

## 15.0 SOUTH SANTA CLARA VALLEY MEMORIAL DISTRICT

The veteran facility services that are provided by the District are evaluated within this service review.

### 15.1 LOCATION, ADMINISTRATION, AND OPERATIONS

The South Santa Clara Valley Memorial District was created on August 26, 1946, pursuant to the California Military and Veterans Code Section 1170 et seq. As shown in Figure 15.1, the District area is generally bounded on the north by Church Avenue, which is north of the City of Gilroy; and on the east, south, and west by the Santa Clara County line. The existing District SOI is coterminous with its boundary.

Memorial Districts through their principal act are empowered to provide and maintain memorial halls and buildings for use by veterans and may issue general obligation bonds to fund such activities. The South Santa Clara Valley Memorial District's current operations are limited to one memorial building, which is approximately 19,000 square feet and located at 74 W. Sixth Street in Gilroy. The District has stated that the building's roof has deficiencies due to age and is being replaced and solar panels are being added, which will provide hot water. The restroom has limited access for disabled persons. The District does not have plans to remodel the restroom. However, the District has stated that it would like to sell the existing building and purchase a larger and more adequate facility.

The District facility is utilized by local posts of the American Legion, Veterans of Foreign Wars, and auxiliaries of these groups that are located within the District. These organizations have formed a Bar Council, which operates the bar and clubroom in the building. In addition, the District rents the facility (by utilizing a property management firm) to non-veteran organizations and persons several times a month (annual average of 2-3 times per month). Any person or organization is able to rent this facility for use. The facility's base rent is \$1,000 per use. However, if the facility is being rented for a funeral of a veteran's family member, the rent is much lower, as long as the veteran is a member of one of the organizations that regularly utilize the facility. If the District rents the facility to a veterans' organization that is located outside of the District's boundary, the full rental rate would be charged. The District and Property Management Firm have stated that because most of the rental demand is on Saturdays and because the facility is used extensively for the activities of the veterans' organizations, limited availability exists for additional rentals.

An elected five-member Board of Directors oversees District activities. Regularly scheduled Board meetings are held on the third Wednesday of each month at 7 p.m. at the memorial building. Agendas for the meetings are posted pursuant to the Brown Act at the memorial building the Friday before each meeting. Meeting minutes are also available for anyone who requests them. The District has three contract employees that consist of two building caretakers and one gardener.

The District provides a specific service to a specific segment of the population. Thus, the District does not have any joint agreements for sharing facilities or costs. Because of the facility's current use schedule, the District has stated that it would not be possible for the District to share the facility with

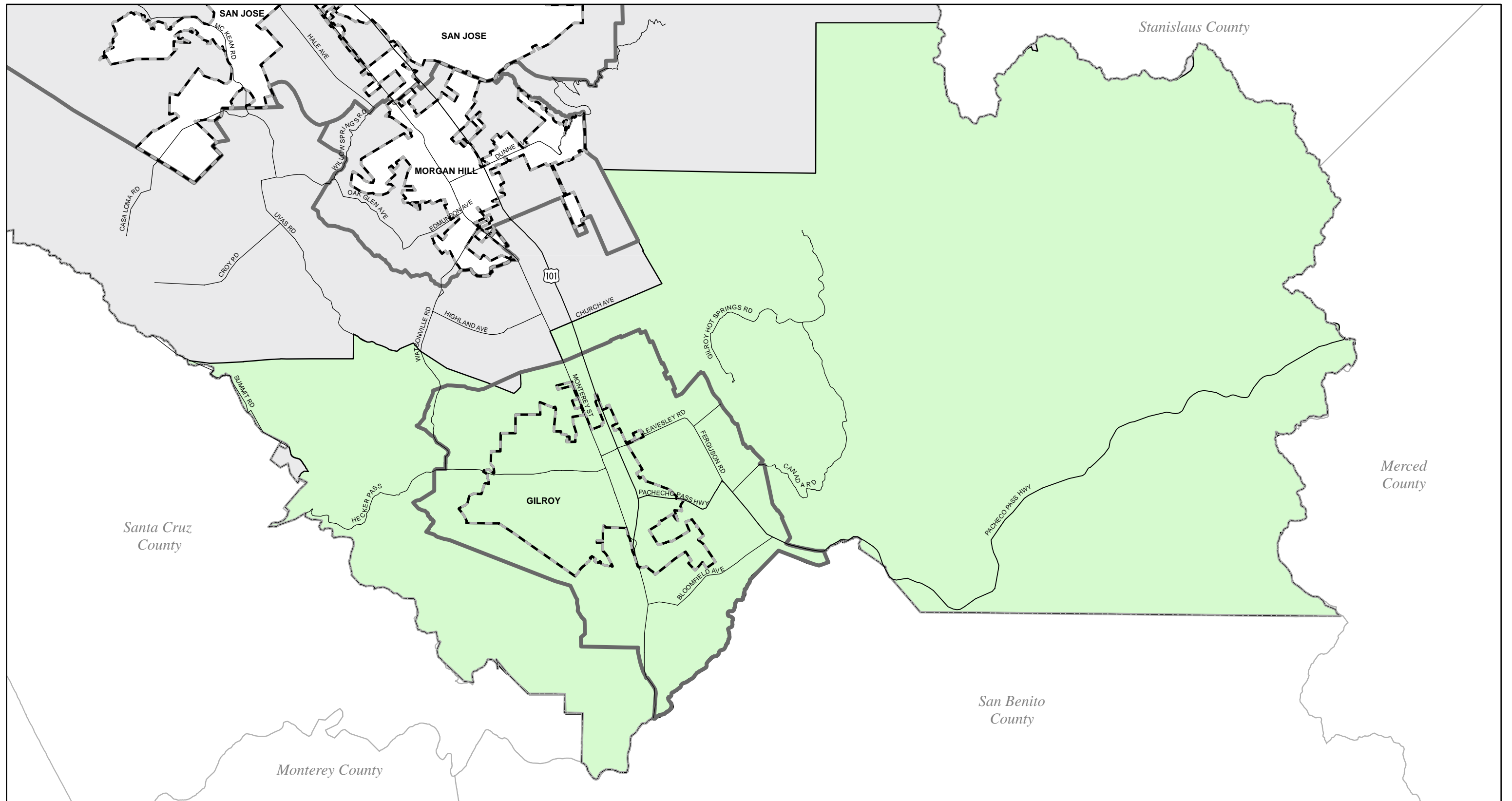
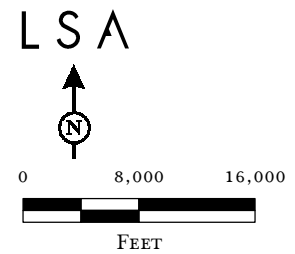


FIGURE 15.1



- Legend**
- County Boundary
  - Unincorporated Areas not within the District
  - Cities Spheres of Influence
  - South Santa Clara Valley Memorial District
  - Cities outside the South Santa Clara Valley Memorial District
  - City within Santa Clara Valley Memorial District

SOURCE: Santa Clara County, Dept. of Conservation (1996)  
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another agency on a regular or full-time basis. However, the District has had agreements with the City of Gilroy and organizations to use the facility when not being used by the veterans' organizations.

The District deposits all revenue in the County Treasury, where the District's financial services are implemented. The District's revenue is obtained through a percentage of property taxes, interest income, and fees from facility rentals. Between the fiscal years ending 2000 and 2003 an average of 77.3 percent of the District's revenue was from property taxes, 9.9 percent was from interest income, and 12.7 percent was from facility rentals. Within the same timeframe the District's revenues averaged \$78,904 annually, which exceeded expenditures by an average of \$30,784 annually. In addition, in June 2003 the District had \$224,802 in cash in the County Treasury, which is available for capital expenditures.

The County Board of Supervisors has indicated to the District in the past that the District should only utilize one account with the Treasury. Due to this, the District does not have a separate reserve account and any funds remaining after the end of each fiscal year remain in the County Treasury account. The District completes financial audits on a five year schedule. Within the 2005-06 fiscal year budget, the District has budgeted 85 percent of its revenue to be gained from property taxes and interest income, and 15 percent to be gained from rental fees.

The District's service provision is specific to veterans; hence, the demand for services provided by the District is not directly related to either population growth or land use within the District. It is related to the size of the veteran population within the District, which is difficult to project. However, population growth within the District's boundaries may create an additional demand for renting the facility.

The District is unique, with a specialized function that is specific to the provision and maintenance of facilities for the use of veterans and veteran associated organizations. The District is currently providing the services in which it was intended to provide. Having a public agency provide a facility for veterans use is unique within the Santa Clara County. All other veteran's facilities within the County are privately funded, whereby membership dues and activities provide funding for meeting places.

It should be noted that the County of Santa Clara has a Veterans Services Office that is a State and County funded agency established in 1946 to assist Veterans, military retirees, and their families in obtaining benefits and services accrued through military service. This office does not have the authority to provide facilities for the use of veterans and veteran associated organizations. The Veteran Service Office is limited to providing the following services:

- Information, training and assistance to organizations helping Veterans
- Outreach to hard to contact elements of the veterans community
- Benefits Claim Assistance
- Telephone Claims Assistance
- Notary Public Services
- Survivors Assistance

Specific service examples include:

- Client Advocacy
- Claims Filing
- Case Management
- Information and Referral
- Program Liaison with: VA Health Services, VA Veterans Centers, Veterans Administration, Veteran Service Organizations, Employment Development Department, and Cal Vet Home Loan Assistance
- Processing Appeals
- Interfacing with other Organizations
- In-Home Visitation and Outreach for Elderly, Disabled, Incarcerated and Mobility

The Veteran Service Office and the South Santa Clara Valley Memorial District provide two different types of services that do not overlap and are funded in different manners. Due to this, an overlapping of service provision does not exist. However, because the Veteran Service Office provides information, training and assistance to organizations helping veterans and outreach to hard to contact elements of the veterans community, the opportunity may exist for the two organizations to work together to provide services to veterans and dependants of deceased veterans.

## **15.2 SERVICE REVIEW DETERMINATIONS FOR THE SOUTH SANTA CLARA VALLEY MEMORIAL DISTRICT**

The Service Review guidelines prepared by the State Office of Planning and Research recommend that issues relevant to the jurisdiction be addressed through written determinations called for in the CKH Act. Based on the above information, the following are the written determinations for the South Santa Clara Valley Memorial District.

### **Infrastructure Needs and Deficiencies**

1. The size and location of the District's facility appears to be adequate to meet the needs of the veteran population in southern Santa Clara County and, specifically, the activities of the District.
2. The building's roof has deficiencies due to age and is being replaced and solar panels are being added. The restroom has limited access for disabled persons. The District does not have plans to remodel the restroom. However, the District has stated that it would like to sell the existing building and purchase a larger more adequate facility.

### **Growth and Population**

1. The District's service provision is specific to veterans. The demand for services provided by the District is not directly related to either population growth or land use within the District but is related to the size of the veteran population, which is difficult to project.

### **Financing Constraints and Opportunities**

1. The District's revenue is gained from property taxes, interest income, and rental fees. In June 2003 the District had \$224,802 in cash in the County Treasury, which is a financing opportunity.

### **Cost-Avoidance Opportunities**

1. The District recoups the expenses of owning and maintaining the memorial building by renting it out to the public.

### **Opportunities for Rate Restructuring**

1. The District rents out the memorial building and rental prices are based upon the rental market within Gilroy, as determined by a property firm.

### **Opportunities for Shared Facilities**

1. The District does not have any joint agreements for sharing its facility. Because of the facility's current use schedule, the District has stated that it would not be possible to share the facility with another agency. However, the District has had agreements with the City of Gilroy and organizations to use the facility when not being used by the veterans' organizations.

### **Government Structure Options**

1. The following two government structure options have been identified.
  - A. Dissolution of the District without naming a successor agency: The service being provided by the District would no longer be provided by a public agency and property tax funds would not be used to fund the services. A private organization may provide the services in the area using private funds.

Advantages: Property tax funds currently used to fund the District could be redistributed to other agencies; and the cost of operating a separate public agency to provide the service would be eliminated.

Disadvantages: There is no existing feasible successor agency to take the place of the District; and a private veterans' organization may provide the service but it would not receive a share of the property tax and would have to rely on private funds to provide the service.

- B. No change to the existing government structure: The District would continue to provide a unique service to a specific segment of the population and receive a share of the property taxes to fund its services.

Advantage: This would allow for continuity of service as no other existing public agency could provide the service.

Disadvantage: The District would be using public funds to provide services; and such services are provided and funded privately elsewhere in the County.

### **Evaluation of Management Efficiencies**

1. The District's financial records and activities are audited every five years by an independent auditing firm.

### **Local Accountability and Governance**

1. The District follows the provisions of the Brown Act, as meeting agendas are posted in a timely manner and meeting minutes are available to whoever requests them.

## **15.3 SOI RECOMMENDATION FOR THE SOUTH SANTA CLARA COUNTY MEMORIAL DISTRICT**

### **Current SOI Boundary**

The South Santa Clara County Memorial District area is generally bounded on the north by Church Avenue, which is north of the City of Gilroy; and on the east, south, and west by the Santa Clara County line. LAFCO adopted the existing SOI for the District, which is coterminous with its boundary, in 1983.

### **SOI Recommendation**

There are no SOI issues that have been identified. Therefore, it is recommended that LAFCO reaffirm the existing SOI for the South Santa Clara County Memorial District.

## **15.4 SOI DETERMINATIONS FOR THE SOUTH SANTA CLARA COUNTY MEMORIAL DISTRICT**

As detailed previously in Section 1.1.2, Government Code section 56425 requires written determinations with respect to the following four factors to update an agency's SOI. Based upon the information above, the following determinations are provided to update the existing District's SOI.

## **1. The Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The District encompasses the City of Gilroy and the adjacent unincorporated County areas, which extend to the County boundary to the south, east, and west. The City of Gilroy is a largely residential and agricultural community. The unincorporated County areas are largely ranchlands, hillsides, regional parkland, and agricultural areas. However, smaller areas consisting of open space reserves also exist adjacent to Gilroy.

Finding: Planned land uses throughout the District are generally similar to those of the existing uses.

## **2. The Present and Probable Need for Public Facilities and Services in the Area**

The County and the City of Gilroy are expected to experience a growth rate of slightly above 1 percent annually through 2025. However, the District's services are specific to veterans and are not directly related to the overall population growth. However, a potential increase in the veteran's population can be assumed.

Finding: The need for District services is expected to exist in the future.

## **3. The Present Capacity of Public Facilities and Adequacy of Public Services That the Agency Provides or Is Authorized to Provide**

Finding: The District is looking for an opportunity to move to larger more adequate facility.

## **4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They Are Relevant to the Agency**

Finding: There are no social or economic communities of interest that have been identified for the Memorial District.