levels from traffic on Monterey Street would exceed City standards at adjacent proposed residential areas. Noise exceeding City noise standards would be a significant adverse environmental impact.

b) Mitigation Measures: This portion of the project site is located within a flood zone, and a sound attenuation barrier would not be feasible if the barrier were to interfere with flood flows or affect off-site flood levels. A mitigation measure presented in Section 2.7 Hydrology requires a hydrology study to determine requirements for development of the portion of the proposed residential area that is within the 100-year flood zone, which includes the area nearest to Monterey Road. The hydrology study may indicate that a sound attenuation barrier in this location would result in flood impacts. This would make a sound attenuation barrier infeasible in this location. Additionally, a noise barrier would place a visually obtrusive element along southern Monterey Street, a principal gateway designated in the Draft Gilroy 1999-2020 General Plan. This would result in a secondary visual impact. Because of the potential for secondary impact to hydrology and aesthetics, exterior noise levels in excess of City standards in this location would be an unavoidable significant impact.

c) Finding: No feasible mitigation measures are available that would reduce the noise impact to a less than significant level.

d) Statement of Overriding Consideration: The City Council hereby finds that because of economic, social, and other considerations, the benefits of the project outweigh the unavoidable impact of noise from traffic on Monterey Road at the planned residential area west of Monterey Road. First, the proposed project will create a valuable and unique recreational and park resource not currently available to the public. Second, the project is in an area where urban services are immediately available. Third, the development of the project will contribute to the City's job base. Fourth, the project will contribute to the City's tax base. Fifth, the project site is contiguous to the City's existing urban developed lands within the City and represents a consistent and logical expansion. The City finds that each of these benefits constitutes a separate and independent ground for finding that the benefits of the proposed project outweigh the risks of its potential significant adverse environmental impact.
5. Exterior Traffic Noise at Residential Areas along West Luchessa Avenue

a) Unavoidable Significant Impact: At General Plan build-out, noise levels from traffic on West Luchessa Avenue would exceed City standards at the proposed residential areas adjacent to that street. The actual noise levels experienced at the residential area would depend on actual future traffic volumes and the lot configuration of the residential area. Noise exceeding City noise standards would be a significant adverse environmental impact.

b) Mitigation Measures: A sound attenuation barrier would be required to reduce the level of noise to within City standards. Because of unknown variables, the exact requirements for mitigation of the noise impact cannot be determined at this time. It is probable that reducing noise to an acceptable level would require a sound attenuation barrier that is taller than would be considered aesthetically acceptable by the City. Implementation of the following mitigation measure would reduce the impact, but because the height of the attenuation barrier would be limited, the impact would probably not be reduced to a less than significant level. The impact would be an unavoidable significant impact.

Mitigation Measure (17): Subject to the review and approval of the City of Gilroy Community Development Department, the applicant for any residential development on the project site along West Luchessa Avenue shall construct a sound attenuation barrier eight feet in height when measured from the near curb of West Luchessa Avenue. The barrier shall be completed prior to occupancy of any homes on lots adjacent to West Luchessa Avenue.

c) Finding: Although a feasible mitigation measure is available that would reduce the impact, the mitigation measure may not be adequate to reduce the impact to a less than significant level.

d) Statement of Overriding Consideration: The City Council hereby finds that because of economic, social, and other considerations, the benefits of the project outweigh the unavoidable impact of noise from traffic on West Luchessa Avenue at the planned residential area south of West Luchessa Avenue. First, the proposed project will create a valuable and unique recreational and park resource not currently available to the public. Second, the project is in an area where urban services are immediately available. Third, the development of the project will contribute to the City’s job base. Fourth, the project will contribute to the City’s tax base. Fifth, the project site is contiguous to the City’s existing urban developed lands within the City and represents a consistent and logical expansion. The City finds that each of these benefits constitutes a separate and independent ground for finding that the benefits of the proposed project outweigh the risks of its potential significant adverse environmental impact.
EXHIBIT A
Additional Mitigation Measures
for the City of Gilroy General Plan
(as approved by the City Council on June 13, 2002)

AGRICULTURE

4.4-A Prior to any land use approval that would result in the conversion of land that is designated as prime farmland or farmland of statewide importance to an urban use (i.e., zoning changes, annexation to the City, urban service amendments, etc.) the City shall:

1. Implement a conservation and open space easement program.

Guidance for this program may be found, in part, in "A Proposal to Establish and Agricultural Conservation Easement Program in Santa Clara County" (Appendix F-3 of the Draft Environmental Impact for the City of Gilroy Revised General Plan dated September 2001)

As this implementation is of significance countywide, this program should be established as a joint effort of the City, the County, the Farm Bureau, the Open Space authority and other agencies.

This program shall offer the following options as an acceptable mitigation for said land use approval:

a. Purchase of an equal amount of prime agricultural land within the area of the Open Space Authority and the transfer of the ownership of this land to the Open Space authority or other City-approved agency.

b. Purchase of development rights on agricultural land within the area of the Open Space Authority and the transfer of the ownership of this land to the Open Space authority or other City-approved agency. The purchase value shall be equivalent in value to that required under (a) above.

c. Payment, in lieu of purchase, of fee to the Open Space Authority or other City-approved agency, equal to the amount required to comply with either of the above elements. The amount of this fee shall be equivalent in value to that required under (a) above.

2. Require all future projects that involve the conversion of agricultural land to urban uses to use generally accepted methodologies to identify the potentially significant impacts of changes in agricultural land use (Appendix F of the Draft Environmental Impact for the City of Gilroy Revised General Plan dated September 2001).
One example is the California Agricultural Land Evaluation and Site Assessment (LESA Model) developed by the California Department of Conservation to help establish standards of significance for CEQA evaluations of agricultural land conversions.

Additional programs to protect prime farmland and farmland of statewide importance comparable to those used by other counties or cities described in the Draft EIR may be considered by the City from time to time for adoption as meeting the requirements of this mitigation.

In addition, the City shall consider joining the Open Space Authority to help conserve remaining viable agricultural land within the City’s sphere of influence.

4.4-B Encourage active farming without further development on the remaining agricultural land within the South County area by implementing and reaffirming the policies outlined in this section related to agricultural resources.

4.4-C Where use compatibility impacts exist, the City shall require open space buffers be established between future residential uses and existing agricultural operations.

TRAFFIC

4.5-A The City shall work with the County of Santa Clara, the City of Morgan Hill and the Santa Clara Valley Transportation Agency (as the designated Congestion Management Agency for Santa Clara County), to develop and implement the South County Regional Transportation Plan and identify the mitigation measures required by the City under this plan for roadways outside the Gilroy City limits. Once adopted, Mitigation 4.5-D through 4.5-F may be revised to conform to this regional plan.

4.5-B For roadways within Gilroy’s General Plan area, the City shall develop a comprehensive Traffic Circulation Master Plan, supported by a City Traffic Impact Mitigation Fee, that shall be imposed on all projects identified under CEQA as having a significant impact to the City’s circulation element. Periodically, the City shall review and update its Traffic Circulation Master Plan.
Mitigation Monitoring Program for Gilroy Urban Service Area Amendment 98-02 Subsequent EIR

Introduction

CEQA Guidelines section 15097 requires public agencies to adopt reporting or monitoring programs when they approve projects subject to an environmental impact report or a negative declaration that includes mitigation measures to avoid significant adverse environmental effects. The reporting or monitoring program is to be designed to ensure compliance with conditions of project approval during project implementation in order to avoid significant adverse environmental effects.

The law was passed in response to historic non-implementation of mitigation measures presented in environmental documents and subsequently adopted as conditions of project approval. In addition, monitoring ensures that mitigation measures are implemented and thereby provides a mechanism to evaluate the effectiveness of the mitigation measures.

A definitive set of project conditions would include enough detailed information and enforcement procedures to ensure the measure's compliance. This monitoring program is designed to provide a mechanism to ensure that mitigation measures and subsequent conditions of project approval are implemented.

Monitoring Program

The basis for this monitoring program is the mitigation measures included in the environmental impact report. These mitigation measures are designed to eliminate or reduce significant adverse environmental effects to less than significant levels. These mitigation measures become conditions of project approval, which the project proponent is required to complete during and after implementation of the proposed project.

The attached checklist is proposed for monitoring the implementation of the mitigation measures. This monitoring checklist contains all appropriate mitigation measures in the environmental impact report.
Monitoring Program Procedures

The City of Gilroy shall use the attached monitoring checklist for the proposed project. The monitoring program should be implemented as follows:

1. The Gilroy Community Development Department should be responsible for coordination of the monitoring program, including the monitoring checklist. The Community Development Department should be responsible for completing the monitoring checklist and distributing the checklist to the responsible individuals or agencies for their use in monitoring the mitigation measures.

2. Each responsible individual or agency will then be responsible for determining whether the mitigation measures contained in the monitoring checklist have been complied with. Once all mitigation measures have been complied with, the responsible individual or agency should submit a copy of the monitoring checklist to the Community Development Department to be placed in the project file. If the mitigation measure has not been complied with, the monitoring checklist should not be returned to the Community Development Department.

3. The Gilroy Community Development Department will review the checklist to ensure that appropriate mitigation measures and additional conditions of project approval included in the monitoring checklist have been complied with at the appropriate time, e.g. prior to issuance of a use permit, etc. Compliance with mitigation measures is required for project approvals.

4. If a responsible individual or agency determines that a non-compliance has occurred, a written notice should be delivered by certified mail to the project proponent within 10 days, with a copy to the Community Development Department, describing the non-compliance and requiring compliance within a specified period of time. If a non-compliance still exists at the expiration of the specified period of time, construction may be halted and fines may be imposed at the discretion of the City of Gilroy.

Responsible Parties and Timing of Implementation and Monitoring

The following table lists the parties responsible for implementing and monitoring each mitigation measures at each stage of the proposed project. The party(ies) responsible for implementation of the mitigation measure is (are) indicated by italics. The party(ies) responsible for monitoring the mitigation measure is (are) indicated by bold text. A key to abbreviations is located following the table.
<table>
<thead>
<tr>
<th>Mitigation Measure Number</th>
<th>Final Map</th>
<th>Project Plans Permits</th>
<th>Prior/During Grading</th>
<th>Prior/During Construction</th>
<th>Prior to Occupancy</th>
<th>Post Development</th>
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Principal Responsible Parties: A: Applicant or designer; ATT: Gilroy City Attorney; BLD: Gilroy Building Division; CD: Gilroy Community Development Department; CDFG: California Department of Fish and Game; COR: Santa Clara County Coroner; ENG: Gilroy Engineering Division; NAHC: Native American Heritage Commission; PLN: Gilroy Planning Division; RWQCB: Central Coast Regional Water Quality Control Board; SCVWD: Santa Clara Valley Water District.

Other Responsible Parties and Specialized Consultants: 1: Biologist; 2: Archeologist; 3: Hydrologist.

Gilroy Urban Service Area Amendment 98-03 Subsequent EIR Mitigation Monitoring Program 3
The text of the mitigation measures and the role of each responsible party is listed in the following table.

<table>
<thead>
<tr>
<th>Mitigation Measure Number</th>
<th>Text of Mitigation Measure</th>
<th>Implementing Party</th>
<th>Monitoring Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Subject to the review and approval of the City of Gilroy Planning Division, prior to approval of a tentative subdivision map, the applicant for residential development on the parcels north of the sports park shall provide a landscape plan that is consistent with the Gilroy Consolidated Landscape Policy, and includes a double row of trees along the sports park boundary, utilizing tree species that will attain a crown between 30 and 50 feet above street level. One row of trees may be planted on the sports park side of the shared property boundary. The plantings shall be a minimum size of 24-inch boxed specimens and shall be planted prior to occupancy of the houses located within 100 feet of the sports park.</td>
<td>Applicant shall prepare plan, install plantings prior to occupancy, and replace any plants that fail to grow adequately for the first five years following initial occupancy</td>
<td>Gilroy Planning Division shall ensure that the landscape plans meet requirements, and shall conduct annual monitoring for five years following initial occupancy to ensure trees are growing adequately. The construction manager shall note implementation of dust control measures in the construction log and provide a copy of the log to the City at the end of each week. GBRY Building Division shall review construction logs weekly for the initial four weeks and monthly thereafter. Gilroy Building Division shall investigate reported violations.</td>
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<tr>
<td>2</td>
<td>The following dust control measures shall be incorporated into all permits for any phase of proposed construction on the project site. The measures shall be implemented as necessary to adequately control dust subject to the review and approval of the City of Gilroy Planning Division. The following measures shall be implemented at all construction sites: Water all active construction areas at least twice daily; Cover all trucks hauling soil, sand, and other loose materials or requiring all trucks to maintain at least two feet of freeboard; Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites; Sweep daily (with water sweepers) all paved access roads, parking areas and staging areas at construction sites; Sweep streets daily (with water sweepers) if visible soil material is carried onto adjacent public streets. The following additional measures shall be implemented at construction sites greater than four acres in size: Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more); Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.); Limit traffic speeds on unpaved roads to 15 mph; Install sandbags or other erosion control measures to prevent silt runoff to public roadways; Replant vegetation in disturbed areas as quickly as possible. Subject to determination by the Gilroy Planning Division the following measures shall be implemented at construction sites that are very large or are located near sensitive receptors: Install wheel washers for all existing trucks, or wash off the tires or tracks of all trucks and equipment leaving the site; Install wind breaks, or plant trees/vegetative wind breaks at windward side(s) of construction areas; Suspend excavation and grading activity when winds (instantaneous gusts) exceed 25 miles per hour; Limit the area subject to excavation, grading and other construction activity at any one time.</td>
<td>Applicant shall implement dust control measures as necessary to control the migration of visible dust off site.</td>
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</table>
3 A landscape plan consistent with the Gilroy Consolidated Landscape Policy shall be prepared for common and street side planting areas abutting the Uvas Creek habitat corridor, subject to the review and approval of the City of Gilroy Planning Division. The landscape plan shall include appropriate native plant species and shall not include plantings of non-native, invasive plant species. Native grasses or other native species shall be preferred in the areas adjacent to the Uvas Creek levee to provide additional native habitat in association with the Uvas Creek habitat corridor.

4 Subject to the review of the City of Gilroy Planning Division, no earlier than 45 days and no later than 20 days prior to commencement of clearing, grading or construction in or adjacent to any riparian habitat, a field survey shall be conducted by a qualified biologist to determine if active raptor nests are present in the construction zone or within 250 feet of the construction zone. These surveys shall be required only if any construction would occur during the nesting and/or breeding season of raptors potentially nesting in the areas proposed for development (generally March 1 through August 31). If active nests are found within the survey area, at the discretion of the biologist, clearing and construction within 250 feet shall be postponed or halted until the nests are vacated and juveniles have fledged and there is no evidence of a second attempt at nesting.

5 Subject to the review of the City of Gilroy Planning Division, no earlier than 45 days and no later than 20 days prior to commencement of grading or construction on or adjacent to the slope of the levee, field surveys shall be conducted at least four consecutive evenings by a qualified biologist to determine if burrowing owls are present in the construction zone or within 250 feet of the construction zone. These surveys shall be required only if any construction would occur during the nesting and/or breeding season of burrowing owls potentially nesting in the area (February 1 through August 31) and during the winter residency period (December 1 and January 31). Pre-construction survey results shall be submitted to the California Department of Fish and Game for review and approval. If active nests are found within the survey area, a burrowing owl habitat mitigation plan shall be submitted to the California Department of Fish and Game for review and approval. The burrowing owl habitat mitigation plan shall contain mitigation measures contained in the California Department of Fish and Game Staff Report on Burrowing Owl Mitigation (California Department of Fish and Game 1995). Compliance with this mitigation measure may include, but not be limited to, the following:

- Avoidance of occupied burrows during the nesting season (February 1 through August 31);
- Acquisition, protection and funding for long-term management and monitoring of foraging habitat adjacent to occupied habitat;
- Enhancement of existing burrows and/or creation of new burrows;
- Passive relocation of burrowing owls.

Applicant shall prepare plan and install plantings, and replace any plants that fail to grow adequately during the first year.

Applicant shall arrange for the surveys, and shall abide by the determinations of the biologist.

Applicant shall arrange for the surveys, and shall abide by the determinations of the biologist, and the provisions of the mitigation program.

Gilroy Planning Division shall review the plans and inspect the plantings following installation, and shall ensure that the landscape plans meet requirements, and shall conduct monitoring following planting and one year later to ensure plants are growing adequately.

Qualified biologist shall conduct surveys, and report results to the applicant and the Gilroy Planning Division.

Gilroy Planning Division shall approve the selection of the biologist and review the biologist's reports.

Qualified biologist shall conduct surveys, and report results to the California Department of Fish and Game, the applicant, and the Gilroy Planning Division.

Gilroy Planning Division shall approve the selection of the biologist and review the biologist's reports.

California Department of Fish and Game shall review the reports and the mitigation plan, and shall monitor compliance with the mitigation plan.
Prior to commencement of construction activities, the applicant shall arrange for a qualified biologist to inform workers of the potential presence of all special-status species, their protected status, work boundaries, and measures to be implemented to avoid loss of these species during construction activities.

All food-related trash items shall be enclosed in sealed containers and regularly removed from the project area to deter attraction of potential predators of the California red-legged frog, foothill yellow-legged frog, western pond turtle, California tiger salamander, and western pond turtle. Pets shall not be allowed on the construction site. The proper location of the trash containers shall be subject to the review and approval of the City of Gilroy Community Development Department.

Subject to the review and approval of the City of Gilroy Planning Division, luminaires in the proposed residential area shall be limited in height to 20 feet and shall be of a full cutoff design to reduce light spillage to adjacent areas. Luminaires located along a street adjacent to the Uvas Creek levee shall be located to the east side of the street.

Prior to removal of any of the potentially historic buildings on the project site, an historical evaluation shall be completed. The historical evaluation shall include an architectural description of the structure, an historic background for the property and the completion of an appropriate State Department of Parks and Recreation form with photographic documentation.

The developer for any portion of the project site shall contract with a qualified archeologist to arrange a schedule for monitoring during grading and excavation activities due to the project site's creek-side location and proximity to recorded historic and prehistoric sites.

Due to the possibility that significant buried cultural resources might be found during construction, the following language shall be included in any permits issued for the project site, including, but not limited to building permits for future development, subject to the review and approval of the Gilroy Planning Division:

- If archaeological resources or human remains are discovered during construction, work shall be halted at a minimum of 200 feet from the find and the area shall be staked off. The project developer shall notify a qualified professional archeologist. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented.

| Applicant shall arrange for a qualified biologist to educate workers. |
|--------------------------|--------------------------|
| Gilroy Planning Division shall approve the selection of the biologist. Biological shall inform the Gilroy Planning Division of completed educational sessions. |
| Applicant shall place trash containers at approved locations. |
| Gilroy Community Development Department shall review proposed placement of trash containers. |
| Applicant shall indicate the height and placement of luminaires on Final Maps and project plans. |
| Gilroy Engineering Division shall review Final Map and project plans. |
| Applicant shall have an historical evaluation performed and follow the recommendations of the report. |
| Gilroy Planning Division shall review the historic report and determine the appropriate measures. Archeologist shall provide weekly reports of site monitoring to the Gilroy Planning Division, and halt work if significant resources are discovered. |
| Applicant shall arrange for the archeological monitoring at least once per day during grading and excavation. |
| Gilroy Planning Division shall consult with the archeologist to develop appropriate measures. |
In the event of an accidental discovery or recognition of any human remains in any location other than a dedicated cemetery, the City shall ensure that this language is included in all permits in accordance with CEQA Guidelines section 15064.5(e):

If human remains are found during construction there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner of Santa Clara County is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission within 24 hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendant from the deceased Native American. The most likely descendant may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a most likely descendant or the most likely descendant failed to make a recommendation within 24 hours after being notified by the commission; b) the descendant identified fails to make a recommendation; or c) the landowner or his authorized representative rejects the recommendation of the descendant, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner.

Any applicant for development within FEMA-delineated 100-year flood zones on the project site shall have a hydrology report prepared for that development by a qualified hydrologist or engineer, to specify hydrology-related design requirements for the site and buildings, subject to the review and approval of the City of Gilroy Engineering Division and SCVWD prior to issuance of a building permit. The hydrology report shall address the following requirements:

- Site plans and building designs shall comply with the City of Gilroy Flood Plain Control Ordinance.
- Development on the project site shall not impede the flow of floodwaters.
- Procedures shall be developed and site plans designed that will assure that any materials, supplies or goods stored, held or held for sale at the proposed use that may present health hazards or risks of water contamination during flood conditions are securely kept at least one foot above the 100-year flood level.
- Development on the project site shall not result in an increase in floodwater levels off the project site.

Calculations for both the 25-year and 100-year flood events shall be submitted in support of these requirements. All grading, design or other recommendations of the hydrology report shall be incorporated into project plans.

Applicant shall
- have a hydrological report
- prepared, and
- incorporate the recommendations into project plans.

Gilroy Engineering Division shall
- approve the hydrologist, review the hydrology report, and review project plans to ensure that the recommendations of the report are adequately addressed in the project plans.

SCVWD shall
- review project plans to ensure that the recommendations of the report are adequately addressed in the project plans.

Coroner shall
- investigate finds, and report to the Native American Heritage Commission within 24 hours if the remains are determined to be of Native Americans.
- The Native American Heritage Commission shall identify likely descendants.
The project applicant for any proposed development, shall, for each phase of the development, submit a Notice of Intent (NOI) and detailed engineering designs to the Central Coast RWQCB. This permit shall require development and implementation of a SWPPP that uses storm water “Best Management Practices” to control runoff, erosion and sedimentation from the site. The SWPPP must include Best Management Practices that address source reduction and, if necessary, shall include practices that require treatment. The SWPPP shall be submitted to the City of Gilroy Engineering Division for review and approval prior to approval of a building permit for each phase of the project.

Applicant shall submit NOI, proposed SWPPP, and engineering designs to the Central Coast RWQCB.

Central Coast RWQCB shall review and approve a SWPPP for the proposed project.

Gilroy Engineering Division shall review project plans to ensure that the SWPPP is adequately addressed on project plans.

The construction manager shall note implementation of SWPPP measures in the construction log and provide a copy of the log to the City at the end of each week.

Gilroy Engineering Division shall review construction logs weekly for the initial four weeks, and between November 15 and April 15 and monthly at other times.

SCVWD shall monitor the project site for compliance with its permit.

Applicant shall obtain a permit from the SCVWD.

Gilroy Engineering Division shall review plans to ensure that the required features are included on the Final Map, and have been constructed prior to occupancy.

Gilroy Engineering Division shall monitor the management plan annually for the first five years to ensure the plan is adequate to safeguard water quality.

Applicant shall include the Final Map on the management plan.

Applicant shall prepare any required management plan.

Gilroy Engineering Division shall review Final Maps and ensure that the required walls are constructed.

Subject to the review and approval of the City of Gilroy Community Development Department, the applicant for any residential development on the project site along West Luchessa Avenue shall construct a sound attenuation barrier eight feet in height when measured from the near curb of West Luchessa Avenue. The barrier shall be completed prior to occupancy of any houses on lots adjacent to West Luchessa Avenue.

Applicant shall include noise attenuation barriers on Final Maps and construct prior to occupancy.

Gilroy Community Development Department shall review Final Maps and ensure that the required walls are constructed.
Subject to the review and approval of the City of Gilroy Building Division, the applicant for any residential development on the project site shall conduct an acoustical study and establish engineering requirements to be included in construction plans to maintain interior noise levels at no greater than 45 dBA.

Interior noise attenuation techniques may include forced air ventilation or air conditioning for all habitable rooms with a window facing noise sources, triple-pane windows, sound insulation or other appropriate means that will reduce interior noise levels to no greater than 45 dBA.

The following language shall be included on any permits issued at the project site, subject to the review and approval of the City of Gilroy Engineering Division. "All noise generating construction activities shall be limited to weekdays between 7:00 AM and 7:00 PM, and to Saturdays and City holidays between 9:00 AM and 7:00 PM. No construction is allowed on Sundays. In addition, temporary barriers or noise attenuation barriers shall be utilized when necessary."

The following street improvements shall be made to the intersection of West Lochness Avenue and Church Street:
- installation of a traffic signal with two-phase operation;
- re-configuration of the northbound and southbound approaches as necessary to provide one approach lane for all movements;
- provision of one left-turn lane and one shared through and right-turn lane on the eastbound and westbound approaches.

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels.

Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.

Applicant shall have an acoustical study prepared and incorporate engineering and design requirements in project plans.

Applicant shall limit noise-generating construction to the hours listed.

The construction manager shall note hours of noise-generating construction activities in the construction log and provide a copy of the log to the City at the end of each week.

Gilroy Engineering Division shall review construction logs.

Gilroy Building Division shall investigate reported violations.

Applicant for applicable project shall include the listed improvements in project plans, and shall implement the improvements within nine months of notification by the City of Gilroy Engineering Division.

Gilroy City Attorney shall prepare a reimbursement agreement applicable to all projects in the amendment area.
The following street improvements shall be made to the intersection of Monterey Street and Luchessa Avenue:
- construction of a second northbound left-turn lane and an exclusive eastbound right-turn lane;
- addition of a right-turn arrow for the eastbound right-turn movement (so vehicles in this movement could move while the northbound left-turn movement has a green arrow).

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels.

Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.

Following or in conjunction with the signaling of the intersection of Monterey Street and Monterey Frontage Road, the following street improvements shall be made:
- re-configuration of the southbound approach as necessary to provide one left-turn lane, two through lanes, two right-turn lanes;
- re-configuration of the westbound approach as necessary to provide one shared lane for all movements;
- re-configuration of the northbound approach as necessary to two left-turn lanes, one through lane, one shared through/right-turn lane;
- re-configuration of the eastbound approach as necessary to provide one exclusive left-turn lane, one shared through and left-turn lane, and one right-turn lane.

Right-turn arrows shall be provided for the eastbound and southbound right-turn movements to provide LOS C intersection operations during all three study periods. This lane configuration will require split phase operation of the eastbound and westbound approaches.

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels.

Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.

A right-of-way sufficient for a six-lane arterial shall be dedicated to the City of Gilroy along the West Luchessa Avenue frontage of the project site.

The dedication shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis. The dedication shall be implemented at such a time as to allow construction necessary to prevent the deterioration of traffic operations below acceptable levels.

Applicant for any project in the amendment area along West Luchessa Avenue shall include a dedication on the Final Map and/or project plans Gilroy Engineering Division shall review Final Map and/or project plans to ensure inclusion of the right-of-way dedication.
West Luchessa Avenue shall be widened to four lanes between Monterey Street and Princeville Street.

The street improvements shall be implemented at such time as determined by the City of Gilroy traffic-monitoring program or a project-specific traffic analysis, and at such time as to prevent the deterioration of traffic operations below acceptable levels.

Construction of the improvements shall be required as a condition of approval for the applicable project. Improvements may be subject to a reimbursement agreement.

Applicant for applicable project shall include the listed improvements in project plans, and shall implement the improvements within nine months of notification by the City of Gilroy Engineering Division.

Gilroy City Attorney shall prepare a reimbursement agreement applicable to all projects in the amendment area.

Gilroy Engineering Division shall determine the timing for the listed improvements as part of its traffic monitoring program, and provide notice to the applicant for the appropriate project upon determining that the improvements are required.
RESOLUTION NO. 2002-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GILROY MAKING CERTAIN FINDINGS CONCERNING IMPACTS AND MITIGATION MEASURES IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT IN CONNECTION WITH A SPORTS PARK COMPLEX AND A REQUEST FOR URBAN SERVICE AREA EXPANSION TO ALLOW THE DEVELOPMENT OF THE SPORTS COMPLEX FOR WHICH AN ENVIRONMENTAL IMPACT REPORT AND SUBSEQUENT ENVIRONMENTAL IMPACT REPORT HAVE BEEN PREPARED, AND ADOPTING MITIGATION MEASURES AND STATEMENTS OF OVERRIDING CONSIDERATION AND APPROVING A MITIGATION AND MONITORING PROGRAM FOR THE PROJECT

WHEREAS, the City of Gilroy initiated an Urban Service Area expansion application USA 98-03 to incorporate 133.2 acres of land into Gilroy's Urban Service Area ("Project"); and

WHEREAS, the California Environmental Quality Act of 1970, as amended, ("CEQA") requires that, in the approval of a project for which an Environmental Impact Report ("EIR") has been prepared, the decision-making body shall review the EIR and make certain findings regarding the significant effects on the environment identified in the EIR; and

WHEREAS, the Project was the subject of a Final EIR entitled "Gilroy Sports Park and Urban Service Area Amendment (USA 98-03) Draft Environmental Impact Report" and "Gilroy Sports Park and Urban Service Area Amendment (USA 98-03) Final Environmental Impact Report Addendum" (together, "1999 EIR") prepared by the City of Gilroy as the lead agency in compliance with the requirements of CEQA; and

WHEREAS, the 1999 EIR was recommended for certification by the City of Gilroy Planning Commission on May 6, 1999; and
WHEREAS, the City Council on May 17, 1999, certified that as the decision-making body, it reviewed and considered the information contained in the 1999 EIR, and other information in the record, prior to acting upon or approving the Project, and found that the 1999 EIR had been completed in compliance with CEQA and reflected the independent judgment and analysis of the City of Gilroy as lead agency for the Project; and

WHEREAS, the City determined to prepare a Subsequent Final EIR ("SEIR") to reflect a proposed General Plan land use designation change of certain Project land from open space use to residential and commercial uses; and

WHEREAS, on March 8, 2002, the Planning Commission of the City held a hearing on the SEIR for the Project at which hearing the Planning Commission voted to recommend that the City Council certify the document as having been completed in compliance with the requirements of CEQA; and

WHEREAS, CEQA requires that in connection with the approval of a project for which an EIR identifies one or more significant environmental effects, the decision-making agency must make certain findings regarding those effects; and

WHEREAS, the location and custodian of the documents or other materials which constitute the record of proceedings upon which this Project approval is based is the office of the City Clerk.

NOW, THEREFORE, BE IT RESOLVED:

1. That the City Council does hereby find that the SEIR has been presented to it, that it has independently reviewed and analyzed the SEIR and other information in the record and has considered the information contained therein, including the written and oral comments
received at the public hearing on the SEIR and on the Project, prior to acting upon or approving the Project, and has found that the SEIR represents the independent judgment and analysis of the City as lead agency for the Project, and designates the City Clerk at her office at 7351 Rosanna Street, Gilroy, CA 95020, as the custodian of the documents and records of proceedings on which this decision is based; and

2. That the City Council does hereby find that the SEIR has been completed in compliance with CEQA; and

3. That the City Council does hereby make the findings with respect to the potentially significant and significant effects on the environment of the Project and Project alternatives as identified in the SEIR, attached hereto as Exhibit A(I) and incorporated by this reference.

4. That the City Council does hereby adopt the mitigation measures as set forth in the SEIR, and the Mitigation and Monitoring Program as set forth in the SEIR, attached hereto as Exhibit B and incorporated herein by this reference.

5. That the City Council does hereby, after review of the entire administrative record, including the SEIR, the staff report, and the oral and written testimony and evidence presented at public hearings, find that specific economic, legal, social, technological and other considerations justify the approval of this Project in spite of the existence of unavoidable environmental effects that were deemed significant and that cannot be completely mitigated to a level of significance as set forth in Exhibit A(II) regarding agricultural considerations, potential loss of prime farmland through growth-inducement on adjacent parcels, long-term and short-term noise from Gilroy Sports Park activities, exterior traffic noise at residential areas along Monterey Street, and exterior traffic noise at residential areas along West Luchessa Avenue. The City Council adopts and makes a
Statement of Overriding Consideration regarding the significant unavoidable impacts of the Project, finding that each of the benefits set forth in the Statement, attached hereto as Exhibit A(II), and incorporated herein by this reference, constitutes a separate and independent ground for finding that the benefits of the Project outweigh the risks of its potential significant adverse environmental impact.

6. That the City Council does hereby reject the Alternatives to the Project described in the SEIR for the reasons set forth in Exhibit C, attached hereto and incorporated herein by this reference.

PASSED AND ADOPTED this 18th day of March, 2002, by the following vote:

AYES: COUNCILMEMBERS: ARELLANO, DILLON, GARTMAN, MORALES, PINHEIRO, VELASCO, and SPRINGER

NOES: COUNCILMEMBERS: NONE

ABSENT: COUNCILMEMBERS: NONE

APPROVED:

/s/ THOMAS W. SPRINGER
Thomas A. Springer, Mayor

ATTEST:

/s/ RHONDA PELLIN
Rhonda Pellin, City Clerk
I, RHONDA PELLIN, City Clerk of the City of Gilroy, do hereby certify that the attached Resolution No. 2002-17 is an original resolution, duly adopted by the Council of the City of Gilroy at a regular meeting of said Council held on the 18th day of March, 2002, at which meeting a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this 3rd day of April, 2002.

City Clerk of the City of Gilroy

(Seal)
UNINCORPORATED AREA

Parcel One

LOCATION MAP

LEGEND

- - EXISTING CITY LIMITS LINE

- - - BOUNDARY LINE OF PROPOSED ANNEXATION

( 5751' 00" ) RECORD INFORMATION PER ANNEXATION MAP 71-3

P.O.G. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING

"EXHIBIT B"
PROPOSED ANNEXATION

TO: THE CITY OF GILROY

ENTITLED: MONTEREY REORGANIZATION 0210

JULY, 2002

HANNA & BRUNETTI - CIVIL ENGINEERS & SURVEYS JOB NO. 02058
"EXHIBIT A"

Date: July 01, 2002

Annexation to:

THE CITY OF GILROY

Name of Annexation:

MONTEREY REORGANIZATION 02-01

Being all of Parcel One as shown on that Parcel map filed in Book 744 of maps, at Page 39-41, Records of Santa Clara County, California, being more particularly described as follows:

Commencing from the most northerly corner of Annexation Map 71-3 "South Monterey #1"; thence along the southwesterly boundary of said Annexation Map on a curve to the right, from a tangent bearing S18°00'00"E, with a radius of 20.00 feet, through a central angle of 89°24'49", an arc distance of 31.21 feet; thence on a curve to the left, from a tangent bearing S71°24'50"W, with a radius of 94.00 feet, through a central angle of 102°04'38" an arc distance of 167.47 feet; thence S30°39'48"E 477.85 feet to a point on said southwesterly boundary and also being the True Point of Beginning; thence continuing along said boundary S30°39'48"E 26.42 feet to an angle point in said boundary; thence S18°00'00"E 94.22 feet to a point on said boundary; thence leaving said boundary S72°00'00"W 786.42 feet; thence S18°00'00"E 834.77 feet; thence N79°05'00"W 136.53 feet; thence S70°40'00"W 98.34 feet; thence S63°00'00"W 104.28 feet; thence N78°45'00"W 135.96 feet; thence N85°08'00"W 94.38 feet; thence N88°20'00"W 172.26 feet; thence N51°30'00"W 105.60 feet; thence S42°45'00"W 429.00 feet; thence N64°45'00"W 297.00 feet; thence N03°45'00"W 429.00 feet; thence N42°45'00"W 165.00 feet; thence S60°45'00"W 759.00 feet; thence N45°45'00"W 330.00 feet; thence N05°45'00"E 429.00 feet; thence N46°45'00"E 462.00 feet; thence N35°30'00"E 415.12 feet; thence S67°58'00"E 220.65 feet; thence N72°00'00"E 28.00 feet; thence N07°20'00"E 136.00 feet; thence N26°10'00"E 68.00 feet thence N15°30'00"W 103.00 feet; thence N61°15'00"W 62.55 feet; thence N15°30'00"W 250.18 feet; thence S88°59'05"E 933.84; thence N72°00'00"E 301.54 feet; thence S31°59'09"E 623.43 feet; thence S02°53'13"E 426.39 feet; thence N72°00'00"E 589.40 feet to the True Point of Beginning.

Containing 78.53 acres of land, more or less.

SEE EXHIBIT B

Revision: July 23, 2002
May 31, 2002

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: Gilroy Urban Service Area Amendment (1999)
Gilroy Sports Park and Adjacent Areas

RECOMMENDATION

1. CEQA Action and Findings

   Please see attached LAFCO Analyst’s report for CEQA recommendations and for
   environmental analysis of project. (Attachment B)

2. Project

   a. Deny the inclusion of the area (14 parcels) into the Gilroy urban service
      area and continue for consideration of annexation of only three (3) of those
      parcels (APNs 808-21-030, 808-21-0128 and 808-21-026) pursuant to
      Government Code Section 56742.

   b. Direct staff to work with the City to obtain maps and legal description of
      the properties per the County Surveyor requirements and the necessary
      State Board of Equalization fees for the annexation of the above three
      parcels.

   c. Direct staff to re-notice the application for the August 14, 2002 LAFCO
      meeting to indicate that the application includes annexation of the above
      three parcels.
PROJECT DESCRIPTION

The City of Gilroy proposes to expand its Urban Service Area (USA) boundary to include 14 parcels forming a 140.21-acre project site. The proposal includes 3 components:

1. the approved Gilroy Sports park on 5 parcels of a total 85.36 acres (including a 7 acre trail extension and habitat buffer), (APNs 808-21-030, 808-21-0128, 808-21-026, 808-21-021 and 808-21-018)

2. 27.72 acres containing 3 parcels for a proposed residential area (APNs 808-21-016, 808-210-08 and 808-21-009) and

3. 27.13 acres containing 6 parcels for a proposed commercial area (APNs 808-21-031, 808-21-029, 808-21-027, 808-21-013, 808-21-014 and 808-21-015).

The project site is located on the west side of Monterey Road, south of West Luchessa Avenue (formerly Thomas Lane) and is bound on the west side by Uvas Creek and the south by Farman Lane and Uvas Creek.

The City of Gilroy owns the Sports Park site and has approved the Sports Park. Its development can occur in the unincorporated area. The city is exempt from the permit authority of other agencies on land that the city owns. The Sports Park will be constructed over a period of 20 years. There is currently no specific development proposed on the commercial and residential parcels.

One of the primary reasons for the current location of the Sports Park is that the area is subject to a flood flow easement and so became financially feasible for the City to acquire this site. The City of Gilroy would like to develop the Sports Park within its jurisdiction to benefit from the property tax exemption for city owned lands within its jurisdiction as well as to enable services in a direct and cost-effective way. The surrounding lands are proposed to be included in the USA to make the area more contiguous with the existing USA and to eliminate islands upon annexation.

BACKGROUND

Application History

The City of Gilroy originally submitted the USA amendment request to LAFCO in June 1999. At that time, LAFCO staff requested additional environmental review in order to take into account the proposed new land use designation in the Draft Gilroy 1999-2020 General Plan. The EIR included analysis based on the existing land use designation which is Open Space for the parcels adjacent to the Sports Park. The Draft General Plan proposed changes in general plan designation for those parcels from Open Space to Residential Neighborhood District and Commercial-General Services. The City of Gilroy
with the policy because the city already has more than a 5 year supply of vacant residential and commercial land within its USA. Please see detailed discussion below.

**CONSISTENCY WITH LAFCO POLICIES**

**Conversion of Prime Agricultural Lands**

The soil on the project site is Yolo loam and is categorized as Agricultural Class I soils and is considered to be the most productive soil in the Santa Clara Valley. (United States Department of Agriculture Soil Conservation Service 1974) The California Department of Conservation's Important Farmlands Map designates the entire project site as "Prime Farmland", defined as land with the best combination of physical and chemical features able to sustain long-term production of agricultural crops.

The Sports Park would convert about 85 acres to non-agricultural use. The remaining 55 acres would be converted with the inclusion of the residential and commercial components into the USA boundary. Conversion of prime agricultural lands to other uses is non-reversible.

The EIR consistently asserts that the establishment of the Gilroy Agricultural Lands Area serves as partial mitigation for the loss of these 140 acres of agricultural lands. Through its update of its General Plan, scheduled to be adopted on June 13, 2002, the City is considering removing 660 acres of land from the agricultural preserve and including it within its 20-year boundary. In that case, it will no longer serve as mitigation or partial mitigation for the conversion of these 140 acres of agricultural lands.

**Growth Inducing Impacts**

The proposed project itself is an extension of urban services into a previously unserved area. Although all urban service infrastructure is currently available near the project site, the approval of the USA amendment would make that infrastructure available to the project site and would result in future growth and development of the area.

Extension of services to the project site could also result in development pressure on the land south of the project site. Although lands south of the project site are designated as Opens Space in the Gilroy Draft General Plan, landowners may request a further USA amendment and a change in land use designation to open their land to development. Similarly on the west of Uvas Creek, only a strip of land would remain outside the USA.

**Logical and Orderly, Efficient Boundaries**

The proposed expansion is adjacent to the existing city limits and USA boundary on two sides.
prepared a Subsequent Draft EIR and then a Subsequent Final EIR and resubmitted the application to LAFCO in April 2002.

The City of Gilroy at a meeting on June 13, 2002, is scheduled to adopt its General Plan which will include among many other changes, the revision to the land use designation on the adjacent parcels.

Existing Land Use of Project Site and Surrounding Areas

About 30 acres are currently farmed with row crops. However, the Subsequent FEIR stated that, a total of 128.20 acres is currently farmed with row crops. Three or four farmhouses and outbuildings are located along Monterey Road. A flood control levee is constructed on the project site where Uvas Creek forms the western boundary.

Land to the south and west of the project site are currently in agriculture. Greenhouses occupy some of this agricultural land and the remainder is farmed with row crops. West of the project site, across Uvas Creek, is additional agricultural land. Land to the north and east of the project site is developed with urban uses. North of the project site is an established residential neighborhood of single-family houses. East of the project site, in the City limits are commercial uses, including hotels, automobile dealership and mini-storage. Park and open space areas are located upstream of the project site along Uvas Creek. A bicycle trail runs along the east bank of Uvas Creek northwest of the project site and will be extended south of the project site as part of the approved sports park project. U.S. Highway 101 is located to the east of the project site.

Applicable General Plan and Zoning Designations

The project site currently has a County General Plan designation of “Open Space Reserve”. This designation is used for land that is adjacent to an existing USA but for which no long-term use has been determined. The County Zoning designation for the project site is “A-20” Agricultural Zoning (20-acre minimum).

The current Gilroy General Plan Land Use designations for the project site are “Open Space” and “Park/Public Facility.”

Gilroy’s General Plan is in the process of being updated. The Draft Gilroy 1999-2020 General Plan land use designations for the project site are “Residential-Neighborhood District,” “Commercial-General Services,” and “Park/Recreation Facility.”

CONSISTENCY WITH COUNTY GENERAL PLAN

The proposal area is not consistent with the Growth and Development C-GD 6, which states that lands containing prime agricultural soils is unsuited for urban development.

The proposal is only partially consistent with policy C-GD 8. Although the area is contiguous to the existing urbanized area, and all needed public services and facilities can be provided within 5 years without lessening existing levels of service, it is inconsistent
Enrollment is currently over capacity at the district’s elementary and high school. The district is constructing a new elementary school and has plans to construct a middle school. The EIR states that the development fees assessed by the District would be adequate to address the impacts.

Five-Year Supply of Vacant Land

Sports Park

The sport park is already approved at the project site and does not require LAFCO approval for proceeding with the development. The EIR does indicate that there are at least three sites within the existing USA on which the Sports Park may have been located. According to City staff, the City has adopted specific plans for two of the areas and they do not include such type of development and the third is within an established residential area which the City would be unable to acquire.

Residential Land

Residential development in the City of Gilroy is controlled through the City’s Residential Development Ordinance (RDO). Based on the RDO’s 10-year goal of 4,000 housing units, a five-year supply of residential land would require about 2,000 units. The City’s vacant land inventory currently includes a potential for about 3,549 units which represents about 9 years of supply.

Commercial Land

The City of Gilroy currently has about 210 acres of vacant commercial land within its existing USA according to the City’s vacant land inventory. Based on a usage of land in the past 5 years, it is estimated that the City would use about 59 acres of commercial land in the next five years. At that rate, the City currently has at least 18 years worth of vacant commercial land within its existing USA boundary.

In both the residential and commercial instances, the City has more than 5 years worth of vacant land within its current boundaries. In such cases, LAFCO policies require the City to explain why the additional land is necessary to be included at this time. The City states that reason for including these lands within the USA at this time is to make the area more contiguous with the existing USA and to eliminate islands upon annexation.

REASONS WHY THE USA REQUEST SHOULD BE DENIED

In an effort to establish contiguity and eliminate the creation of islands, the City’s current proposal includes the adjacent commercial and residential properties along with the Sports Park parcels. This means that in addition to the 85 acres of Sports Park properties, the City is adding another 55 acres of prime agricultural lands, about half of which is currently being farmed to the City’s USA. The City currently has about 9 years supply of
Ability of City to Provide Urban Services

FIRE: Currently the parcel is served by the South Santa Clara County Fire District. Upon annexation, the City of Gilroy will assume responsibility for fire protective services. The EIR states that the fire department would not require additional facilities, equipment or personnel to serve this area within the fire department’s emergency response time standard.

POLICE: The Santa Clara County Sheriff’s Department currently provides police protection services to the project site. The City of Gilroy will assume responsibility for provision of police services after annexation. The City of Gilroy Police Department would be able to serve the project site without the need for additional facilities. Since the project would add about 500 residents the department would need to add three-quarters of an officer to maintain established per capita staffing ratios.

WATER: Potable water on project site is currently provided by on-site wells. The City of Gilroy in May 1999, committed to providing water service to the Sports Park from the water line located beneath Monterey Street east of the site. (This commitment was made prior to 2001 when agreements between public agencies for extension of services beyond an agency’s boundaries were exempt from LAFCO approval. Since January 1, 2001 there has been a change in state law requiring LAFCO approval of extension of services outside an agency’s boundary even if the agreement for services is between two public agencies.) This, in effect, allows Gilroy to extend water services to the Sports Park facility even if the site remains unincorporated. The City will also extend a recycled water line to the Sports Park to supply about 155 acre-feet of irrigation water annually.

After annexation, the City will assume the responsibility to provide water to the proposed commercial and residential portions of the project. The City has adequate water supplies to meet the demand for water upon annexation.

SEWER: Private on-site septic systems are currently used to treat wastewater on the project site. The City of Gilroy in May 1999, committed to extend a sewer line to the Sports Park from Monterey Road. Again, because this commitment was made before 2001, the City is able to extend sewer services to the Sports Park Facility even if the site remains unincorporated.

The residential and commercial portion of the site would be served by the City sewers following annexation. The wastewater treatment plant has adequate capacity to accommodate the additional wastewater.

Ability of School District to Provide School Facilities

The project site is within the Gilroy Unified School District boundaries. It is estimated that the proposed residential development on the site would generate about 120 new school age students, i.e., nine students per grade level at the project site.
Also, if territory is annexed pursuant to Section 56742 as proposed, the annexing city may not annex any territory not owned by the city and not contiguous to the city, although the territory is contiguous to the territory annexed pursuant to the above provision. This provision would help contain further possibilities for encroaching into agricultural lands into the area.

The following is an initial analysis of other factors in the LAFCO annexation policies that would be considered for annexation:

**Does not Create Islands or Areas Difficult to Serve**

The staff proposal limits the annexation to only 3 of the total 5 parcels that comprise the Sports Park. One of the parcels proposed to be excluded (APN 808-21-021) is owned by the Santa Clara Valley Water District and is primarily used for the Uvas Creek Trail. The main development of the Sports Park will be on the 3 parcels that staff is proposing for annexation. Annexation of the three parcels would not create islands or areas difficult to provide services. Monterey Road and Luchessa Avenue are both within the current city limits. Annexation of the Sports Park parcels will not make it difficult to provide services to the adjacent or the annexed parcels.

**Definite and Certain Proposal**

The County Surveyor determines if a proposal is definite and certain upon review of the map and legal descriptions of the annexation boundaries. The City should submit the required description and map to the Surveyor. Inclusion of the three parcels would not result in boundaries splitting lines of assessment.

**City Able to Provide Services**

As explained above under “Ability of City to Provide Services”, the city is able and willing to provide all urban services necessary for the Sports Park development. Provision of services to the development will not detract from services to existing city properties.

**Pre-Zoning Requirement**

LAFCO policies require a pre-zoning designation prior to annexation of lands. The current Gilroy General Plan Land Use designations for the three parcels is “Park/Public Facility”. The Draft Gilroy 1999-2020 General Plan scheduled to be adopted on June 13, 2002 indicates that the land use designations for the three parcels is “Park/Recreation Facility.” City has not yet applied a pre-zoning for these parcels. A pre-zoning designation must be applied before the annexation can be approved by LAFCO.
vacant residential lands and about 18 years of vacant commercial lands within its boundaries. Adding these lands to the City’s USA at this time is unnecessary and premature. Unlike the Sports Park which is considered a low intensity urban use which could be reasonably compatible with agricultural uses on the surrounding properties, the residential and commercial components could have further adverse impacts on other surrounding agriculture. The Sports Park, because it is on City property, has the City’s approval and the City’s commitment to provide urban services such as City sewer and water services. If the Sports Park were to be developed anyway, it would be better to develop it within the City limits to ensure that the City assumes complete responsibility for providing services such as police and fire protection to the site.

REASONS WHY ANNEXATION OF ONLY 3 PARCELS IS RECOMMENDED

LAFCO staff recommends the annexation of only three of the parcels comprising the Sports Park (APNs 808-21-030, 808-21-0128 and 808-21-026) pursuant to Section 56742 of Government Code without including any land in the City’s USA.

The above recommendation is based on the following provisions in state law and local LAFCO policies:

1. Provision in Section 56742 of the Government Code that allows annexation of noncontiguous territory not exceeding 300 acres, if the area is owned by the city and is being used for municipal purposes at the time LAFCO annexation proceedings are initiated. The law also states that if after the annexation under this provision, the city sells that territory, the territory which is no longer owned by the city shall cease to be part of the city.

2. Santa Clara LAFCO local policies state that city annexations outside the USAs should be strongly discouraged. However, the policies recognize that in some circumstances, city annexations outside USAs will help promote preservation of agriculture, open space or greenbelts. Such cases should be considered on a case by case by LAFCO. LAFCO will be the conducting authority as opposed to the city council for annexation of lands outside a city’s USA.

The Sports Park is currently contiguous to the existing City limits by only a 100 feet strip which does not meet the requirements for establishing contiguity. The provision in section 56742 however, would allow such annexation without it being contiguous because the City currently owns the above three parcels for the Sports Park and is proposing to use the land for a municipal purpose.

Annexation of the three Sports Park parcels outside the USA will promote preservation of agriculture in the area. As mentioned previously in the report, annexation of only the three Sports Park parcels would help reduce the loss of prime agricultural lands in the area. It would help prevent the premature conversion of lands currently being farmed. It would reduce development impacts on other adjacent agricultural lands.
Street Annexation Policies Not Applicable

These policies are not applicable for this annexation. The proposal does not involve the annexation of any street segments. Monterey Road is already within the city limits of Gilroy.

Impacts on Special Districts

After annexation, the City of Gilroy Fire Department will provide fire protective services to the three parcels. Upon annexation to the City, the territory will be detached from the South Santa Clara County Fire Protection District.

LAFCO policies require that comments from affected service providers be considered in review of an annexation proposal. The proposal will be referred to all affected service providers. Also, as part of the annexation application process, all affected agencies will be notified of the proposal.

Regional Traffic Impacts

LAFCO annexation policies require that if the land development causes more than 2,000 vehicle trips per day, the proposal be sent to the County Transportation Agency (VTA) for comment on impact on regional facilities and services.

CONCLUSION

Staff recommendation addresses the issues of "contiguity" and "island creation" raised by the City and allows for the development of the Sports Park within the Gilroy city limits while keeping it and the 55 acres of adjacent prime agricultural land outside the City's USA, thus significantly reducing the loss of prime agricultural lands in the area.

ATTACHMENTS

Attachment A: Maps of the Area

Attachment B: LAFCO Analyst's Report including environmental analysis and CEQA action recommendations

Attachment C: Gilroy Sports Park Draft and Final EIR
EXHIBIT A
Additional Mitigation Measures
for the City of Gilroy General Plan
(as approved by the City Council on June 13, 2002)

AGRICULTURE

4.4-A Prior to any land use approval that would result in the conversion of land that is designated as prime farmland or farmland of statewide importance to an urban use (i.e., zoning changes, annexation to the City, urban service amendments, etc.) the City shall:

1. Implement a conservation and open space easement program.

   Guidance for this program may be found, in part, in “A Proposal to Establish and Agricultural Conservation Easement Program in Santa Clara County” (Appendix F-3 of the Draft Environmental Impact for the City of Gilroy Revised General Plan dated September 2001)

   As this implementation is of significance countywide, this program should be established as a joint effort of the City, the County, the Farm Bureau, the Open Space authority and other agencies.

   This program shall offer the following options as an acceptable mitigation for said land use approval:

   a. Purchase of an equal amount of prime agricultural land within the area of the Open Space Authority and the transfer of the ownership of this land to the Open Space authority or other City-approved agency.

   b. Purchase of development rights on agricultural land within the area of the Open Space Authority and the transfer of the ownership of this land to the Open Space authority or other City-approved agency. The purchase value shall be equivalent in value to that required under (a) above.

   c. Payment, in lieu of purchase, of fee to the Open Space Authority or other City-approved agency, equal to the amount required to comply with either of the above elements. The amount of this fee shall be equivalent in value to that required under (a) above.

2. Require all future projects that involve the conversion of agricultural land to urban uses to use generally accepted methodologies to identify the potentially significant impacts of changes in agricultural land use (Appendix F of the Draft Environmental Impact for the City of Gilroy Revised General Plan dated September 2001).
One example is the California Agricultural Land Evaluation and Site Assessment (LESA Model) developed by the California Department of Conservation to help establish standards of significance for CEQA evaluations of agricultural land conversions.

Additional programs to protect prime farmland and farmland of statewide importance comparable to those used by other counties or cities described in the Draft EIR may be considered by the City from time to time for adoption as meeting the requirements of this mitigation.

In addition, the City shall consider joining the Open Space Authority to help conserve remaining viable agricultural land within the City's sphere of influence.

4.4-B Encourage active farming without further development on the remaining agricultural land within the South County area by implementing and reaffirming the policies outlined in this section related to agricultural resources.

4.4-C Where use compatibility impacts exist, the City shall require open space buffers be established between future residential uses and existing agricultural operations.

TRAFFIC

4.5-A The City shall work with the County of Santa Clara, the City of Morgan Hill and the Santa Clara Valley Transportation Agency (as the designated Congestion Management Agency for Santa Clara County), to develop and implement the South County Regional Transportation Plan and identify the mitigation measures required by the City under this plan for roadways outside the Gilroy City limits. Once adopted, Mitigation 4.5-D through 4.5-F may be revised to conform to this regional plan.

4.5-B For roadways within Gilroy's General Plan area, the City shall develop a comprehensive Traffic Circulation Master Plan, supported by a City Traffic Impact Mitigation Fee, that shall be imposed on all projects identified under CEQA as having a significant impact to the City's circulation element. Periodically, the City shall review and update its Traffic Circulation Master Plan.
ITEM 8

Gilroy Urban Service Area Amendment 98-03
Subsequent Environmental Impact Report (Draft)

Gilroy Urban Service Area Amendment 98-03
Subsequent Final EIR

COPIES OF BOTH DOCUMENTS WERE PROVIDED TO COMMISSIONERS AS PART OF THE JUNE
13, 2002 LAFCO HEARING PACKET (See ITEM 5.2: ATTACHMENTS C, PART 1 and PART 2).

COPIES ARE ALSO AVAILABLE WITH THE LAFCO EXECUTIVE OFFICER.
July 12, 2002

TO: Local Agency Formation Commission for Santa Clara County

FROM: Neelima Palacherla, Executive Officer
      Dunia Noel, LAFCO Analyst

SUBJECT: LAFCO Service Reviews Recommendations – Service Review Organization, Boundaries, and Priorities

RECOMMENDATION

1. CEQA Action
   This project is exempt under CEQA Class 6, Section 15306 “Information Collection” which states:

   Section 15306: Class 6 consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded.

2. Service Reviews Organization and Boundaries
   a. Authorize staff to conduct:
      i. Countywide service reviews for fire protection services,
      ii. Countywide service reviews for water services, and
      iii. A comprehensive review of all services in the following sub-regions, as defined in the LAFCO Service Reviews Sub-Region Map and Tables 1-4:

         1 North County Sub-Region
         2 West Valley Sub-Region
         3 Central County Sub-Region
         4 South County Sub-Region
3. **Service Reviews Priorities**

Authorize staff to conduct countywide service reviews and sub-regional service reviews using the following priorities (listed from highest priority to lowest priority):

- **Priority #1** – Countywide service review for fire protection services and countywide service review for water services.
- **Priority #2** – North County Sub-Region Service Review
- **Priority #3** – South County Sub-Region Service Review
- **Priority #4** – West Valley Sub-Region Service Review
- **Priority #5** – Central County Sub-Region Service Review

**REASONS FOR RECOMMENDATION**

**Service Reviews Organization and Boundaries**

In developing a recommendation for countywide service reviews and service review sub-regions, LAFCO staff considered the geographic area that best facilitates a logical, comprehensive and adequate review of services in the area that is necessary to render service review determinations.

**Countywide Service Reviews**

Staff believes that fire protection services and water services, due to their unique characteristics, should be reviewed countywide in order to provide a comprehensive review.

Fire protection services in Santa Clara County are provided by multiple local jurisdictions (special districts and cities/towns) to various parts of the county. While city fire departments provide fire protection services within their respective jurisdiction, special districts may provide fire protection services to multiple cities and various parts of the unincorporated county. While all fire protection service providers have boundaries, the areas that the fire districts and departments service may differ from those defined boundaries due to mutual aid agreements, boundary drops, and contracts. Given these interrelationships, it is appropriate to review fire protection services countywide.

Water service, supply, and quality is a countywide issue. Although there are multiple water service providers that supply water to various parts of the county through their own distribution systems, water as a natural resource does not have a specific boundary. Therefore staff recommends that the service review for water services be conducted countywide.

In a normal year, less than half of Santa Clara County's water is drawn from local groundwater aquifers or rainwater captured in the district's 10 reservoirs. More than half is imported waters brought into the county through the State Water Project, the federal Central Valley Project, and to a small degree, San Francisco's Hetch Hetchy system.
The Santa Clara Valley Water District is the county's wholesale drinking water manager and coordinates flood protection for over 1.6 million residents countywide. The District sells treated water and groundwater to 13 local water retail agencies, as well as several mutual water companies, which serve communities within the county via their own distribution systems. The District also serves as steward of the county's more than 700 miles of streams.

Although staff recommends that fire protection services and water services should be reviewed countywide, staff may also address these services in sub-regional service reviews, where relevant.

**Sub-Regional Service Reviews**

In an effort to provide useful and accurate information concerning the services provided in the county, LAFCO staff recommends that separate comprehensive service reviews be conducted for different sub-regions of the county. This will allow staff to conduct a more focused review of services in a specific sub-region of the county and result in a more meaningful analysis. The recommended Sub-Regions are as follows (also see attached map):

1. North County Sub-Region
2. West Valley Sub-Region
3. Central County Sub-Region
4. South County Sub-Region

LAFCO staff will conduct a comprehensive review of services within each proposed sub-region. LAFCO may need to include a service provider in more than one service review sub-region, only review services of some providers to the extent that they affect the service review sub-region and services under study, or only review a portion of services provided. Service reviews may extend beyond the county boundary in some cases, to provide a more useful and accurate analysis of service provision, especially where multi-county service providers are involved. Furthermore, some types of services (e.g. resource conservation, open space protection, and vector control) may need to be grouped together and covered in one specific service review.

**Service Reviews Priorities**

In developing the recommendations for service review priorities, LAFCO staff considered the following criteria:

- Adverse public health and safety, environmental or land use issues requiring LAFCO actions to address such concerns
- Need for service reviews demonstrated by pending or prior applications
- Need to update Sphere's of Influence (SOI) in the area
- Adequacy of existing services
- Request for service reviews
- Input received from service providers and stakeholders
- Substantial consumer complaints or controversy
- Funding, budget, workload, and complexity of review and timing issues

**Review of Fire and Water Services In Preparation for Sub-Regional Service Reviews**

As mentioned earlier, staff recommends that separate countywide service reviews be conducted for fire and water services. Staff believes that these service reviews should be conducted prior to or in conjunction with sub-regional service reviews. The information collected in these countywide reviews will assist staff in completing service reviews for fire and water services for each sub-region.

**Sub-Regional Service Reviews Priorities**

LAFCO staff, using the *Criteria for Prioritizing Service Reviews*, analyzed the four proposed service review sub-regions (North County, West Valley, Central County, South County) in an effort to establish priorities for service reviews. This preliminary review indicated that there is a great need to conduct service reviews for all four areas in a timely manner. The preliminary review also indicated that the complexity of service reviews could vary depending on the sub-region.

Staff recommends the following priorities for conducting sub-regional service reviews:

- **First Priority** – North County Sub-Region
- **Second Priority** – South County Sub-Region (may include Coyote Valley)
- **Third Priority** – West Valley Sub-Region
- **Fourth Priority** – Central County Sub-Region

The above priorities list should not be viewed as indication of the importance or the lack of importance of conducting a service review for certain sub-regions of the County. Even though staff is aware of several issues in the South County Sub-Region that could potentially be addressed through the service review process, staff believes that conducting a service review for the North County Sub-Region will allow staff to gain the critical experience and information needed to conduct the more complex service review. Although these are staff's current recommendations, there is the possibility that these priorities might need to be modified due to unforeseen events or circumstances.

LAFCO staff estimate that the first service review will begin in late 2002 or early 2003. The remaining service reviews will be conducted over the next three years.

**PROJECT DESCRIPTION**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that LAFCO conduct a municipal service review before, or in conjunction with, but no later than the time LAFCO establishes or updates a Sphere of Influence (SOI). LAFCO is required to complete its first service reviews in time to enable SOI updates by January 1, 2006. Service review reports will be reviewed and updated as necessary, every...
five years in conjunction with SOI reviews and updates. Service reviews may need to be updated as required to facilitate review of a pending application or LAFCO action unless LAFCO determines that prior reviews are still adequate.

**Definition of Service Reviews**

A service review is a comprehensive review of municipal services within a designated geographic area to:

- Obtain information about municipal services in the geographic area,
- Evaluate the provision of municipal services from a comprehensive perspective, and
- Recommend actions to promote the efficient provision of those services.

**Type of Municipal Services That Will be Reviewed**

OPR's Service Review Guidelines recommend that service reviews cover the full range of services that a public agency provides, or is authorized to provide except general government services such as social and health services, courts and criminal justice. Service reviews are triggered by requirements to create or update sphere of influence (SOI) for public agencies. Therefore, LAFCO will review services that are provided by public agencies that have, or are required to have, SOIs. In doing so, LAFCO may also take into consideration other services and the operations of other providers that service the same region (e.g. private water providers or volunteer fire crews).

**Service Providers That Will Be Included In the Service Reviews**

As mentioned above, agencies with SOIs are the focus of service reviews. Other agencies and private providers that do not have SOIs may also need to be reviewed but not in the same depth as those with SOIs. All agencies will be encouraged to fully participate in the service review process.

The agencies with SOIs in Santa Clara County include cities (15), and special districts (30) such as but not limited to county service areas, community service districts, fire protection districts, sanitary districts, water districts, a vector control district, open space districts and resource conservation districts.

Other agencies including school districts, private providers, state or federal agencies and other agencies providing complementary, joint, support or overlapping services in the region will also be reviewed to the extent necessary to establish relationships, quantify services, designate or map service locations/facilities and provide a complete overview of services in the area. These agencies may be requested to participate and provide information necessary to conduct the review.

**BACKGROUND**

**Santa Clara County is a Large and Diverse County**

Santa Clara County stretches over 1,300 square miles, and consists of multiple local jurisdictions (cities, county, and special districts) that provide various services to residents...
that live in a variety of environments. In addition to the fifteen cities/towns, thirty special districts provide various types of urban and other services to various parts of the county. Some of these special districts provide services countywide, while others serve specific areas, such as neighborhoods, communities, and/or certain cities. Four sewer treatment plants serve the various parts of the county. Three of the plants serve parts of the north valley, while one plant serves the south valley.

The North County is extensively urbanized, housing approximately 90 percent of the County’s residents. Thirteen of the county’s fifteen cities are located in the North County, while the remaining two cities, Gilroy and Morgan Hill, are located in the South Valley. The South Valley differs in that it remains predominantly rural, with the exception of Gilroy, Morgan Hill, and the small, unincorporated community of San Martin. Low density residential developments are also scattered through the valley and foothill areas.

The major topographic features of the county are the Santa Clara Valley, the Diablo Range to the east, the Santa Cruz Mountains to the west, and the Baylands in the northwest. Much of the County is undeveloped and/or inaccessible due to steep slopes, geologic instability and lack of roads. The majority of surface water drains into either the San Francisco Bay or the Pajaro River. The northern portion of the Diablo Range drains to Alameda County.

**Information On Proposed Service Review Sub-Regions**

**North County Sub-Region**

The North County Sub-Region consists of the Cities of Los Altos, Mountain View, Palo Alto, Sunnyvale, the Town of Los Altos Hills and unincorporated lands that are under the jurisdiction of the County of Santa Clara. Some of the unincorporated lands are developed with urban uses, substantially surrounded by cities, and located within a city’s Urban Service Area. These areas are often referred to as “the County Pockets.” Stanford University, which is primarily located in the unincorporated area, is also a large landowner in this sub-region. The sub-region is mostly fully developed, with the cities of Mountain View and Sunnyvale landlocked.

Several special districts operate in the North County Sub-Region, such as the Cupertino Sanitary District, West Bay Sanitary District, Purissima Hills County Water District, Central Fire Protection District and the Los Altos Hills County Fire District. For a complete list of cities/areas and special districts located within the North County Sub-region see Table 1.

Land-use planning efforts in the sub-region include the recently completed general plan/use permit update for Stanford University’s land. The Plan and Use Permit are now being implemented. A major planning effort is also underway for the Moffett Field Area that is located in both Mountain View and Sunnyvale. The Federal Government, who has jurisdiction over the area, is directing this planning effort.

**West Valley Sub-Region**

The West Valley Sub-Region consists of the cities of Cupertino, Saratoga, Monte Sereno, the Town of Los Gatos, and unincorporated lands that are under the jurisdiction of the County of Santa Clara. The unincorporated communities of Redwood Estates, Aldercroft
Heights and Lake Canyon are located in this sub-region. The County has partnered with the Cities of Los Gatos and Cupertino in order to promote the annexation of “County Pockets” into their respective cities.

The two sewer service providers in the sub-region are the Cupertino Sanitary District and the West Valley Sanitation District. These districts provide services to cities in the sub-region as well as parts of the unincorporated county.

Special districts, private providers, and mutual water companies provide water service to parts of the sub-region. The Central Fire Protection District and the Saratoga Fire Protection District provide fire protection service in the sub-region.

For a complete list of cities/areas and special districts located within the West Valley Sub-Region see Table 2.

Central County Sub-Region

The Central Sub-Region consists of the Cities of Campbell, Milpitas, San Jose (may also include Coyote Valley), Santa Clara, and unincorporated lands (both rural lands and “County Pockets”) that are under the jurisdiction of the County of Santa Clara.

The Cities of Santa Clara and Campbell are fully developed and landlocked. Both the Cities of San Jose and Milpitas have an urban growth boundary that limits their ability to further expand their boundaries. The Coyote Valley, located at the southern end of San Jose’s Sphere of Influence, is the only part of the sub-region that is likely to see significant land use changes. Future plans for the Coyote Valley include a new community consisting of 75,000 persons with 50,000 jobs and 25,000 housing units. This new community would be part of the City of San Jose.

The cities in the sub-region provide fire and sewer services to lands under their jurisdiction, with the exception of the City of Campbell that receives sewer service from the West Valley Sanitation District. The majority of “County Pockets” are located in the City of San Jose. Most of these pockets receive sewer service from Sunol Sanitary District, Burbank Sanitary District, or County Sanitation District No. 2-3.

Depending on the city, water service may be provided by a private provider or the actual city. Fire protection service is provided by the cities, the Central Fire Protection District, and California Department of Forestry.

For a complete list of cities/areas and special districts located within the Central County Sub-Region see Table 3.

South County Sub-Region

The South County Area consists of the cities of Morgan Hill, Gilroy, the unincorporated rural community of San Martin, and other unincorporated lands that are predominantly rural or agricultural/open space lands. The South County Sub-Region is the part of the Santa Clara County that is likely to experience the most long-term growth. The City of Morgan Hill has adopted an urban growth boundary that limits the City’s ability to expand
its boundaries. The overwhelming majority of the South County is remote and inaccessible, particularly lands in the Diablo Range.

The South County Regional Waste Authority operates a sewage treatment plant that serves the cities of Morgan Hill and Gilroy. Sewer service is generally not provided to unincorporated lands in South County.

The City of Gilroy provides its own fire service, while the City of Morgan Hill contracts to the Central Fire Protection District for its fire protections services. Some parts of the rural, unincorporated lands in the sub-region are served by the South Santa Clara County Fire District and California Department of Forestry.

For a complete list of cities/areas and special districts located within the South County Sub-Region see Table 4.

CONCLUSION

The recommendations presented in this staff report are based on the many discussions that LAFCO staff have had with representatives from cities, County, and special districts to date. As LAFCO staff proceeds with this multi-year project, it may be necessary to make modifications to the organization, boundaries, and priorities for service reviews as presented in this staff report.

NEXT STEPS

As a next step in the Service Reviews Project, staff will develop policies and procedures for conducting service reviews. These policies and procedures will be brought to the Commission for adoption at the October 9, 2002 noticed public hearing.

ATTACHMENTS

Attachment A: Local Jurisdictions Within Each Sub-Region
Attachment B: Map of Service Reviews Sub-Regions
Attachment C: Sample List of Issues for Santa Clara County
TABLE 1: Local Jurisdictions in the North County Sub-Region

<table>
<thead>
<tr>
<th>SUB-REGION</th>
<th>CITIES AND OTHER AREAS</th>
<th>SPECIAL DISTRICTS</th>
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<tbody>
<tr>
<td>North County</td>
<td>Los Altos</td>
<td>Central Fire Protection District</td>
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<td></td>
<td>Los Altos Hills</td>
<td>County Library Service Area</td>
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<td></td>
<td>Mountain View</td>
<td>Cupertino Sanitary District</td>
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<td>Palo Alto</td>
<td>El Camino Hospital District</td>
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<td></td>
<td>Sunnyvale</td>
<td>Guadalupe Coyote Resource Conservation District</td>
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<td></td>
<td>Unincorporated</td>
<td>Los Altos Hills County Fire District</td>
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<td></td>
<td>Moffett Field</td>
<td>Midpeninsula Regional Open Space District</td>
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<td>Stanford</td>
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<td>Purissima Hills County Water</td>
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<td>Santa Clara County Vector Control District</td>
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<td>Santa Clara County Lighting Service Area</td>
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<td>Santa Clara Valley Transportation Authority</td>
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<td>Santa Clara Valley Water District</td>
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<td>West Bay Sanitary District</td>
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TABLE 2: Local Jurisdictions in the West Valley Sub-Region

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<tr>
<th>SUB-REGION</th>
<th>CITIES AND OTHER AREAS</th>
<th>SPECIAL DISTRICTS</th>
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<tr>
<td>West Valley</td>
<td>Cupertino</td>
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<td>Los Gatos</td>
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<td>Monte Sereno</td>
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<td>Cupertino Sanitary District</td>
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<td></td>
<td>Unincorporated</td>
<td>Guadalupe Coyote Resource Conservation District</td>
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<td></td>
<td>Lake Canyon Community Services District</td>
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<td></td>
<td></td>
<td>Midpeninsula Regional Open Space District</td>
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<td></td>
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<td>Rancho Rinconada Recreation and Park District</td>
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<td>Santa Clara County Vector Control District</td>
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<td>Santa Clara County Lighting Service Area</td>
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<td>Santa Clara Valley Transportation Authority</td>
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<td>Santa Clara Valley Water District</td>
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<td></td>
<td>Saratoga Cemetery District</td>
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<td>Saratoga Fire Protection District</td>
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<td></td>
<td></td>
<td>West Valley Sanitation District</td>
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</tbody>
</table>

1 Please note that many special district boundaries cover two or more service review sub-regions and therefore review and analysis of the services that the special district provides may be covered in more than one service review.
### TABLE 3: Local Jurisdictions in the Central County Sub-Region

<table>
<thead>
<tr>
<th>SUB-REGION</th>
<th>CITIES AND OTHER AREAS</th>
<th>SPECIAL DISTRICTS</th>
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<tbody>
<tr>
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<td>Milpitas</td>
<td>Central Fire Protection District</td>
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<td>San Jose</td>
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<td></td>
<td>Santa Clara</td>
<td>County Library Service Area</td>
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<td>Unincorporated</td>
<td>Guadalupe Coyote Resource Conservation District</td>
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<td></td>
<td>Coyote Valley</td>
<td>Midpeninsula Regional Open Space District</td>
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<td></td>
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<td></td>
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<td>Santa Clara County Vector Control District</td>
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<td>Santa Clara County Lighting Service Area</td>
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<td>Santa Clara Valley Transportation Authority</td>
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<td>Santa Clara Valley Water District</td>
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<td>Sunol Sanitary District</td>
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<td>West Valley Sanitation District</td>
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### TABLE 4: Local Jurisdictions in the South County Sub-Region

<table>
<thead>
<tr>
<th>SUB-REGION</th>
<th>CITIES AND OTHER AREAS</th>
<th>SPECIAL DISTRICTS</th>
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<tr>
<td>South County</td>
<td>Gilroy</td>
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<td>Morgan Hill</td>
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<td>Unincorporated</td>
<td>Lion's Gate Community Services District</td>
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<td>San Martin</td>
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<td>Coyote Valley</td>
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<td>Pacheco Storm Water Drainage and Maintenance District</td>
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<td></td>
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<td></td>
<td>South Santa Clara County Fire Protection District</td>
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<td></td>
<td></td>
<td>South Santa Clara Valley Memorial District</td>
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</tbody>
</table>

1 Please note that many special district boundaries cover two or more service review sub-regions and therefore review and analysis of the services that the special district provides may be covered in more than one service review.

2 Please note that the Coyote Valley Area may be covered in both the Service Review for the Central County Sub-Region and the South County Sub-Region Service Review.
ATTACHMENT C

SAMPLE LIST OF ISSUES FOR SANTA CLARA COUNTY

The following is a sample list of issues that may relate to service reviews. This list was developed through stakeholder meetings, and inquiries from the public. The list should also be considered a working list, as staff anticipates that many other issues will be identified through the service review process.

- Fire protection service, particularly for the hillside and remote development in the county as well as rural areas of the county.
- Providing emergency fire services to those parts of the county that are outside of the service boundaries of any established fire department.
- Providing services to the remote CDF areas during the winter months when CDF stations are not staffed.
- The provision of water service for fire protection is a particular concern for the rural unincorporated areas of South County.
- The San Martin County Water has expressed interest in expanding the District’s boundaries to serve more of the surrounding community.
- There have been inquiries about extending water service to development in the foothills and the smaller, surrounding valleys.
- The provision of sewer services is an issue for the unincorporated pockets located in Los Altos Hills. Los Altos and Los Altos Hills are both working on separate master sewer plans for their respective jurisdictions.
- There have been some requests for sewer services to existing development that is located outside of the City of Monte Sereno’s and City of Saratoga’s Sphere of Influence (SOI).
- There have been inquiries about extending sewer service to the Holiday Lake Estates area that is located east of Morgan Hill. There have also been concerns about water quality and water contamination in this area.
- There have been inquiries about extending sewer service to the Community of San Martin as well as concerns about water quality and water contamination in this area.
- How the provision of services to new communities (e.g. Coyote Valley) will impact service currently being provided to other areas.
August 6, 2002

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: West Loyola Area Annexation and Sewer Project

Agenda Item # 10

Staff Recommendation

Accept staff report.

Background

At the June 13 LAFCO meeting, (during the public presentations portion of the meeting) Rich Larson, a proponent of the West Loyola Area Annexation Project, requested LAFCO assistance in resolving the issue of sewer connections and annexation of the Loyola area to the Town of Los Altos Hills. LAFCO directed staff to research the issue and report back on LAFCO’s role at its August meeting. Staff has conducted some preliminary research on this matter. The following is a brief summary and status of project.

Location and Issues

The West Loyola area is an unincorporated area located within the urban service area and sphere of influence of the Town of Los Altos Hills. The area is located adjacent to the recently annexed area of Ravensbury neighborhood and is just north of the Mora Drive sewer extension project area that LAFCO approved in 2001. The annexation of this area to the Town would make the Mora Drive area contiguous to the Town of Los Altos Hills.

About 50 property owners in the area have signed a petition requesting annexation to the Town. (See attached map) Since the area is within the Town’s urban service area, the Town Council has the authority to annex the area without LAFCO approval. The reason for the annexation request is to connect to the Town’s sewer system. The properties are currently on septic systems. The issues surrounding this project relate to sewer capacity rights and sewer infrastructure.
capacity; specifically whether and how Los Altos Hills would obtain capacity rights for adding homes to the sewer system and whether the existing sewer infrastructure in Los Altos is adequate to accommodate the additional flowage. It is our understanding that the sewer treatment plant itself has adequate capacity to handle the additional flowage.

LAFCO staff has had conversations with the public works staff of Los Altos Hills and Los Altos to identify the issues.

**Sewer Capacity Rights**

The southern half of the Town of Los Altos Hills drains downhill towards the City of Los Altos and the northern half drains towards Palo Alto, both flowing into the Palo Alto Sewer Treatment Plant. In 1985, the Town and the City signed a Sewer Agreement that allows the Town to have up to 1,100 total residential connections within the "Los Altos" drainage basin. The Agreement states that the Town could be permitted up to 1,500 connections by mutual agreement through a written amendment to the Agreement.

In 2001, the City found through research that the Town had bought about 1,185 capacity rights, that is, 85 more than allowed per the Agreement. The City of Los Altos allowed an additional 40 capacity rights without requiring any amendment to the Agreement as part of the Mora Drive Sewer Extension project. So currently, the Town has 1,225 capacity rights, that is, 125 above the 1,100 capacity rights allowed by the Agreement.

However, out of the 1,225 capacity rights that the Town has, there are only about 800 physical connections, the other 400 rights have been bought but are not actually connected. These 400 capacity rights are in the ownership of individual property owners. These property owners had purchased the capacity rights by participating in a voluntary assessment district that the Town created in the 1970s or 80s. (Several of these property owners had / have functioning septic systems or for other reasons do not need to or are not able to hook up to the sewer system. It is also possible that a property owner could have bought more than one sewer capacity right at that time with the intention of subdividing property.)

The City will not sell further capacity rights until it has completed its Master Sewer Plan (currently underway) which will take a comprehensive look at its sewer network and will evaluate the impacts of further connections in the Los
Altos drainage basin. The City also requires that the Sewer Agreement between the Town and the City be revised before any additional capacity rights are sold.

### Sewer Plant Capacity

The City of Los Altos has an allocation of about 3.6 million gallons per day (MGD) at the Palo Alto Sewer Treatment Plant from the "Los Altos" drainage basin including the flows from Los Altos, Los Altos Hills and the unincorporated pockets. The current average flow is 3.2 MGD, which is about 89% of its capacity. If the additional 400 connections that are currently sold but not connected were made, the city would reach about 92% of its allocated capacity.

The Town of Los Altos Hills has purchased about 0.8 MGD capacity from the Palo Alto Treatment Plant, but the capacity is dedicated to sewer flows in the "Palo Alto" basin, not the "Los Altos" basin. The Sewer Plant has a total capacity of about 80 MGD, Palo Alto about 40 MGD and Mountain View has about 36 MGD capacity.

### Sewer Infrastructure

The City through its master sewer plan is evaluating the adequacy of its sewer system to handle potential future flow capacities and is reevaluating the flow assumptions in the Sewer Agreement considering the size of homes currently being built to determine if future capital improvements would be necessary.

### Sewer Master Plans

Both the City and the Town are independently working on developing sewer master plans for their jurisdictions. According to public works staff, both the master plans are estimated to be ready by December 2003.

In the meantime, the proponents of the project are seeking temporary solutions to the issue so as to not lose the "momentum" for annexation of their area. The Los Altos Hills staff has indicated that they cannot take a position on the issue or evaluate their options without completing their master sewer plan or conducting further study. Identified below are three potential alternative ways to obtain the necessary capacity rights.

**Option 1: Transfer of Capacity Rights to those in Immediate Need**

Involves purchasing any of the 400 capacity rights not currently being used, from individual property owners who may be willing to sell their sewer capacity
rights. This option does not raise any issues regarding the capacity of the Sewer Plant or the City sewer infrastructure as these connections have been accounted for in the current calculations. Staff does not have information on whether the property owners are willing to sell the capacity rights. Los Altos staff indicated that the current price for each new capacity right is about $3,700.

Option 2: Los Altos Hills to Transfer Capacity Rights from the “Palo Alto” Basin to the “Los Altos” Basin

It is our understanding that the Town has enough capacity in its “Palo Alto” basin that could potentially be transferred to its “Los Altos” basin.

Option 3: Los Altos Hills to Purchase New Capacity Rights from Palo Alto or Mountain View

This involves the Town purchasing additional capacity rights from the other two sewer plant partners, Palo Alto or Mountain View.

For both options 2 and 3, Town staff indicated that the Master Sewer Plan needs to be completed to sort out how much capacity is required and whether the capacity would be adequate to serve both the existing properties within the Town and also those in the County pocket within its urban service area. City staff indicated that they would need to do further research or complete their Master Sewer Plan to determine if the existing sewer infrastructure in the City is able to handle the additional flows. These two options may also require an amendment to the Sewer Agreement between the City and Town.

Conclusion

LAFCO does not have an active role to play in the decisions that the Town makes regarding annexation and sewer capacity issues in this instance. As mentioned previously, the area is already within the Town’s urban service area. LAFCO encourages annexation of such areas into the Town to enable the Town to provide services. The Town has the ability to annex and provide services to areas within its urban service area without LAFCO approval.

If the Commission desires, staff can facilitate a meeting between the proponents of the project and the City of Los Altos and the Town of Los Altos Hills.
August 6, 2002

TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
SUBJECT: 2001-2002 Annual Report
Agenda Item # 11

RECOMMENDATION


ANNEXATION & DEANNEXATION ACTIVITY

The total number of LAFCO-conducted reorganization proposals was six, including five special district annexations and one city detachment. This reflects about the same level of activity as the previous year which saw five reorganization proposals.

The number of city-conducted annexations that LAFCO staff processed this year totaled 28 proposals in five jurisdictions, as compared to 12 proposals in five cities the year before. The acreage annexed was 109.29 acres in Cupertino, 5.50 acres in Los Gatos, 65 acres in Morgan Hill, 207.149 acres in San Jose, and 7.39 acres in Sunnyvale.

URBAN SERVICE AREA AMENDMENTS

LAFCO heard and approved a minor urban service area amendment for Los Gatos and urban service amendments for 2 areas in Morgan Hill. LAFCO denied inclusion of one area into Morgan Hill urban service area.

OUT-OF-AGENCY CONTRACT FOR SERVICE REQUESTS

LAFCO approved two requests by the City of Morgan Hill for:
1. Extension of water services for fire protection of Kawahara Nursery and
2. Extension of sewer service to Copper Hill Drive.

LAFCO denied a request by the City of Morgan Hill for extension of sewer and water service to Morgan Hill Bible Church.

**SPHERE OF INFLUENCE AMENDMENTS**

LAFCO recommended approval of amendment to the Sphere of Influence of the West Bay Sanitary District and forwarded the recommendation to San Mateo LAFCO for final action. San Mateo LAFCO approved the sphere of influence amendment and annexation to West Bay Sanitary District which was then recorded in both counties.

**COMMISSION AND STAFF CHANGES**

There have been no changes in the composition of the LAFCO commission this year.

Effective July 1, 2001, LAFCO entered into a contract with the County for the County to provide staffing and facilities to LAFCO. As approved in the FY 01-02 budget, the level of LAFCO staffing has been increased. The budget allowed for a new full time position of LAFCO Analyst. Dunia Noel was hired in October 2001 as the LAFCO Analyst. The responsibilities of the LAFCO Planner from the Planning Office have been transferred to the LAFCO Analyst position. The LAFCO Clerk position has been increased from a half time to a full time position. Emmanuel Abello was hired as the LAFCO Clerk in August 2001. The Executive Officer position continues to be staffed at a part time level (0.6 position). Other staff includes the LAFCO Surveyor staffed from the County Surveyor’s Office and the LAFCO Counsel from the County Counsel’s Office. These positions are available to work on LAFCO issues on an as needed basis.

**OTHER ISSUES**

**Map of Santa Clara County and Cities Boundaries**

In July 2001, LAFCO and the County Planning Office jointly produced the Santa Clara County and Cities Map depicting the 15 cities and their urban service areas and spheres of influence. This updated map was created using Geographic Information system (GIS) and serves as a valuable source for general information on city and planning boundaries in this county. Copies of this map have been mailed out to all public agencies and other interested groups and organizations.
Workshop for Cities on City—Conducted Annexation Process

On November 13, 2001, LAFCO staff conducted a workshop for cities to provide an overview of provisions in state law regarding annexation process, city conducted annexation requirements and the new provisions for island annexations.

The workshop was attended by about 45 persons representing almost all the Santa Clara County cities and included city planners, clerks and attorneys.

LAFCO Workshop for Special Districts

On January 22, 2002, LAFCO staff conducted a workshop for the special districts in the county to provide information about changes in annexation procedures and filing requirements as a result of the Cortese Knox Hertzberg Act and about the new legislation mandating service reviews and sphere of influence updates every 5 years. About 15 special districts were represented at the workshop.

Service Reviews and Sphere of Influence Updates

Staff has started work on the service review project as required by the Cortese Knox Hertzberg Act. The following are some of the tasks accomplished / products staff is working on:

Work Plan for Service Reviews

LAFCO adopted a work plan for conducting service reviews in April 2002. The work plan includes three stages including information collection and preparation stage, policy and procedures development stage and the actual service review preparation and adoption stage. Staff is currently working on several tasks included in the first and second stage.

Mapping

LAFCO staff is working with the various special districts and the consultant to develop boundary and sphere of influence maps for all special districts in the county.

Profiles and Initial Surveys of Cities and Special Districts

Staff has mailed out a survey and received responses from cities and special districts. Staff is now in the process of compiling these responses to create profiles of districts and cities in the county.
Presentations to Stakeholder Groups

As part of the outreach efforts to identify issues and seek input, staff has made several presentations to various cities and other stakeholder groups such as the Santa Clara County Association of Planning Officials, Santa Clara County Water Retailers Meeting and the South County Joint Planning Advisory Committee. Staff has also held a separate workshop for special districts on service reviews.

LAFCO Activity Database

LAFCO staff developed a Filemaker Pro database to integrate some basic LAFCO procedural requirements. The database tracks LAFCO application activity, allows record keeping and management, tracks staff time, calculates application fees and helps generate forms and reports. There are currently about 100 records in the database starting from January 2000.

LAFCO Fee Schedule Revision

In April 2002, the Commission adopted a new LAFCO fee schedule. The new schedule became effective on June 1, 2002. The revised fees more accurately reflect the current staff hourly rates and take into account the additional procedural requirements for processing applications that are mandated by the Cortese Knox Hertzberg Act.

LAFCO Logo

In June 2002, the Commission adopted and authorized the use of a new logo for LAFCO of Santa Clara County. The LAFCO logo will be used on LAFCO correspondence, letterhead, business cards, web site and publications.

Participation in CALAFCO Activities

CALAFCO Annual Conference

The LAFCO Executive Officer, LAFCO Analyst, LAFCO Counsel, Commissioner Wilson and Commissioner Gage's policy aide attended the Annual CALAFCO Conference in October 2001. LAFCO staff coordinated the Issues Roundtable at the conference.

CALAFCO Staff Workshop and CALAFCO Clerk's Workshop

LAFCO staff attended both these workshops.

ATTACHMENTS

Attachment A: LAFCO Application Processing Activity
# LAFCO Application Processing Activity

**JULY 1, 2001 THROUGH JUNE 30, 2002**

## City Conducted Annexations

<table>
<thead>
<tr>
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<th>Date of Recordation</th>
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CITY CONDUCTED ANNEXATIONS (Continued)

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## URBAN SERVICE AREA AMENDMENTS

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## SPHERE OF INFLUENCE AMENDMENTS

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## CITY DETACHMENTS

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<td>(Lands of Bothwell)</td>
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### SPECIAL DISTRICT ANNEXATIONS

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<td>Sewer Services to Copper Hill Drive</td>
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<td>Sewer and Water Service to Morgan Hill Bible Church</td>
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</table>
August 6, 2002

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: Executive Officer’s Report

Agenda Item No. 12

A. Greenbelt Alliance’s Coyote Valley Visioning Project

Recommendation

Authorize staff to participate on the Partnership Committee for the Coyote Valley Visioning Project.

Please see attached description of the project. (Attachment A)


Recommendation

Authorize interested Commissioners and LAFCO staff including the Executive Officer, Analyst and Counsel to attend the 2002 CALAFCO conference and authorize travel expenses to be paid out of the LAFCO travel budget.

C. 2002 CALAFCO Executive Board Nominations

Nominations are now being sought to the CALAFCO Executive Board, in all categories (county, city, public and special district members). If you are interested in having Santa Clara LAFCO nominate you or another commissioner to the board, please let me know before or at the August 14 meeting.

Our nomination(s) must be submitted by October 11, 2002. Nominations received by this date will be included in the Recruitment Committee report. Nominations after this date will be returned, however, at the Business Meeting (Annual CALAFCO Conference), nominations will be permitted from the floor. All candidates must complete and submit a Candidate Resume Form.
Coyote Valley Visioning Project

Background Information

Coyote Valley is a primarily agricultural belt between the Cities of San Jose and Morgan Hill. Bounded by the serpentine ridgelines of the Diablo Range on one side, and the Santa Cruz Mountains on the other, the northern two-thirds of Coyote Valley is intended by San Jose's General Plan to eventually hold 50,000 jobs and over 25,000 housing units. The southern one-third is designated as the "Coyote Valley Greenbelt" and is planned to provide permanent separation between San Jose and Morgan Hill. While the most northern portion of Coyote Valley is zoned and planned for immediate development with campus industrial uses, the middle portion is not intended for residential or commercial uses in the near term.

Greenbelt Alliance acknowledges that development is likely to occur in Coyote Valley. The recent downturn in the economy has caused development plans for the area to be put on hold, and we believe this is the perfect time to step back and rethink the future of Coyote Valley. By bringing environmentalists, housing advocates, businesses, labor, and community leaders together behind a shared smart growth vision for the valley, we believe Coyote Valley can be a model community that:

- Integrates worksites with residential housing to cut down on the amount of commute time
- Provides opportunities for local residents to walk, bike, and use public transportation as an alternative to driving
- Meets the needs of various income groups by providing various types of housing and conveniently located community services.

Our effort is not meant to replace or compete with San Jose's planning efforts. It is our hope that this shared vision proves to be helpful to San Jose planning staff and elected officials as they move forward with their own planning process.

By taking a new approach that protects the environment, helps solve our housing crisis and ensures that San Jose's economic engine roars, we can make decisions with the good of San Jose and the rest of our region in mind.
Coyote Valley Vision Project

Partnership Committee Participant

Goal: Ensure that the final Coyote Valley Vision plan considers the values of your organization and its members, and reflects a future for Coyote Valley that your organization can support and help build.

Job Description: Be a part of the Visioning process that will work to develop a collaborative, smart growth vision for the future of housing, open space, transportation, jobs and agriculture in Coyote Valley. Participate in workshops that will identify key issues, consider alternative development strategies, and craft a final Vision Plan. Secure your organization's role in this broad-based coalition to work toward a sustainable, equitable and economically viable future for Coyote Valley.

Elements of Commitment:
Actively participate in three three-hour workshops over the course of the visioning process. The dates of the workshops are:

- Thursday, August 8, 2002
- Friday, November 1, 2002
- Friday, January 17, 2003

All Partnership Committee meetings will take place from 2:00 p.m. – 5:00 p.m. at the following location:

United Way Building
1922 The Alameda
Meeting Rooms 103 & 105
San Jose, CA

Recruit members of your organization to participate in workshops. With assistance from project staff, ensure that your organization's leadership and membership are kept aware of the project's direction and outcomes.
July 31, 2002

TO: All LAFCO Commissioners, Staff and Interested Parties

SUBJECT: 2002 CALAFCO Conference – November 13-15

We are getting excited! Preparations are well underway for the CALAFCO Conference. It will be held at Fess Parker’s Doubletree Resort, across a palm-lined beach from the Pacific Ocean. Santa Barbara County weather in November is typically clear and sparkling.

The Conference theme is “LAFCO in the 21st Century – Cooperation vs. Confrontation.” With the leadership of CALAFCO Executive Board Members Don McCormack and Richard Rubin, an outstanding conference program is being assembled that will allow registrants to focus on the significant changes and issues confronting LAFCOs and local government in California.

The highlights of the Conference Program include:

- Wednesday morning - New Commissioner and staff workshop
- Wednesday afternoon – Separate “Round table” discussions for Commissioners, staff and legal counsels to discuss issues in their counties and hear about what is going on elsewhere
- Thursday morning - “Implementing AB 2838, a Year Later”
- Thursday afternoon - Concurrent sessions with excellent speakers and panelists on:
  -- Smart Growth and Housing
  -- Spheres of Influence and Municipal Service Reviews
  -- Water Availability and LAFCO decisions
  -- Secessions from the City of Los Angeles (the Conference follows the elections)
- Friday morning – Regional meetings for LAFCOs from specific areas of the State
- Friday morning - Annual Legislative briefing and report from Sacramento
- Closing session - “Changing your Hat - the Multiple Identities of Commissioners”
Enclosed are registration materials. Please complete a separate form for each Conference registrant and return the forms to the Santa Barbara LAFCO by October 11 to receive the discounted conference rate.

Pre- and post-conference activities are available to increase your enjoyment. Registrants should indicate their areas of interest at the bottom of the registration form and information will be sent.

As the host LAFCO, we look forward to welcoming many Commissioners and other interested parties to the CALAFCO Conference in Santa Barbara in a few short months.

Sincerely,

DICK DEWEES, Chair
Santa Barbara LAFCO
Many significant issues and changes confront California as we cope with a growing population and finite resources. The Conference will afford LAFCO Commissioners, staff and other interested parties opportunities to learn, discuss and share on such topics as smart growth and housing, water issues, service reviews and future legislative changes.

Early Registration Deadline: October 11

Questions: Mary Everett
Santa Barbara LAFCO
Phone: (805) 647-7612
Fax: (805) 647-7647
E-mail: lafco@sblafco.org
2002 Annual Conference Information

Welcome to Santa Barbara

This year's Conference will be held at the beautiful Doubletree Resort, just steps away from Santa Barbara's famous beaches. To learn more about the resort visit their website at www.fpdr.com. You'll find a description of the amenities available in guest rooms, resort services, maps and directions.

On Thursday evening you are free to explore the many tempting taste delights of the City's fine restaurants. You'll receive a "Where to Eat" restaurant guide personally compiled by our Facilities Committee, providing you with suggestions for a memorable dining experience.

Wednesday Evening's Luau

On Wednesday evening enjoy a Polynesian luau, Santa Barbara-style. So bring your best, loudest, craziest and/or classic Hawaiian shirt and puka shells! We'll enjoy a relaxing, fun-filled evening in the Doubletree's Plaza del Sol. Guests, spouses, friends, family members are invited to join in. See the registration form for information.

Trains

Santa Barbara's Amtrak station is a few blocks from the Resort. Free shuttle service is provided to and from the station by the Doubletree. For the shuttle call the Guest Services Department at (805) 884-8528 when you arrive or beforehand give them the time you will be arriving and there won't be a wait at the station. For information regarding Amtrak schedules:
Phone: 1-800-USA-RAIL
On line: www.amtrakcalifornia.com

Planes

The Santa Barbara Airport has direct service to and from Los Angeles, San Jose and San Francisco. The Doubletree provides free shuttle service to and from the airport. For the shuttle either use the Doubletree courtesy phone at the airport when you arrive or arrange for it ahead of time by calling the Guest Services Department at (805) 884-8528. By giving them the time you will be arriving, there won't be a wait at the airport.

Automobiles

The Doubletree provides free parking to its guests, close to your room location.

Directions to Doubletree when driving north:

Take Highway 101 North to Santa Barbara. Exit the freeway at the Cabrillo Blvd/Beach area (This is a left exit!) At the stop sign at the bottom of the off ramp turn left onto Cabrillo Blvd. Cabrillo Blvd will go for about 1.5 miles, passing the Bird Refuge on the right and the volleyball beach on the left.
When you get to the light at the intersection of Cabrillo and Calle Puerto Vallarta turn right. The hotel entrance is the first driveway on the right. Follow the signs to the hotel lobby.

Directions when driving south:

Take Highway 101 southbound to Santa Barbara. Exit at Garden and turn right. Follow Garden all the way to the end, about 1/4 mile. Turn left on Cabrillo Boulevard. At the third light turn left on Calle Puerto Vallarta. The hotel entrance is the first driveway on the left. Follow the signs to the hotel lobby.

In November you can expect the temperatures to be approximately 76° for a high and 52° for a low. Humidity ranges from 40-60%. Santa Barbara experiences an average 300 days of sunshine a year.

Complete a registration form for each person attending (including spouses). Make sure you include fees.

Questions: Mary Everett
Santa Barbara LAFCO
Phone: (805) 647-7612
Fax: (805) 647-7647
E-mail: lafcosblafco.org