



Memorandum

TO: Honorable Mayor &
City Council

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: The Public Record
March 9, 2023 to March 16, 2023

DATE: March 22, 2023

ITEMS FILED FOR THE PUBLIC RECORD

Letters from Boards, Commissions, and Committees

Letters from the Public

- 1-13. Letter from 13 members of the public, dated March 10-14, 2023, regarding Council Policy 5-1.
14. Letter from Santa Clara County, dated March 10, 2023 regarding (LAFCO) Staff Report for Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewel).
15. Letter from Tara Filsuf, dated March 15, 2023 regarding Bike Safety in San Jose.

Toni J. Taber, CMC
City Clerk

Fw: Jill Bohn 95127 - Policy 5-1, Use a City-led Community Engagement Process

Agendadesk <Agendadesk@sanjoseca.gov>

Fri 3/10/2023 9:00 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: City Clerk <city.clerk@sanjoseca.gov>

Sent: Friday, March 10, 2023 8:53 AM

To: Agendadesk <Agendadesk@sanjoseca.gov>

Subject: FW: Jill Bohn 95127 - Policy 5-1, Use a City-led Community Engagement Process

From: District 5 United [REDACTED]

Sent: Friday, March 10, 2023 8:47 AM

To: district5united [REDACTED]; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Jill Bohn 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Grant the community the same opportunity that you have granted to other communities in San Jose.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Jill Bohn

95127

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This mail was sent on behalf of a San Jose resident via District 5 United

[REDACTED]
Community Working Together

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Fw: Robert MacIntosh 95127 - Policy 5-1, Use a City-led Community Engagement Process

City Clerk <city.clerk@sanjoseca.gov>

Fri 3/10/2023 11:27 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: District 5 United [REDACTED]

Sent: Thursday, March 9, 2023 8:53 AM

To: district5united [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Robert MacIntosh 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Robert MacIntosh
95127

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This mail was sent on behalf of a San Jose resident via District 5 United [REDACTED]

Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Fri 3/10/2023 11:49 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: San Jose United [REDACTED] >

Sent: Friday, March 10, 2023 10:17 AM

To: sanjoseunity [REDACTED]; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Jim Carter 95125 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Please listen to the communities concerns regarding this important matter thank you

Jim Carter

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Jim Carter

95125

You may not use my contact information for any purpose other than to respond to my concern regarding the topic listed above, nor may you share my address with any other organization(s) or individual(s).

--

This mail was sent on behalf of a San Jose resident via San Jose United

[REDACTED]
Community Working Together

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San Jose United <[REDACTED]>

Fri 3/10/2023 10:56 AM

To: sanjoseunity [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

The golf course property is our last open space in our area. It is such a beautiful natural space that needs to benefit our Evergreen historic rich history. This property connects different communities, lake Cunningham, We must ensure this property is used to benefit our residence neighborhood and we must have robust Evergreen input to our area development... not run by the developer. We need our planning dept to listen to what our community needs and want. What's in it for us other than traffic and lost of this precious resource to our community

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Linda Ladwig
95148

You may not use my contact information for any purpose other than to respond to my concern regarding the topic listed above, nor may you share my address with any other organization(s) or individual(s).

--

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[REDACTED]

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San Jose United [REDACTED]

Fri 3/10/2023 10:56 AM

To: sanjoseunity [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Developers should never be part of any decision-making process. Their interest is only in their own pocketbook, not the best interests of the public.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Lynn Kamboj
95120

You may not use my contact information for any purpose other than to respond to my concern regarding the topic listed above, nor may you share my address with any other organization(s) or individual(s).

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This mail was sent on behalf of a San Jose resident via San Jose United

[REDACTED]
Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Mon 3/13/2023 8:33 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: San Jose United [REDACTED]
Sent: Saturday, March 4, 2023 7:23 PM
To: sanjoseunity [REDACTED]; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>
Subject: Erin Reynolds 87111 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Hi!

Our living arrangement are important to our wellbeing However, a lot of u ju t don't have the time or mean to muck around with significant modifications. Fortunately, with a few rearranging and decorating suggestions, your living space can more easily meet your demands, whether they are connected to parenting, entertaining, working from home, or any combination of the above.

Could I write an article for your website with fast suggestions for redesigning your home to better suit your needs and those of your family?

Please let me know if you're interested.

Sincere thanks!

Erin Reynolds, your trusted DIY Mama

P.S. If you'd like to propose an alternative topic, please do so. I would be happy to write on a topic that best suits your website. Don't want to hear from me again? Please let me know.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Erin Reynolds

87111

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--

This mail was sent on behalf of a San Jose resident via San Jose United

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Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Mon 3/13/2023 8:37 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: San Jose United [REDACTED]

Sent: Friday, March 10, 2023 11:53 AM

To: sanjoseunity [REDACTED]; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Antonio 95135 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

The Cities plan for housing should not be led by developers, the people will have a voice!

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Antonio

95135

You may not use my contact information for any purpose other than to respond to my concern regarding the topic listed above, nor may you share my address with any other organization(s) or individual(s).

--

This mail was sent on behalf of a San Jose resident via San Jose United

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City Clerk <city.clerk@sanjoseca.gov>

Mon 3/13/2023 8:38 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: District 5 United [REDACTED] >

Sent: Sunday, March 12, 2023 9:17 AM

To: district5united [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Lissa Oros 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

This is the first big development in a long time and there should be city and community involvement so that it doesn't become a developers dream that maximizes profits instead of maximizing community benefits.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Lissa Oros
95127

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This mail was sent on behalf of a San Jose resident via District 5 United
[REDACTED]

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City Clerk <city.clerk@sanjoseca.gov>

Mon 3/13/2023 10:58 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: District 5 United <[REDACTED]>

Sent: Friday, March 10, 2023 10:00 PM

To: district5united [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Ashley Bowman 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

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Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Ashley Bowman
95127

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This mail was sent on behalf of a San Jose resident via District 5 United

[REDACTED]
Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Tue 3/14/2023 8:52 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: San Jose United [REDACTED]

Sent: Monday, March 13, 2023 9:45 PM

To: sanjoseunity [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Patricia M. Blevins 95118 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Patricia M. Blevins
95118

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This mail was sent on behalf of a San Jose resident via San Jose United

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Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Tue 3/14/2023 11:03 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: District 5 United <[REDACTED]>

Sent: Tuesday, March 14, 2023 8:55 AM

To: district5united [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Michael Tessaro 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

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Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Michael Tessaro
95127

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This mail was sent on behalf of a San Jose resident via District 5 United

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Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Tue 3/14/2023 5:02 PM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: City Clerk <city.clerk@sanjoseca.gov>

Sent: Tuesday, March 14, 2023 1:11 PM

To: Agendadesk <Agendadesk@sanjoseca.gov>

Subject: FW: Mary Valderrama 95127 - Policy 5-1, Use a City-led Community Engagement Process

From: District 5 United <[REDACTED]>

Sent: Tuesday, March 14, 2023 12:47 PM

To: district5united [REDACTED]; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Mary Valderrama 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Mary Valderrama

95127

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This mail was sent on behalf of a San Jose resident via District 5 United

[REDACTED]
Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Tue 3/14/2023 5:04 PM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: San Jose United <[REDACTED]>

Sent: Tuesday, March 14, 2023 10:19 AM

To: sanjoseunity [REDACTED] <[REDACTED]>; District2 <District2@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; District4 <District4@sanjoseca.gov>; District5 <District5@sanjoseca.gov>; District 6 <district6@sanjoseca.gov>; District7 <District7@sanjoseca.gov>; District8 <district8@sanjoseca.gov>; District9 <district9@sanjoseca.gov>; District 10 <District10@sanjoseca.gov>; District1 <district1@sanjoseca.gov>; The Office of Mayor Matt Mahan <mayor@sanjoseca.gov>; City Clerk <city.clerk@sanjoseca.gov>

Subject: Tony Silva 95127 - Policy 5-1, Use a City-led Community Engagement Process

[External Email]

Dear City Council,

I join 1,100+ community members in urging you to use a city-led community engagement process for any development of areas zoned Private Recreation and Open Space, including the 114 acre Pleasant Hills Golf Course site.

Use a city-driven and very robust community engagement and visioning process like you are doing for sites a fraction of the size. The city and community should drive that process, not the developer. Please also ensure any future plans for this site include dedication of a significant percentage of the site for public open space.

Tony Silva

95127

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[REDACTED]
Community Working Together

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City Clerk <city.clerk@sanjoseca.gov>

Mon 3/13/2023 11:25 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>

Sent: Friday, March 10, 2023 5:45 PM

Subject: Staff Report for Gilroy USA Amendment 2021 (Wren Investors & Hewell)

[External Email]

The LAFCO staff report for the Gilroy USA Amendment 2021 (Wren Investors & Hewell), scheduled for a LAFCO Public Hearing on April 5, 2023, is now available at <https://santaclaralafco.org/about-lafco/news/gilroy-urban-service-area-amendment-2021-wren-investors-hewell-staff-report>.

The agenda for this meeting will be available on the LAFCO website by March 31, 2023.

Thank you,

Emmanuel Abello

Associate Analyst, LAFCO of Santa Clara County

777 North First Street, Suite 410, San Jose, CA 95112

(408) 993-4705 | Mobile: (669) 321-9704 | Twitter: [@SantaClaraLAFCO](https://twitter.com/SantaClaraLAFCO) | www.SantaClaraLAFCO.org

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**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Russ Melton
Susan Vicklund Wilson

Alternate Commissioners

Helen Chapman
Domingo Candelas
Cindy Chavez
Terry Trumbull
Mark Turner

Executive Officer

Neelima Palacherla

LAFCO MEETING: April 5, 2023

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

**SUBJECT: Gilroy Urban Service Area Amendment 2021
(Wren Investors & Hewell)**

STAFF RECOMMENDED ACTION

OPTION 1: STAFF RECOMMENDATION

Project Action

1a. Deny the proposed City of Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell).

CEQA Action

1b. Denial of the project does not require a CEQA Action.

OTHER OPTION FOR COMMISSION CONSIDERATION

OPTION 2:

Project Action

2a. Approve the proposed City of Gilroy Urban Service Area Amendment 2021 (Wren Investors & Hewell).

CEQA (California Environmental Quality Act) Action

2b. In order to approve the project, LAFCO as a Responsible Agency under CEQA, must take the following actions regarding the Mitigated Negative Declaration for this project:

- Find that the Initial Study and Mitigated Negative Declaration approved by the City of Gilroy on January 27, 2021 were completed in compliance with CEQA and are an adequate discussion of the environmental impacts of the project
- Find that prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as outlined in the Initial Study and Mitigated Negative Declaration.

- Find that the City of Gilroy submitted a mitigation monitoring program and that the monitoring program ensures compliance with the mitigation measures identified in the Mitigated Negative Declaration that would eliminate or reduce significant adverse environmental effects to less than significant levels, associated with the Urban Service Area expansion over which LAFCO has responsibility.

PROJECT DESCRIPTION

The City of Gilroy is proposing an amendment to its Urban Service Area (USA) in order to include two areas comprising approximately 54.5 acres of unincorporated land located west of US 101 and south of Day Road, in the vicinity of Vickery Avenue, Wren Avenue, Tatum Avenue, and Kern Avenue.

Area A (Wren), approximately 48.9 acres, is located west of Wren Avenue and south of Vickery Avenue and includes 13 parcels (APNs 790- 09- 006, 008, 009, 010, 011; 790- 17- 001, 004, 005, 006, 007, 008, 009 and 010); and

Area B (Hewell), approximately 5.6 acres, is located northeast of Vickery Lane and Kern Avenue and includes two parcels (APNs 790-06-017 and 018).

Wren Investors, LLC and Mark Hewell, the developers for the project site, have included thirteen other parcels under different ownership to create a more logical city boundary. All the property owners are in agreement with the proposed USA application. Area A and Area B are not contiguous to each other; however, they are in close proximity to each other and will be evaluated together as a single USA amendment proposal.

Please see **Attachment A** for maps depicting the proposal area and the various city boundaries, including the current USA boundary and the city limits.

The proposed USA amendment would allow annexation of the property and its future development in the City. The developers have submitted conceptual site plans to the City of Gilroy that show a possible development scenario consisting of primarily residential development (i.e., 307 lots) and a small amount (0.8 acre) of neighborhood commercial development. However, at this time no specific development is proposed for this site.

BACKGROUND

Proposal's History

According to the City of Gilroy, Wren Investors began processing an USA amendment request for this site in 2000 [USA 00- 02]; that request included all the property included in the current request plus one additional parcel. USA 00-02 was not approved by the City Council as part of the 2008 USA amendment request and therefore, not forwarded to LAFCO for consideration. At that time, the City Council expressed the following concerns about USA 00-02: negative fiscal impacts on the Gilroy Unified School District; negative fiscal impacts on the city; inadequate police

and fire response times to the site; undesired environmental impacts resulting from the project; and that no project design details were submitted as part of the CEQA analysis.

The Hewell portion has not been the subject of a prior independent USA amendment request.

In 2012, Wren Investors again submitted USA 12-01 amendment request to the City, and in 2014, Mark Hewell and David Sheedy submitted their USA 14-02 amendment request to the City. Before either of these applications could be processed, a third USA amendment application, USA 14-01, was submitted by Jeffrey Martin c/o Martin Limited Partnership. USA 14-01 encompassed 721 acres north of Gilroy city limits and included both the Wren Investors and Hewell properties. Since Wren Investors and Hewell properties were included in USA 14-01, both applicants agreed to place their application processing on hold while the City Council considered USA 14-01.

On December 7, 2015, the City of Gilroy adopted Resolution No. 2015-63 certifying a Final Environmental Impact Report (EIR) for the North Gilroy Neighborhood District Urban Service Area Amendment and adopted Resolution 2015-64 approving the USA 14-01.

On January 13, 2016, LAFCO filed a lawsuit against the City of Gilroy alleging that the City violated the California Environmental Quality Act (CEQA). LAFCO requested the court to direct the City to vacate its Approvals and comply with CEQA.

On January 25, 2016 the City adopted Resolution 2016-06 rescinding both Resolution No. 2015-63 and Resolution No. 2015-64, and directing the City Administrator to not submit an USA amendment application to LAFCO.

Subsequently, Wren Investors and Hewell properties have requested the City to continue processing their USA amendment requests (USA 12-01 and USA 14-02).

On January 27, 2020, the City of Gilroy adopted Resolution No. 2020-05 approving the submittal of the Wren Investors and Hewell USA amendment application to LAFCO.

LAFCO Staff Review

The City of Gilroy submitted the Wren Investors and Hewell USA amendment application to LAFCO in early April 2021. LAFCO staff started its review of the application and noted that while the City had adopted its new City of Gilroy 2040 General Plan on November 2, 2020, the application material submitted to LAFCO was based on designations in the City's previous General Plan. In mid-June 2021, LAFCO staff requested that the City provide additional information and clarification regarding the General Plan consistency. In mid-December 2021, the City provided two new documents for LAFCO staff's consideration, an analysis of the proposal's consistency with the City's new General Plan and an updated vacant lands inventory.

LAFCO staff resumed its review of the application and in mid-January 2022 requested further clarification regarding conflicting information on the boundaries of the proposal area. The City responded in early February 2022 and LAFCO staff

once again resumed its review and tentatively scheduled the proposal for LAFCO hearing in June 2022. However, in early May, LAFCO staff found that the City's information regarding the City's plan for providing and funding services to the proposal area was insufficient and/or contained conflicting data which then required LAFCO staff to request necessary data and clarification from the City. LAFCO staff also requested additional supporting information on the City's vacant lands inventory. LAFCO staff met with City staff to discuss this data request. In late October 2022, the City provided for LAFCO staff's consideration certain new information and clarifications and an entirely new vacant lands inventory that was prepared with a different methodology inconsistent with LAFCO's methodology, raising new questions.

In mid-December 2022, LAFCO staff sought further clarification from the City and made the decision to set the LAFCO public hearing date on the proposal for February 2023 and finalize the staff report based on the information received to date from the City.

However, the LAFCO public hearing scheduled for February 1, 2023 was continued at LAFCO Staff's request to April 5, 2023 due to a combination of staffing shortage and unexpected illness. LAFCO staff published the staff report on the LAFCO website before March 15, 2023, in advance of 21 days prior to the new meeting date, to provide ample time for all interested parties to review the report and prepare for the upcoming public hearing.

EXISTING LAND USES / DESIGNATIONS

The subject parcels are located in a rural unincorporated area of the county adjacent to the Gilroy city limits and USA. **Table 1** summarizes the current land use and designations for the proposal area.

The subject parcels consist of primarily undeveloped lands, with some rural residential development.

The subject parcels have a County General Plan designation of Open Space Reserve (OSR). Per the County General Plan, allowable uses on OSR lands consist of agricultural and open space uses.

The subject parcels have a County Zoning designation of A-20 Acre (Agriculture, 20 acres minimum lot size).

Table 1. Existing Land Use and County General Plan & Zoning Designations

Assessor's Parcel No.	Acres	Existing Land Use	County General Plan	County Zoning
790-06-017	1.0	Rural Residential	Open Space Reserve	A-20 Acre
790-06-018	4.2	Undeveloped	Open Space Reserve	A-20 Acre
790-09-006	1.1	Rural Residential	Open Space Reserve	A-20 Acre
790-09-008	3.4	Undeveloped	Open Space Reserve	A-20 Acre
790-09-009	18.4	Undeveloped	Open Space Reserve	A-20 Acre
790-09-010	2.3	Road & Road Median	Open Space Reserve	A-20 Acre
790-09-011	2.9	Undeveloped, hobby farm	Open Space Reserve	A-20 Acre
790-17-001	5.5	Gilroy High School FFA Farm	Open Space Reserve	A-20 Acre
790-17-004	0.3	Rural Residential	Open Space Reserve	A-20 Acre
790-17-005	0.4	Rural Residential	Open Space Reserve	A-20 Acre
790-17-006	0.4	Undeveloped	Open Space Reserve	A-20 Acre
790-17-007	1.2	Rural Residential	Open Space Reserve	A-20 Acre
790-17-008	1.2	Rural Residential	Open Space Reserve	A-20 Acre
790-17-009	2.5	Rural Residential	Open Space Reserve	A-20 Acre
790-17-010	9.2	Rural Residential	Open Space Reserve	A-20 Acre

PROPOSED GENERAL PLAN DESIGNATIONS AND LAND USES

In November 2020, the Gilroy City Council approved the General Plan 2040 update and associated CEQA. According to the City, the corresponding zoning update including the zoning ordinance and map will be updated by the end of 2023.

The City has applied a General Plan designation of Neighborhood District High to the proposal area, which allows for residential units at a mix of densities and establishes the following percentage of land for each residential category:

- 60% max: 0-7 DU/ac
- 5% min: 7-9 DU/ac
- 25% min: 9-16 DU/ac
- 10% min: 16-30 DU/ac

The City has not currently applied a pre-zoning designation to the proposal area. However, according to the City, upon annexation, the properties would be zoned “Neighborhood District” consistent with the General Plan designation for the proposal area. Upon LAFCO approval of the USA expansion and the City’s annexation of these lands, the City General Plan Land Use and Zoning designations would apply to the subject parcels.

At this time, no development applications have been submitted to the City for the proposal area. For purposes of environmental and fiscal analysis, the developers have submitted conceptual site plans for the proposal area that show a possible development scenario consisting of primarily residential development (i.e. 307 lots) and a small amount (on 0.8 acres) of neighborhood commercial development.

The City has indicated that in the future, a specific plan would be developed for this site as well as for the surrounding area that will determine the actual development plan for the site.

Table 2. Proposed City Land Use Designation and Potential Development

General Plan Designation	Potential Development	Approx. Acreage
Neighborhood District High (GP 2040)	Low Density Residential (3-8 DU/ac) 142 units	21 acres
	Medium Density Residential (8-20 DU/ac) 101 units	8 acres
	High Density Residential 20+ DU/ac) 64 units	3 acres
	Total Residential: 307 units	32 acres
	Neighborhood Commercial	0.8 acre
	Streets	16 acres
	Drainage	6 acres

ADJACENT AND SURROUNDING LAND USES

As seen in **Attachment A**, the proposal is bound on the east, south, and southwest by the Gilroy City Limits. These lands in the city are primarily developed with single-family residences, apartment complexes, and new housing under construction. These lands also include the former Antonio Del Buono Elementary School, which is now the site of the Santa Clara County Office of Education’s South County Annex.

The proposal is bound on the north and west by unincorporated lands. These unincorporated lands consist of a mix of rural residential development, vacant lands, and a small hobby farm for livestock.

ENVIRONMENTAL ASSESSMENT

Mitigated Negative Declaration

The City of Gilroy is the Lead Agency under the California Environmental Quality Act (CEQA) for the proposed USA amendment. Per City Resolution No. 2020-04, the City approved a Mitigated Negative Declaration (MND) for the proposal on January 27, 2020. The City is requiring mitigation measures to reduce potential significant environmental effects to a less than significant level for air quality, biological resources, cultural resources, and noise. A mitigation monitoring program, consistent with the MND, was approved by the City. The monitoring program will ensure compliance with the mitigation measures identified in the MND that would mitigate or avoid significant impacts associated with the USA expansion over which LAFCO has responsibility. In order to approve the project, LAFCO as a Responsible Agency under CEQA must rely on the City’s MND.

See **Attachment E** for the City’s environmental documents.

In October 2019, LAFCO staff submitted a comment letter on the City's Notice of Intent to Adopt a MND for the proposal. LAFCO's letter requested more detailed evaluation of the project's anticipated impacts on existing services, utilities, and facilities and noted that without such information, it is premature for LAFCO to consider an USA amendment proposal or its associated environmental impacts. LAFCO's letter also questioned the timing of the environmental review and the USA amendment application because the City was, at that time, in the process of updating its General Plan, and urged the City to not approve the proposed MND.

The City considered LAFCO's comment letter and prepared a response but made no significant changes to the MND or to their approval process. The City responded that the proposal was consistent with its existing General Plan 2020. In January 2020, the City Council voted to seek LAFCO approval on the USA amendment proposal and the City adopted its new 2040 General Plan in November 2020. The City submitted the USA amendment application to LAFCO in April 2021.

Thus, LAFCO received a conceptual proposal that was analyzed and approved by the City under a General Plan that was no longer current when LAFCO received the proposal. In addition, it appears the City is still in the process of updating its Zoning Ordinance consistent with its current General Plan, and is yet to update its master plans for critical services such as fire, water, sewer, stormwater drainage. All of this has created confusion during application review and required significant time and effort for LAFCO staff to try to reconcile inconsistent information and piece together the applicable information.

Furthermore, the conceptual nature of this proposal and the lack of details on service provision limits a full review of the proposal by LAFCO at this stage. The USA amendment process is the only opportunity for LAFCO to evaluate whether it is appropriate to include the land for urbanization because once the land is included in the City's USA, LAFCO approval is not required for annexing the land to the city. Therefore, if sufficient details are not available at the time of CEQA analysis and USA amendment application, it hinders LAFCO's ability to properly analyze the application. See **Attachment B** for LAFCO's comment letter on the City's Notice of Intent to Adopt a MND and the City's response.

CONSISTENCY WITH LAFCO POLICIES

Availability of Vacant Lands within Existing Boundaries

The City of Gilroy seeks to expand its USA in order to annex and develop residential and other related commercial uses in the proposal area.

In order to promote compact infill development; and prevent sprawl and the premature conversion of agricultural land, State law and LAFCO policies encourage the development of vacant or underutilized lands within existing city boundaries and discourage USA expansions when a city has more than a 5-year supply of vacant land within its existing USA. An USA includes lands that a city intends to annex for development and provide with urban services within a period of 5 years.

The amount of vacant land already within the USA and the amount of future growth the land could support is therefore of vital importance in determining whether the addition of more land for urban uses is necessary or premature. Historically and by past practice, the analysis to determine this involves the following three steps:

- Preparation of an inventory of all vacant or underutilized land (i.e., lands that have no active building permit and are undeveloped and/or underutilized) designated for the proposed uses within the city.
- Determination of the number of units that could potentially be built on the land based on the maximum potential buildout permitted by the city’s land use and zoning designations for the land.
- Calculation of the rate of absorption of the vacant land or years of supply based on a 10-year average of the city’s building permit activity. (vacant acreage divided by number of units per year equals years of supply)

City’s Residential Vacant Land

Over the course of this application review, the City of Gilroy has submitted a total of 3 residential vacant lands inventories – the first one (dated 2/3/21) was included in the original application material submittal. In December 2021, the City submitted a second updated inventory (dated 12/7/21) indicating that its inventory has changed as it has permitted a significant number of new units.

In response to LAFCO staff’s request for information on acreages of the vacant land identified in the second inventory, the City submitted an entirely new third inventory dated 10/18/22. While the first two inventories were generally in accordance with LAFCO’s methodology for inventorying vacant land and used LAFCO’s definition for vacant land, the third inventory excluded underutilized land, thus significantly reducing the inventory as seen in **Table 3** below.

Table 3. City of Gilroy’s Vacant Lands Inventories

City’s Vacant Lands Inventories	# of Vacant residential lots
February 3, 2021	2,828
December 7, 2021	2,480
October 18, 2022	1,728

The City has indicated that it removed underutilized properties from its 10/18/22 vacant land inventory consistent with the California Department of Housing and Community Development’s (HCD) definition of vacant land. However, this is inconsistent with LAFCO’s methodology for inventorying vacant land which LAFCO has used historically, and that the City itself has used in its first two inventories. The reason LAFCO’s definition of vacant land includes underutilized land is to promote more efficient use of such land within the city’s current boundaries prior to adding

more lands to the city’s boundaries, which is different from HCD’s intent and requirements.

LAFCO staff has therefore used the vacant land information submitted by the City in its 12/7/21 inventory as depicted in **Table 4**.

Since the City has not provided acreage information for the identified vacant/underutilized land in its 12/7/21 inventory, it is not possible to calculate the maximum number of housing units that could potentially be developed on these lands. Instead, the City has provided an estimated number of developable lots within each land use designation. The City estimates that approximately 2,480 residential units in total could be built on the vacant or underutilized land designated for residential uses within the City.

Table 5 includes the number of building permits issued annually by the City of Gilroy over a 10-year period. Based on this information the City has on an average issued 297 building permits for new housing units annually.

Therefore, there is at least an 8-year supply of vacant land designated for residential uses already within the City’s USA. ($2,480/297= 8.35$). That is, the city has adequate land to accommodate future residential growth for approximately 8 years.

Table 4. City of Gilroy Residential Vacant Lands Inventory 12/7/21

Residential Land use Designations	Allowed Density or Units	City Estimated Developable Units
Hillside Residential	<1 - 4 units/acre	172
Low Density Residential	3-8 units/acre	123
Medium Density Residential	8-20 units/acre	78
High Density Residential	20+ units/acre	500
Mixed Use	20-30 units/acre	143
Hecker Pass Specific Plan	Not provided	72
Glen Loma Ranch Specific Plan	1,693*	483
Downtown Gilroy Specific Plan	1,576*	909
Total		2,480

*Per the City’s vacant lands inventory, out of the 1,693 units awarded to the Glen Loma Ranch, 792 units are constructed or have building permits; and out of the 1,576 units projected in the Downtown Gilroy Specific Plan, 667 have been constructed

Table 5. City of Gilroy Ten-Year New Residential Building Permit Activity

Year	New Residential Building Permits Issued
2012	268
2013	218
2014	241
2015	693
2016	321
2017	445
2018	103
2019	163
2020	243
2021	275
10-year average	297

City’s Rationale for USA Expansion

When a city with a substantial supply of vacant land within its boundaries wants to include more lands, LAFCO policies require the city to explain why expansion is necessary, why infill development is not undertaken first, and how orderly, efficient growth patterns will be maintained.

The City’s rationale is included in its cover letter (**Attachment F**). In summary, the City has indicated that it anticipates that much of the current vacant and underutilized land in the City will be entitled over the next five years before the Wren Investors/ Hewell property has completed its lengthy entitlement process. The City states that bringing the Wren Investors/Hewell property into Gilroy’s USA is needed to maintain a healthy supply of land in the city to meet future housing needs and accommodate the City’s Regional Housing Needs Allocation (RHNA) for the current and upcoming planning period.

LAFCO Staff Analysis

Per the Association of Bay Area Governments (ABAG)’s allotment, Gilroy’s RHNA for the 8-year planning period (2023-2031) is 1,773 units which is approximately 222 units/year. RHNA is required to among other things, promote infill development; protect environmental and agricultural resources; encourage efficient development patterns; and achieve greenhouse gas reduction targets – goals that are shared by LAFCO. RHNA must also be consistent with the growth pattern from the region’s long-range plan for transportation, known as **Plan Bay Area 2050**, which calls for creating compact, walkable communities by promoting high-density housing and mixed-use development near transit stations and in existing urban areas. The City’s proposal to add more rural, largely undeveloped land to the City would divert resources away from areas already within the city such as the downtown area, and

would be in conflict with RHNA's and the Plan Bay Area's objectives of first encouraging development of underutilized lands in urban areas.

Furthermore, lands that the City annexed over 40 years ago have yet to be fully developed, such as the Glen Loma Ranch. The USA is a 5-year boundary.

Based on the vacant lands analysis, it appears that the city can conservatively accommodate at least 297 units annually for the next eight years and satisfy its market absorption rate for new residential development.

Commercial Vacant Land

The City has stated that there are currently 207.77 acres of vacant commercial land within the city. The City has indicated that over a 10-year period (2009 – 2019), the City has approved 8.73 acres of commercial uses or an average of 0.87 acre per year. Based on this absorption rate, the City has adequate commercial land to serve future growth for 234 years. However, the City has stated that the proposed commercial development is intended to serve residential uses in the Neighborhood District, whereas the existing vacant land does not serve this purpose.

Impacts to Agricultural Lands and Growth Inducing Impacts

The majority of the proposal area consists of vacant and underutilized lands, with the remaining lands containing some rural residential development. The proposal area includes a small amount (3.5 acres) of prime farmlands (containing Class II soils and/or soil with a rating of 81 through 100 on the Storie Index rating). As seen on the map (**Attachment C**), these prime farmlands are scattered across the proposal area. No farming operations were observed in the proposal area.

The proposal area is located in the "Agricultural Resources Area" (ARA) per the Santa Clara Valley Agricultural Plan, a joint plan to conserve Santa Clara Valley's farmland and ranchlands as an innovative climate mitigation and economic development strategy. The proposal area is also currently zoned for agricultural uses in the County of Santa Clara's Zoning Ordinance. The proposal area does not include any lands that are under a Williamson Act contract.

Adjacent unincorporated lands to the north and west of the proposal area are also zoned for agricultural uses in the County of Santa Clara's Zoning Ordinance. However, these lands include primarily rural residential development and vacant lands.

Extending road, sewer, water and storm drain infrastructure to the proposal area will result in these facilities and infrastructure now being located closer to rural unincorporated lands that are not currently planned for or proposed for urban development. This could increase development pressure on those adjacent unincorporated lands. The proposal will not significantly impact agricultural lands or open space land but could increase development pressures in the surrounding area.

Logical, Orderly, and Efficient Boundaries

The proposal is bound on the east, south and southwest by the Gilroy City Limits and the City’s USA. The proposal would not create any islands, peninsulas, or other irregular boundary configurations which would be illogical and/or difficult to serve due solely to the geography.

Annexation of Unincorporated Islands

In the interest of encouraging orderly growth and development, LAFCO’s Island Annexation Policies state that cities should annex urban unincorporated islands existing within their current USAs, before seeking to add new lands to their USAs.

The City of Gilroy has five unincorporated islands within its USA, most of which have existed for over a decade or more. See **Attachment D** for maps of the Gilroy’s unincorporated islands. These islands range in size from approx. 1 acre to 76 acres. In 2011, LAFCO staff inquired on the City’s plans for islands GR01 through GR04. **Table 6**, summarizes the City’s response to that inquiry. The island referred to as GR05 was not known at that time. GR05 was first identified as a potential unincorporated island in 2017 and subsequently verified by LAFCO staff, as part of a County of Santa Clara and LAFCO staff joint review of GIS boundary data discrepancies.

Table 6. Gilroy Unincorporated Islands

County Island ID#	Acres	Land Use	City’s position on island per Response Dated 11/8/2011
GR01	76.5	Vacant lands, farming, nursery, rural residential, concrete company	Will wait for property owner(s) to initiate annexation
GR02 ¹	12.5	Single Family Homes, Vacant Lands, and Drainage Channel	Will not annex, exclusion from USA should be considered
GR03	16.5	Farmland and trail/open space	Will wait for property owner(s) to initiate annexation
GR04	1	Single Family Home	Will wait for property owner(s) to initiate annexation
GR05	.1	Vacant Lands	Island was only discovered by LAFCO staff in 2017
Notes: ¹ City noted that it does not intend to annex GR02 and that there is not clear purpose for the City to engage in the cost and staff time to amend the USA to delete the property.			

Service Review and Sphere of Influence

The proposal area is located within the City's SOI. LAFCO conducted a service review for the City of Gilroy in 2015. Since then, the City has adopted a new General Plan and an Urban Growth Boundary (UGB). The proposal does not conflict with any specific service review determinations.

Gilroy Urban Growth Boundary

On November 8, 2016, Gilroy voters approved Measure H, a ballot measure that amended the City of Gilroy General Plan to establish an Urban Growth Boundary (UGB) line and designated almost all land outside the UGB as Open Space. Measure H is in effect through December 31, 2040. The Gilroy UGB includes over 1,000 acres of unincorporated lands that are located outside of the City's current USA boundary, and more than half of these lands were designated as Prime Farmland or Farmland of Statewide Importance by the State Department of Conservation at that time. See **Attachment A** for map of the Gilroy boundaries, including the UGB.

Under the approved Measure H, the City cannot approve development outside the UGB without further action by the voters or by the City Council. However, Measure H does include certain exceptions for public parks, public educational facilities (such as public schools and public colleges), and public wastewater, sewer, storm drain, and water recycling facilities, as well as certain open space uses. Thus, until December 31, 2040, land outside the UGB generally could be redesignated only by a vote of the people. However, under Measure H the City Council could also redesignate land outside the UGB in three limited situations for which the Council would have to make specific findings. These exceptions involve affordable housing, limited acreage for industrial job creation, or to avoid a taking of private property.

The proposal area is located within the City's UGB.

Consistency with Gilroy General Plan 2040 Policies

On November 2, 2020, the City adopted its new General Plan 2040, which anticipates the addition of approximately 1,177 acres, including the proposal area, into the Gilroy city limits. Prior to the City's adoption of its new General Plan, LAFCO as a Responsible Agency under CEQA reviewed and provided multiple comment letters (February 28, 2020, August 10, 2020, August 12, 2020, and October 26, 2020) on the City of Gilroy 2040 General Plan Environmental Impact Report.

LAFCO's August 2020 comment letters raised concerns about the adequacy of the environmental analysis as it relates to police, fire protection, water, and wastewater services and facilities, and questioned the dated master plans (from 2004). The City referenced these plans in its CEQA analysis and indicated that the City would update these plans after the General Plan Update.

Policy LU 1.1 calls for the City to ensure an orderly, contiguous pattern of development that prioritizes infill development, phases new development, encourages compactness and efficiency, preserves surrounding open space and agricultural resources, and avoids land use incompatibilities. **Policy LU 1.2** calls for

the City to encourage new residential development to locate within the existing Urban Service Area prior to considering expansion of the Urban Service Area. **Policy LU 1.3** calls for the City to encourage new commercial and industrial development, assuming available land supply, to first locate within the USA; and to second locate outside of the USA, if a proposed project is too large or properties within the USA are unable to accommodate the proposed development and following approval of a General Plan Amendment (if necessary) and a successful USA amendment. **Policy PFS 1.2** calls for the City to carefully consider the fiscal implications of land use decisions that would result in service expansions to avoid significant negative fiscal impacts unless necessary to achieve other critical City objectives.

The proposal is inconsistent with the first three stated policies, based on the fact that the City already has more than a five-year supply of vacant or underutilized residential lands within its USA; therefore, the proposal does not represent orderly growth at this time. The proposal is inconsistent with the fourth stated policy, as the City has not adequately demonstrated the ability to provide and fund requisite urban services to the proposal area without reducing service levels to residents within its current boundaries. Please see sections below on “City’s Ability to Provide Services” and “Fiscal Impact to the City of Gilroy and Affected Agencies” for further information.

Consistency with County General Plan Policies

Policy C-GD 1 states that most of the future urban growth should be accommodated within the existing urban areas, through infill development, rather than through expansion into hillsides and resource areas. **Policy C-GD7** states that urban expansion should be planned on a staged, orderly basis, consistent with applicable City and County plans and the availability of urban services; and also states that the discouragement of expansion of cities’ USAs should be recommended to the LAFCO. **Policy G-GD 8** states that USA proposals should only be approved if the City and school districts have the ability to provide all public services within a five-year period, if the existing USA accommodates no more than five years of planned growth, and if the area is contiguous to existing urbanized areas.

The proposal is inconsistent with all three of these policies, based on the fact that the City already has more than a five-year supply of vacant or underutilized residential lands within its USA; therefore, the proposal does not represent orderly growth at this time. Furthermore, the City has not adequately demonstrated the ability to provide and fund requisite urban services to the proposal area without reducing service levels to residents within its current boundaries. Please see section below on “City’s Ability to Provide Services” for further information.

Consistency with the Regional Transportation Plan

On October 21, 2021, a new Regional Sustainable Communities Strategies – Plan Bay Area 2050 was adopted by ABAG/MTC which continues to call for creating compact, walkable communities by promoting high-density housing and mixed-use development near transit stations and in existing urban areas. The Plan also

supports policies and programs that encourage redevelopment of underutilized land in urban areas.

Plan Bay Area 2050 identifies Growth Geographies (i.e., geographic areas) which are used to guide where future growth in housing and jobs would be focused under the Plan' strategies over the next 30 years. These geographies are identified either by the local jurisdiction or because of their proximity to transit or access to opportunity. Plan Bay Area 2050 has identified some lands in downtown Gilroy as a Priority Development Area and as a Transit-Rich Area. The proposal area and the anticipated residential development is not located within any of the abovementioned targeted growth geographies or within the City's existing urban footprint, as encouraged by Plan Bay Area 2050.

City's Ability to Provide Services

The City's Fiscal Impact Analysis projects that the annexation and future development of the subject site is expected to result in the development of 307 housing units and an addition of 1,075 persons (based on the City's average household size of 3.5 persons per household) to the City's population which would contribute to a city-wide increase in demand for public services over existing conditions.

However, no specific development of the subject site is proposed at this time and the timeframe for service delivery is unknown. Upon annexation, the City estimates that the entitlement process would take 5 years from the date a specific plan application is submitted.

The following is a summary of service impacts on the City and the City's plan for providing and funding service to the future development.

Fire Service

The South Santa Clara County Fire Protection District (which contracts with Cal Fire) currently provides fire protection services to the subject area. Upon USA amendment and annexation to the City of Gilroy, the City would provide fire protection services to the subject area.

The City has not established level of service/response time goals for fire service provision. However, according to the [Gilroy Fire Department 2019 Master Plan Update](#) (dated November 14, 2019 and available on the City Website), "overall first-due call-to-arrival performance is significantly slower than best practice standards to achieve desired outcomes to keep small fires small and to provide lifesaving care in serious medical emergencies".

The City is currently served by three fire stations and has a development agreement with the Glen Loma Development Group (signed in 2004 and amended in 2018) to fund construction of a 4th station in the southwestern part of the City. The City indicates that the timeline for the construction of the 4th station is unpredictable as it is tied to the issuance of the 1,100th Glen Loma building permit. Per the City's vacant land inventory, only 792 Glen Loma building permits have been issued so far.

As noted in the [City of Gilroy's Capital Improvement Plan for FY 2021-2025 \(CIP\)](#), adopted on November 16, 2020, the project was delayed for several years due to the Great Recession and due to large increases in construction costs. The City and the developer agreed to wait until construction costs came down or until the City could provide gap funding to assist with constructing the fire station. On November 18, 2019, the City approved an allocation of \$2.9M from its General Fund towards the fire station project, however that amount was reassigned to other needs due to the City's financial situation. The remaining additional fire station construction costs are estimated at \$6,438,100 for a total cost of over \$9 M. The 4th fire station remains unfunded in the FY 2021-2025 Capital Improvement Plan and is expected to be funded beyond FY25, when the Glen Loma development agreement provision is triggered.

As an interim means of providing services, the City has indicated that since mid-2020, it has been operating a part-time fire company with 2-person staffing out of a City facility (TEEC Building) located at Christmas Hill Park. However, this facility lacks the necessary amenities to house a full-time fire crew and the location is not ideal for emergency response. To better meet service demand, on October 17, 2022, the City Council approved a contract in the amount of \$204,908 to fund the construction, installation and a 3-year lease of an interim fire station modular building which is anticipated to be set up by late February or early March 2023. The funding for construction of this temporary station is from the Glen Loma Development which agreed to forgo the construction of McCutchin Park within the Glen Loma Development and transfer what it would cost to construct the park (\$2.3M) to the City's Capital Projects Fund. The City would use that amount to fund the interim fire station and partially fund the future permanent fire station. The City has not provided information on how it plans to fund staffing and station operations at the fire station.

Additionally, as noted in the City's CIP, a 2016 Needs Assessment Report indicated the Las Animas Fire Station and the Chestnut Fire Station both require a significant seismic retrofit/remodel and numerous upgrades to be compliant with the Essential Services Buildings Seismic Safety Act (ESBSSA) – these remain unfunded in the City's CIP.

The proposed USA amendment, annexation and future development would result in an increase in call volume within the City's service area. The City has not prepared analysis on the potential impacts of the anticipated development on fire service provision (such as impact on response times, the need for new or additional facilities, apparatus, and staffing) and has not adequately demonstrated its ability to provide and fund fire protection services to the subject area without reducing service levels to residents within its current boundaries.

The City's Plan for Service noted that the future development on the site would be subject to a development impact fee to fund infrastructure improvements but did not provide any further specifics. The Plan for Service only notes that future staffing of the fire department would be derived from the City's General Fund.

Police

The City of Gilroy Police Department will provide service to the subject area upon USA amendment, annexation and development of the proposed uses. The City has not established measurable standards for level of service goals for police services. The City has indicated that future development of the subject site would increase the number of calls received by the City's police department. The City has indicated that as the number of residences and businesses increase, staff within the police department would need to increase proportionately to maintain adequate service levels, however the City has not provided any specific estimates.

The City's Plan for Service noted that the future development on the site would be subject to a development impact fee to fund equipment and facility upgrades but did not provide any further specifics. The Plan for Service notes that future staffing of the police department would be derived from the City's General Fund.

The City has not prepared specific analysis on the potential impacts of the anticipated development on police service provision (such as the need for additional facilities, apparatus, equipment, and staffing) and has not adequately demonstrated its ability to provide and fund law enforcement services to the subject area without reducing service levels to residents within its current boundaries.

Wastewater

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

The proposed project would result in increased wastewater flows and require the development of new wastewater collection lines within the proposal area.

Capacity at SCRWA

SCRWA's wastewater treatment plant is currently permitted to treat up to 8.5 million gallons per day (mgd) of wastewater average dry weather flow. According to the City, SCRWA's current average dry weather flow is 6 mgd, including flows from both the City of Gilroy and the City of Morgan Hill. The City of Gilroy's allocated share of capacity at SCRWA is 4.9 mgd and the City's current average dry weather wastewater flow to SCRWA is 3.16 mgd. The City estimates that future development of the proposal area may result in 72,000 gpd (.072 mgd) in wastewater flow, a very small increase in the City's flow. However, the City has approved many developments that could be completed within the next few years that will need wastewater service.

The SCRWA staff recently projected that the requisite wastewater treatment plant flow will be 8.42 mg in 2025, 9.26 mgd in 2030, and 10.1 mgd in 2035, based on a 10-year average daily wastewater flow factor using population data; and projected that the wastewater treatment plant flow will be 8.51 mgd in 2025, 9.31 mgd in 2030, and 10.31 mgd in 2035, based on City permit data.

In order to meet those anticipated flows, efforts to expand SCRWA's treatment plant began in 2021 to increase the plant's capacity to 11 mgd average daily wastewater flow. According to the City, the expansion is approximately 37% to 42% complete. The City of Gilroy's 2021-2025 Capital Improvement Program (CIP) states that the total cost of the expansion is estimated at \$69.9 Million, with the City of Gilroy responsible for \$38.4 Million of the total cost and the City of Morgan Hill funding the remaining \$31.5 Million.

The CIP states that the City of Gilroy's share will be funded from the Sewer Impact Fee Fund (\$16.4 Million) and Sewer Enterprise Fund (\$1 Million); and depending on the exact timing of the project and other Sewer Impact Fee funded projects, the City may elect to issue bonds (\$21 Million) to fund it.

Collection Infrastructure

According to the City's Plan for Services, future development on the project site would connect directly to existing City of Gilroy infrastructure immediately adjacent to the project site, specifically the Joint Morgan Hill-Gilroy Trunk which runs along the eastern boundary of the project site. However, according to the City's 2004 Sewer Master Plan, modeling of the system shows that during wet weather flow conditions, the Trunk becomes deficient when current Morgan Hill flows are introduced. This represents a major existing deficiency in both cities' wastewater treatment service.

The City's Plan for Services indicates that a relief trunk line is being constructed from the intersection of California Avenue and Monterey Road in Morgan Hill to the intersection of Pacheco Pass and Renz Land in the City of Gilroy. However, the relief trunk line is only partially constructed at this time, from California Avenue to Highland Avenue. Additionally, the City of Morgan Hill and the City of Gilroy partnered to build the relief trunk line from the wastewater treatment plant to Renz Avenue in Gilroy. However, the relief trunk line between Highland Avenue and Renz Avenue remains incomplete. According to the City of Gilroy's 2004 Sewer Master Plan, the City of Morgan Hill is the responsible entity for funding this remaining reach of relief trunk line.

In response to our recent inquiry on the status of the trunk line, the City of Gilroy reported that the City of Morgan Hill is managing the project and that the design for this section of the relief trunk line is nearly 100% complete. The City of Gilroy informed LAFCO staff that construction of the remaining reach will cost the City of Morgan Hill \$30M and that Morgan Hill has identified the necessary funding through a combination of sewer impacts fees from new development and Morgan Hill ratepayer fees and that it plans to commence construction beginning in the next 2 fiscal years, with approximate completion within the next 5 years.

Until this remaining section of the relief trunkline is complete, the City of Gilroy's ability to provide the necessary wastewater services to future development in the proposal area remains uncertain.

The City has stated that the applicant would be required to participate in the Sewer Development Impact Fees for the construction of the sewer system. The construction and financing of onsite infrastructure for the project site would be the responsibility of the applicant. The City, as owner of the new sewer infrastructure, would be responsible for costs associated with future maintenance. The City has stated that it would establish a Community Facilities District (CFD) for the proposed project to help defray the costs of maintenance and new infrastructure. The City however, has not provided any specifics on the extent of the off-site improvements that would be required to support the anticipated development, including the estimated number of miles, sizes, and locations of the new pipes.

Stormwater Drainage

The City of Gilroy's 2004 Storm Drain Master Plan provides a blueprint for the expansion and maintenance of the City's storm drainage infrastructure. The City's current Capital Improvement Plan for FY 2021-2025 (CIP) identifies various drainage improvements, and storm drain system extension and replacement projects within the city, many of which are recommended in or support the City's 2004 Storm Drain Master Plan. The estimated cost of the storm drain projects identified in the City's CIP totals over \$15M. Many of these projects are eligible for funding through the City's Storm Drain Development Impact Fee which is used to finance the construction of drainage collection and distribution systems and the expansion or improvement of system capacity. The current 5-year CIP funding includes only a few (total cost approximately \$800,000) of the identified storm drain improvement projects; the majority are assigned a low priority within the current 5-year CIP and are unfunded.

The City's Plan for Services notes that future development of the site would result in an increase in storm water runoff and concludes that it would not exceed the capacity of the City's storm drain system infrastructure beyond that already identified in the 2004 Storm Drain Master Plan, and that the existing and planned City infrastructure would be sufficient to accommodate the increase in storm water. However, no detailed information is provided on the estimated increase in runoff to establish the impact on the City's existing infrastructure or need for additional capacity. The City's Plan for Services notes that the developers would be required to participate in the Storm Drain Development Impact Fee program and would be responsible for construction and financing of onsite infrastructure for the project site.

Water Supply and Service

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

Projected Water Supply and Demand

The City's Plan for Services indicates that the water demand from the proposal area would be 142 acre-feet per year (AFY).

According to the City’s 2020 Urban Water Management Plan (UWMP), the City currently uses local groundwater as the sole source of water supply. However, the sustainability of the City’s groundwater supply is dependent on raw water deliveries negotiated and imported by Santa Clara Valley Water District to the Llagas Subbasin. These deliveries are intended to recharge the groundwater aquifer. Groundwater in the Llagas Subbasin is also shared with the City of Morgan Hill and other users, as presented in the table below.

**Table 7. Llagas Subbasin: Projected Water Supply & Demand
Acre Feet/Year (AFY)**

	2025 (AFY)	2045 (AFY)
Supply		
Llagas Subbasin	47,320	48,342
Demand		
Gilroy	8,646	11,645
Morgan Hill	6,301	8,337
Other Users	32,019	27,390
Total Demand (All Users)	46,966	47,372
Difference (Supply-Demand)	354	970

Source: City of Gilroy Final 2020 Urban Water Management Plan (UWMP) October 2021, Page 7-5

From the **Table 7**, the water supply from the Llagas Subbasin will exceed (by a small margin) the average combined demands of Gilroy, Morgan Hill, and other users through 2045.

Table 8. City of Gilroy Projected Water Supply & Demand

	2025	2030	2035	2040	2045
Projected Water Supply					
Normal Year	23,676	24,069	24,464	24,464	24,464
Single Dry Year	19,273	19,669	20,064	20,064	20,064
Multiple Dry 1st Year	18,833	19,229	19,624	19,624	19,624
Multiple Dry 2nd Year	19,933	20,329	20,724	20,724	20,724
Multiple Dry 3rd Year	18,613	19,009	19,404	19,404	19,404
Multiple Dry 4th Year	18,833	19,229	19,624	19,624	19,624
Multiple Dry 5th Year	18,613	19,009	19,404	19,404	19,404
Projected Water Demand					
Normal and Dry Years*	10,319	11,383	12,498	13,273	14,109

Source: City of Gilroy Final 2020 Urban Water Management Plan (UWMP) October 2021, Pages 7-4 and 7-6

* includes recycled water demand

From the **Table 8**, groundwater supplies are adequate to meet the City’s projected demand needs into the future, regardless of hydrologic conditions. Although by

2035, demand is expected to exceed 50 percent of the assumed groundwater supplies available to the City under normal conditions and exceed 60 percent of the assumed groundwater supplies available to the City under single dry year and multiple dry years conditions.

Water Infrastructure

The City extracts groundwater from the Llagas Subbasin for its water supply needs using nine active groundwater wells. The City's UWMP states that as such, the only method available to provide additional supply capacity for growing demand is the construction of new wells.

The City's water system facilities also include 10 potable water storage tanks, six active booster stations, and over 120 miles of pressurized pipes ranging from 4 inches to 30 inches in diameter.

According to the City, future development of the project site would require new onsite water supply infrastructure that would connect directly to existing City of Gilroy water mains adjacent to the project site.

The City has stated that the applicant would participate in the water development impact fee which would offset the project's share of existing and proposed citywide infrastructure improvements that enable delivery to the site, such as new wells. The applicant would also be required to fund and construct the onsite water pipelines/infrastructure and the offsite connecting pipelines and dedicate them to the City. The City, as owner of the new water infrastructure, would be responsible for costs associated with its future maintenance. The City has stated that it would establish a Community Facilities District (CFD) for the proposed project to help defray the costs of maintenance and new infrastructure.

The City however, has not provided any specifics on the extent and costs of the off-site improvements that would be required to support the anticipated development, including the estimated number of miles, sizes, and locations of the new pipes.

Schools

The subject site is located within the service boundaries of the Gilroy Unified School District. The City's Plan for Services estimates that the USA amendment, annexation, and future development of the subject site would generate a total of 101 students, including 51 students in grades K-5, 20 students in grades 6-8, and 30 students in grades 9-12. The schools nearest the subject site are Antonio Buono Elementary School (closed in 2020 due to declining enrollment), Christopher High School, Brownell Middle School, and Rucker Elementary School.

The City's plan for Service does not indicate whether the school district would require new facilities and staffing to accommodate and serve the increased student population but notes that developers of the new residential development would be responsible for the payment of school impact fees to accommodate the increased number of students. The City's Fiscal Impact Analysis does not include an analysis of potential fiscal impacts on the school district.

The City has not adequately demonstrated the school district's capacity to serve the anticipated increase in student population.

Roads

The City's Plan for Service states that new streets, additional lanes on existing streets and new signal lights would be necessary to accommodate new traffic that would be generated by future development upon USA amendment and annexation of the subject site. The project proposes approximately 12.9 acres of new roads.

Farrell Avenue would be extended westward into the project site, providing direct access to the northern portion of the Wren Investors site and forming a four-legged intersection with Wren Avenue. Two additional access points would provide access to the northern portion of the Wren Investors site, one along Wren Avenue, north of Farrell Avenue, and one along Vickery Avenue. St. Clair Avenue would be extended eastward into the project site, forming a four-legged intersection at Kern Avenue, and connecting to Ronan Avenue, just west of Wren Avenue. This new roadway extension, in addition to Tatum Avenue, would provide direct access to the southern portion of the project site and as well as an alternate connection between Wren and Kern Avenues. The following intersections will need to be signalized: Monterey Road and Day Road, Wren Avenue and Welburn Avenue, Monterey Road and Buena Vista Avenue, and US 101 Southbound Ramps and Masten Avenue. Additionally, a second westbound turn lane will be added at Monterey Road and Masten Avenue/Fitzgerald Avenue.

According to the City's Plan for Services, these improvements are planned for in the City's 2004 Traffic Circulation Master Plan (TCMP) and are included in the City's Traffic Impact Fee (TIF) Program. Thus, the developer will be required to pay the applicable TIF fee as a fair-share contribution toward improvements at these intersections.

The City's current Capital Improvement Plan for FY 2021-2025 (CIP) identifies various roads, streets, bridges, traffic signals and related maintenance and improvement projects within the city, many of which are recommended in or support the City's TCMP. The estimated costs of these projects identified in the City's CIP totals approximately \$118M, a small fraction of which (approximately \$25M) are funded in the current CIP; the remaining are unfunded.

Park and Recreation Facilities

The City has established a standard of five acres of developed park land per thousand population. The City indicates that it currently meets this goal as there are approximately 371 acres of parkland in the city.

The USA amendment, annexation and future development of the subject site could result in 1,075 new residents. The City indicates that the development would be required to dedicate at least 1.075 acres of parkland within their development.

Library Services

The City of Gilroy is a member of the Santa Clara County Library District Joint Powers Authority which provides library services to 9 cities and the unincorporated county area. The City of Gilroy manages and owns the Gilroy Library facility that is governed by the County Library District. The County Library system is funded through property tax revenues and a special tax levied through a Community Facilities District in the same geographic area included in the Library JPA. The City has indicated that the demand for library services would increase as a result on the USA amendment annexation and future development of the subject site. The City's Plan for Service states that the increased demand could be accommodated within the existing facility. However, it also notes that the City's public facilities impact fee would include a development impact fee for new and upgraded library facilities.

Lighting

According to the City's Plan for Services, upon annexation, public lighting for future development on the subject site would be provided and maintained by the City of Gilroy. The Plan notes that the City is permitted to establish an assessment district to fund acquisition, construction, and maintenance of public lighting along streets.

Solid Waste

The City's Plan for Services notes that future development of the site would result in an increase in waste generation, specifically an increase of approximately 6,270 pounds of solid waste per day, based on a waste generation rate of 5.8 pounds/person/day.

The City of Gilroy has a franchise agreement with Recology South Valley (RSV) to provide solid waste services. RSV also serves the Morgan Hill and the surrounding unincorporated southern Santa Clara County. RSV provides solid waste, recycling, composting, and street sweeping programs for residential customers and solid waste and recycling program for commercial customers.

The City's Plan for Services notes that RSV would continue to provide solid waste pick up upon development of the proposal area.

Fiscal Impact to the City of Gilroy and Affected Agencies

The City of Gilroy prepared a Fiscal Impact Analysis to determine the fiscal impact of the proposed USA amendment, annexation, and future development of the site on the City of Gilroy and on the County of Santa Clara. The analysis estimates the increased per capita expenditures associated with the future development and the increased revenues resulting from it, and projects that the proposed development would create an annual deficit of \$107,122 initially for the City which would grow over the years to an annual deficit of \$166,681 by Year 10 as seen in **Table 9**.

Similarly, the analysis estimates that annexation and future development of the site would create a negative fiscal impact on the County.

The City has not prepared analysis to evaluate the fiscal impacts on the Gilroy Unified School District.

Table 9. Projected Fiscal Impacts of Future Development

	Year 1 Impacts	Year 5 Impacts	Year 10 Impacts
City Expenditures	\$709,533	\$798,585	\$925,780
City Revenues	\$602,411	\$663,600	\$759,098
City Impacts	(\$107,122)	(\$134,985)	(\$166,681)
County Expenditures	\$858,120	\$965,822	\$1,119,652
County Revenues	\$824,052	\$909,129	\$1,028,481
County Impacts	(\$34,068)	(\$56,693)	(\$91,170)

The City has indicated that it would require the establishment of a Community Facilities District to mitigate the impact of providing services to the project site. In response to LAFCO staff's request for more details about the CFD, the City has indicated that the cost of all services (except landscaping and lighting) such as fire/police facilities and infrastructure, water and sewer system improvements, streets and park facilities would be covered by the CFD. However, the City has not provided an anticipated cost of service provision, or an estimate for revenues to be collected through the CFD. The City anticipates that the property owner/ developer would agree to participate in the CFD prior to selling individual parcels/housing units.

Given the lack of specific information about service needs and the anticipated costs that would be covered by the CFD, it is not possible to evaluate its financial feasibility.

STAFF RECOMMENDED ACTION

OPTION 1: STAFF RECOMMENDATION

Project Action

Deny the USA amendment request.

Reasons for Staff Recommendation

The proposed USA amendment would allow annexation of the property and its future development for residential uses in the City. However, at this time no specific development is proposed and there is no estimated timeline for a development proposal.

The USA is a 5-year boundary and includes only those lands that the City plans to annex and has the ability to provide the requisite urban services, infrastructure and facilities within the next five years. Inclusion of lands within a city's USA results in those lands being committed in perpetuity for urban development. Therefore, it is

crucial to ensure that infrastructure, services and funds needed to develop the area are or will be available to the City.

It appears the City currently has some service challenges. For example, the City needs at least one new permanent fire station, without which the City's overall fire and emergency response times will remain significantly slower than best practice standards. Funding for that future station is dependent on the further development of the Glen Loma Ranch development, the timeline for which is uncertain. Additionally, as explained in this report, until the last section of the new sewer relief trunk line (between Highland Avenue and Renz Avenue) is complete, the City of Gilroy's ability to provide the necessary wastewater services to future development in the proposal area remains uncertain.

Based on the City's 2021-2025 CIP, it appears the City currently has a large backlog of deferred maintenance and upgrades of critical infrastructure, such as for roads, bridges, stormwater drains and fire stations, a vast majority of which remain unfunded in the next few years.

During its recent General Plan update process, the City has indicated that it would update its various master plans which date back to 2004 (sewer, water, fire and stormwater). Updating these master plans would provide a better assessment of the City's current and future service needs. However, these updates have yet to occur.

In addition to these current service needs and issues, per the City's Fiscal Impact Analysis, the anticipated development would result in an annual deficit for the City starting at \$107,122 initially and growing to \$166,681 by Year 10. The City indicates that it would create a CFD to address this deficit. It is unclear what specific services and infrastructure would be funded through the CFD and whether this will allow the City to provide the requisite services to the anticipated development without adversely impacting current service levels.

The City has not demonstrated that it has the ability to provide and fund urban services to the proposal area without detracting from current service levels within its existing boundaries. Adding more lands now to the City would increase the City's service needs, hinder the City's efforts to address current service needs, and create a deficit for the City.

The City has enough vacant or underutilized lands to accommodate at least the next 8 years of residential growth and many years of (234 years) of commercial development. The City also has five unincorporated islands within its USA, some of which contain undeveloped lands, which the City has yet to annex and serve. Approving rural lands for new development at the City's edge would likely divert the City's focus and its scarce resources away from facilitating infill development, such as in the City's downtown area. The development of its existing vacant lands will help minimize costs to the City's taxpayers for public infrastructure and services and will allow for more cost-efficient housing opportunities close to existing transit and services.

For all these reasons, the proposed expansion of the USA is premature at this time and does not represent orderly growth and development for the City.

The City should utilize existing lands within its USA and resolve its existing service and infrastructure needs, before seeking to add new lands to its USA.

OTHER OPTION FOR COMMISSION CONSIDERATION

OPTION 2:

Project Action

Approve the USA amendment request.

Reasons for Not Recommending this Option

The proposal area does not significantly impact farmlands is located within the City's UGB, is contiguous to the existing city limits and is a logical future growth area for the City. However, the City already has more than 5 years (i.e., 8 years) of vacant or underutilized lands within its existing USA to meet its growth needs, including its RHNA. There does not appear to be a pressing need to expand the City's USA at this time. The next RHNA cycle will be from 2031- 2039. As the City approaches this cycle, the City will be in a better position to assess its land needs and service abilities. At which time, the City can determine whether an USA amendment is necessary and timely.

There are also significant concerns about the City's ability to provide and fund the requisite services and infrastructure to the proposal area without detracting from current service levels within the City and in areas that the city has already committed to annex and serve. Furthermore, the proposed USA amendment and development would create a fiscal deficit. While the City proposes to address this deficit with a CFD, the City's current service challenges and infrastructure maintenance backlogs will still need to be resolved.

Once the City has resolved its service and infrastructure issues and used more of its existing vacant or underutilized lands, the City will be in a better position to establish a need for expanding its USA and prepare a clearer Plan for Services and establish a means to fund said services. Until that time, the proposal is premature.

ATTACHMENTS

- | | |
|---------------|---|
| Attachment A: | Maps Depicting Proposal Area and Various City Boundaries |
| Attachment B: | LAFCO's Comment Letter on Proposed Mitigated Negative Declaration & City's Response to LAFCO's Letter |
| Attachment C: | Map of Prime Farmlands in Proposal Area and Surrounding Area |
| Attachment D: | Maps of Gilroy Unincorporated Islands (2020) |

- Attachment E: City's Proposed Mitigated Negative Declaration for Wren Investors & Hewell Urban Service Area Amendment
- Attachment F: Documents Submitted by City of Gilroy, including Cover Letter, Application Materials, and Follow-up Information

City Clerk <city.clerk@sanjoseca.gov>

Thu 3/16/2023 8:36 AM

To: Rules and Open Government Committee Agendas <rulescommitteeagenda@sanjoseca.gov>

From: Tara Alexis Filsuf [REDACTED]

Sent: Wednesday, March 15, 2023 9:48 PM

To: Davis, Dev <dev.davis@sanjoseca.gov>

Cc: shiloh [REDACTED] <[REDACTED]>; City Clerk <city.clerk@sanjoseca.gov>; Mahan, Matt <Matt.Mahan@sanjoseca.gov>; Jimenez, Sergio <sergio.jimenez@sanjoseca.gov>; Foley, Pam <Pam.Foley@sanjoseca.gov>; Cohen, David <David.Cohen@sanjoseca.gov>; Torres, Omar <Omar.Torres@sanjoseca.gov>; Ortiz, Peter <Peter.Ortiz@sanjoseca.gov>; Batra, Arjun <arjun.batra@sanjoseca.gov>; Kamei, Rosemary <Rosemary.Kamei@sanjoseca.gov>; Candelas, Domingo <Domingo.Candelas@sanjoseca.gov>; Doan, Bien <Bien.Doan@sanjoseca.gov>; City.manager@sanjoseca.gov <City.manager@sanjoseca.gov>

Subject: Bike Safety in San Jose

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[External Email]

Dear Councilmember Davis,

My name is Tara Filsuf, and I am a constituent of your district as well as a family medicine resident physician working at Indian Health Center and O'Connor Hospital.

Riding a bike is a healthy, eco-friendly activity that I frequently recommend to my patients and enjoy myself on my days off. Unfortunately, [San Jose is one of the least safe places for bicyclists in Silicon Valley](#). I can personally attest to the difficulty and lasting consequences of bike injuries; my father sustained a shoulder injury in a bike accident that required years of medical visits, physical therapy, and ultimately surgery to restore the mobility of his shoulder.

I am writing to ask for help in making San Jose a safer place to bike and to help support the following recommendations from the Mayor's Transition Committee on Community safety to:

- Fully fund the Vision Zero Action Plan and to ensure project delivery happens at a faster pace
- Fund new staff in the Department of Transportation and keep staffing levels so that we have enough capacity to oversee project delivery and write new grants to bring more money to the City
- Fund the Bike Plan and do so quick
- And adopt a pedestrian safety improvement program

Thank you for your dedication to the city of San Jose and for prioritizing bike safety.

Sincerely,
Tara Filsuf

Tara Filsuf, MD (she/her)

[REDACTED]

This message is from outside the City email system. Do not open links or attachments from untrusted sources.