SANTA CLARA COUNTY Local Agency Formation Commission

MINUTES

WEDNESDAY, JUNE 13, 2002

1. <u>ROLL CALL</u>

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. <u>PUBLIC PRESENTATIONS</u>

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,

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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. <u>APPROVE MINUTES OF APRIL 10, 2002 MEETING</u>

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. <u>APPROVAL OF CONSENT CALENDAR</u>

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 – CASA LOMA ROAD

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

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5. <u>PUBLIC HEARINGS</u>

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

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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 <u>MORGAN HILL 2001 USA AMENDMENT – HALE AVENUE (CATHOLIC</u> <u>HIGH SCHOOL)</u>

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. <u>EXECUTIVE OFFICER'S REPORT</u>

6.1 <u>LOGO FOR LAFCO</u>

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 <u>SENATE LOCAL GOVERNMENT COMMITTEE AB 2838 IMPLEMENTATION</u> <u>SURVEY</u>

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 <u>STATUS REPORT ON SERVICE REVIEWS PROJECT</u>

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. <u>PENDING APPLICATION</u>

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. <u>WRITTEN CORRESPONDENCE</u>

8.1 <u>LETTER ON WEST LOYOLA ANNEXATION PROJECT</u>

This item was discussed during the public presentation.

9. <u>ADJOURNMENT</u>

On the order of the Chairperson, there being no objection, the meeting is

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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.

Linda J. LeZotte, Chairperson Local Agency Formation Commission

ATTEST:

Emmanuel Abello, LAFCO Clerk