

# **SAN BENITO LOCAL AGENCY FORMATION COMMISSION**

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## **REGULAR MEETING AGENDA**

Thursday, May 25, 2017

Board of Supervisors Chambers  
481 Fourth Street, Hollister CA

**6:00 P.M.**

1. Call to Order and Roll Call
2. Recitation of the Pledge of Allegiance
3. Public Comment Period - This is an opportunity for members of the public to speak on items that are not on the agenda

### **CONSENT AGENDA**

4. Approval of minutes, October 20, 2016.

### **CLOSED SESSION-CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**

5. Significant Exposure to litigation pursuant to Section 54956.9: Number of Cases: (1)  
Closed session is authorized by Section 54956.9(d)(2), (e)(1).

### **BOUNDARY CHANGE PROPOSALS – PUBLIC HEARING ITEM**

6. LAFCO 520 – Allendale Annexation to the City of Hollister and Parallel Sphere of Influence Amendment: Involving an amendment to the City of Hollister Sphere of Influence of approximately 31 acres, and the annexation of 57.9 acres into the City located to the northeast of the intersection of Buena Vista Road and Locust Avenue and west of the Union Pacific Railroad Right-of Way. The annexation involves a portion of a larger development, with the annexation area proposed for 198 single family and 10 multiple family residential dwellings to be served all public services the City of Hollister. The actions requested are to make an environmental determination regarding the adequacy of the City's Environmental Impact Report, and consider amendment of the Sphere of Influence and approval of the annexation.

### **BUSINESS ITEMS – PUBLIC-HEARING ITEM**

7. Adoption of Final Fiscal Year 2017-2018 Budget

### **BUSINESS ITEMS – NON-HEARING ITEM**

8. Summary of Study Session on the Hollister Urban Area held on April 27, 2017, and possible direction to staff on how to proceed with Out of Agency Service Extensions such as the delivery of sewer and water service outside City and Special District Boundaries.
9. Consideration of Change to Commission Handbook Regarding Attendance of Alternate Members at Commission Meetings

## INFORMATIONAL

10. Commissioner Announcements and Requests for Future Agenda Items
11. Executive Officer oral status report on pending proposals
12. Adjourn to regular meeting at 6:00 PM on June 8, 2017, unless meeting time is changed based on Commission action or cancelled by Chair

Disclosure of Campaign Contributions – LAFCO Commissioners are disqualified and are not able to participate in proceedings involving an “entitlement for use” if, within the 12 months preceding the LAFCO decision, the Commissioner received more than \$250 in campaign contributions from the applicant, an agent of the applicant or an financially interested person who actively supports or opposes the LAFCO decision on this matter.

Those who have made such contributions are required to disclose that fact for the official record of the proceedings. Disclosures must include the amount of the contribution and the recipient Commissioner and may be made either in writing to the Executive Officer of the Commission prior to the hearing or by an oral declaration at the time of the hearing.

The foregoing requirements are set forth in the Political Reform Act of 1974, specifically in Government Code section 84308.

Disability Accommodations - Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the LAFCO office at least three (3) days prior to the meeting by telephone at 831/637-5313 or by email at [cgraves@cosb.us](mailto:cgraves@cosb.us).

# CONSENT AGENDA

**4. Approval of Minutes, October 20, 2016.**

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## **SAN BENITO LOCAL AGENCY FORMATION COMMISSION MINUTES OF MEETING**

October 20, 2016

Board of Supervisors Chambers - Hollister, CA

1. Chair Edge called the meeting to order at 6:00 pm. Present were Vice-Chair Bettencourt, Commissioners Barrios, Botelho, Velazquez, and LAFCO Executive Officer Bill Nicholson, and Assistant County Counsel Barbara Thompson. Alternate Commissioners Gomez, Rivas and Tognazzini were not present.
2. The Pledge of Allegiance was recited.
3. Public Comment Period.

This evening, no one chose to speak during the Public Comment period.

### **CONSENT AGENDA**

4. Approval of Minutes for July 14, 2016 and August 25, 2016 meetings

Executive Officer Bill Nicholson advised no minutes are available for approval this evening.

### **BOUNDARY CHANGE PROPOSALS – PUBLIC HEARINGS**

5. **LAFCO 514 – Rustic Street Annexation to the City of Hollister:**

Executive Officer Nicholson presented the Executive Officer's report. Staff recommends approval of this annexation, subject to a protest hearing.

The Commission held a brief discussion on the relationship between the Rustic Street and Maple Park Annexations, and whether it was appropriate to take action at this time.

Public Hearing period:

Testimony was provided by Ms. Christine Kemp, Attorney-at-Law, who represents Mr. Hugh Bikle and Maple Park, LLC, in support of the annexation.

As there were no further speakers, Chair Edge closed Public Hearing.

After due consideration, Vice-Chair Bettencourt moved to approve Option #1, with "A", "B", "C", and "D", and with no Conditions of Approval and subject to the protest hearing. Commissioner Botelho seconded the motion.

Ayes: Bettencourt, Botelho, Edge  
Noes: Velazquez  
Abstain: None

**6. LAFCO 513 – Maple Park Annexation to the City of Hollister:**

Executive Officer Nicholson presented the Executive Officer's report, and distributed and testified to certain modified language for Condition of Approval F, as well as an additional condition respective to indemnification language.

The Commission discussed the relationship of this annexation with the Rustic Street Annexation and related protest hearing.

Testimony was provided by LAFCO Counsel Thompson respective to the legality of these two annexations.

Public Hearing period.

Testimony was provided by Mr. Mark Medina, Hollister resident, who is in favor of the Annexation.

Testimony was provided by Ms. Christine Kemp, Attorney-at-Law, as a representative for Mr. Bikle, and with a request that the link between Rustic Street and Maple Park be removed so Mr. Bikle's annexation can move forward without further delays, especially any that may result from a protest hearing.

Public Hearing period was closed.

The Commission deliberated over the proposed conditions of approval, and the link between the two Annexations.

Further testimony was provided by Executive Officer Nicholson regarding LAFCO indemnification and litigation respective to a revenue sharing agreement between the City and the County.

Commissioner Botelho moved to approve Option #1, to approve the proposal as submitted, based on the determinations, and with the amended Conditions of Approval A-G, as distributed at the hearing. The motion was seconded by Vice-Chair Bettencourt.

Ayes: Bettencourt, Botelho, Edge  
Noes: Velazquez  
Abstain: None

**BUSINESS ITEMS – NON-HEARING ITEM**

**7. Consideration of changing the normal LAFCO meeting day and/or time:**

Executive Officer Nicholson proposed a change to the 2<sup>nd</sup> Thursday of each month at 6:00 p.m.

LAFCO Counsel Thompson advised that, at the next regularly scheduled LAFCO meeting, the Commissioners can adopt the change of date via a resolution or an amendment of the LAFCO Commission Handbook, in order to memorialize it for future reference.

Mr. Nicholson also proposed that, at the next scheduled meeting, the Commissioners confirm how many annual LAFCO meetings to convene.

#### **INFORMATIONAL**

8. Commissioner Announcements and Requests for Future Agenda Items
9. Executive Officer Announcements – Upcoming CALAFCO Annual Conference in Santa Barbara, October 26-28, 2016.
10. Oral status report on pending proposals – Executive Officer Nicholson gave a brief overview of a pending application for out-of-boundary city sewer hook-up for a new home on El Toro Road.
11. Adjourn to regular meeting at 6:00 PM on January 26, 2017, unless cancelled by Chair or a special meeting is called.

There were no announcements from the Commissioners.

#### **ADJOURNMENT**

Upon motion by Vice-Chair Bettencourt, with a second by Commissioner Botelho, the meeting adjourned at 7:30 PM to the next regular meeting on January 26, 2017, unless canceled by the Chair or a special meeting is called.

Final Minutes Approved by the Commission  
on \_\_\_\_\_

By \_\_\_\_\_  
Chair

# **CLOSED SESSION- CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION**

**5. Significant Exposure to  
litigation, pursuant to Section  
54956.9: Number of Cases: (1)  
Closed session is authorized by  
Section 54956.9(d)(2), (e)(1).**

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# **BOUNDARY CHANGE PROPOSALS – PUBLIC HEARING ITEM**

**6. LAFCO 520 – Allendale  
Annexation to the City of Hollister  
and Parallel Sphere of Influence  
Amendment.**

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**SAN BENITO LOCAL AGENCY FORMATION COMMISSION  
EXECUTIVE OFFICER'S REPORT**

May 25, 2017 (Agenda)

<b><u>LAFCO No. 520:</u></b>	Allendale Annexation to City of Hollister and Parallel Sphere of Influence Amendment
<b><u>PROPONENT:</u></b>	City Council of the City of Hollister by Resolutions, and Property owners by petition
<b><u>ACREAGE &amp; LOCATION</u></b>	Annexation involving 57.9 acres, of which approximately 31 acres are located outside the current Hollister Sphere of Influence on the northern end of the project area. Property is located northeast of the intersection of Buena Vista Road and west of the Union Pacific Railroad Right-of-Way; Hollister area
<b><u>PURPOSE:</u></b>	Include this property within the City to allow development of 198 single family homes (as part of a 279 unit development project) and 10 multi-family units (as part of a 60 unit low income development project); and to provide all City services

**PROJECT EVALUATION - SPHERE OF INFLUENCE**

The City of Hollister last prepared a comprehensive update of the General Plan in 2005. However, the City did not submit a request to LAFCO to expand their sphere of influence boundary after adoption of the updated Plan, and many areas including the present project site, are designated for urban development in the Plan but are still outside the sphere boundary.

The purpose of a sphere of influence, as described in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, are to:

- Identify the eventual service area or boundary of a city or special district – typically larger than the current city limits or district boundary when growth in services or population is anticipated;
- Identify which local agency is appropriate to provide services in an area that is not within a current agency boundary in order to avoid overlapping and inefficient boundaries; and
- Include an evaluation of public agencies under five determinations consistent with Government Code 56425(e).

The Hollister sphere of influence was last reviewed by the San Benito LAFCO in 2008 during preparation of the Municipal Service Review. In staff's review of the application material and Sphere of Influence Proposal Justification Questionnaire submitted with the application, the 31 acre sphere expansion area, located in the northern half of the annexation area complies with the five determinations under the Government Code as summarized below.

1. The present and planned land uses in the area, including agricultural and open space lands: The sphere expansion area is designated a variety of Single Family Residential designations with varying densities as well as open space, parks and utility uses. In terms of agricultural land, the entire annexation area will convert 15.29 acres of Prime Farmland, which was identified as a significant unavoidable impact in the EIR for the project by the City. While the County General Plan encourages the preservation of agricultural land through purchase of conservation easements at a 1:1 ratio (Policy LU-3.10), the City has not adopted a mitigation policy and determined the benefits of the project outweigh the loss of important farmland (Page 3-26 of the Draft EIR). However, both the City and County have identified this area as a priority infill area, and the land that is not part of the ridge has only been used recently as dry farmed hay.
2. Present and Probable need for public facilities and services in the area: In order to develop at urban densities, the project will require both public sewer and water service, and there are no other alternate service providers in the vicinity.
3. Present capacity of public facilities and adequacy of public services that the agency provides: Based on the analysis in the EIR for all urban services and facilities provided by the City, all services are available, and either connection or impact fees will be collected in order to maintain services to meet City standards.
4. The existence of any social or economic communities of interest: there is no viable alternative to serve the development needs of this property than to amend the sphere and annex the 31 acres into the city of Hollister. The County General Plan designates this area as High Density Residential, but they do not provide sewer or potable water service in the area.
5. For updates to a sphere of a city or district providing water, sewer or fire suppression, the needs and deficiencies related to public services in any disadvantaged unincorporated community (DUC): The project area does not contain any existing development and actually contains an affordable housing component for low income residents through dedication of a 5.27 acre area to CHISPA (located on the south west part of the project area already within the sphere of influence).

#### PROJECT EVALUATION - ANNEXATION

##### 1. Land Use, Planning and Zoning - Present and Future:

As stated in the Introduction Section, the entire annexation area contains 57.9 acres designated for High Density Residential Development consisting of both single family homes on a range of small lots, and a 60 unit multiple family area to be donated to Community Housing Improvement Systems and Planning Associates, Inc. commonly referred to as "CHISPA." As the Commission is aware, a similar multiple family project was recently annexed to the City to the west on Buena Vista Road for another CHISPA affordable housing project.

2. Topography, Natural Features and Drainage Basins:

The annexation area and surrounding contains a mix of level ground surrounding in a "U" shape the north end of a hill with both gentle and steep slopes. The City is requiring that the steeper slopes be left natural and includes a 30' setback from the top and bottom. There is also two fault lines with mandatory setbacks on the western and southern portions of the site. The Commission can refer to Section 3.7 "Geology and Soils" in the Draft EIR for more detail, and identification of mitigation measures adopted by the City. There are no significant natural features that affect future development.

3. Population:

There are no existing homes within the annexation area and no registered voters. Following annexation, development within the City will result in the construction of 198 single family homes and 10 apartments in the annexation area. Exact occupancy levels are not known, but applying an average of 3.4 occupants per unit would result in a population of 232.

4. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

The City "Plan of Services" as required by Government Code Section 56653 is attached to the "Proposal Justification Questionnaire" and made a part of this report. The City indicates the annexation will not cause a need to increase in personnel and that the City has adopted development impact fees for civic and public facilities for all new building permits. A public safety Mello-Roos District tax is collected for law enforcement services which are provided by the City Police Department and for fire protection services from the City Fire Department. There are also development impact fees for capital equipments which serve both police and fire protection facilities and equipment.

Other City service and facilities identified in the Plan of Services include storm drainage, street construction and maintenance, parks and recreation. Impact fees and/or improvements are required by the City for all these services and facilities, as detailed in the Plan for Services.

5. Impact on Prime Agricultural Land, Open Space and Agriculture:

This topic was previously addressed in the sphere of influence evaluation of this report (as part of Item 1 on Page 2).

6. Assessed Value, Tax Rates and Indebtedness:

The property is within Tax Rate Areas 67-003. The assessed value is \$1,553,668.

The proposal is subject to a project-specific property tax exchange agreement that has been approved by the Board of Supervisors and San Juan Bautista City Council. The overall tax rate will not be affected by this change, and the agreement is currently in full force and effect following reconsideration by the Superior Court.

7. Environmental Impact of the Proposal:

The City of Hollister, acting as lead agency for initial approval of the Allendale Vesting Tentative Map and related rezoning by the City, prepared a Draft and Final Environmental Impact Report (EIR) to evaluate the project. The environmental record reflects that the project also included future rezoning by the City and annexation of all the parcels into the City. The Commission must rely on this environmental document when approving the sphere of influence amendment and annexation applications in its role as a "Responsible Agency" under CEA.

The City determined that most areas of potential impact in the Environmental Checklist would have a less than significant impact with adoption of 24 mitigation measures, however, there remained several significant unavoidable impacts for which the City adopted a Statement of Overriding Considerations, including the conversion of Prime Farmland. None of the mitigation measures are under LAFCO's authority to adopt or administer, and the City maintains responsibility to monitor the impacts from development following completion of the annexation (identified in the Mitigation Monitoring Program presented in Section 4.0 of the Final EIR).

8. Landowner and Subject Agency Consent:

Written consent to the annexation has been given by petition of the affected property owners and the City consents to the waiver of conducting authority (protest) proceedings.

9. Boundaries, Lines of Assessment and Registered Voters:

The boundaries appear to be definite and certain and there are no conflicts with lines of assessment or ownership. The site is contiguous to the City boundary on the south.

The map and legal description are being reviewed by the County Surveyor for sufficiency in filing with the State Board of Equalization.

The territory is uninhabited; namely, there are fewer than 12 registered voters.

10. Environmental Justice and Affordable Housing

The site is not adjacent to a disadvantaged unincorporated community as the adjacent land located in the County contains non-residential land uses. The annexation does help the City of Hollister meet its fair share of low and moderate income housing by providing area for 10 units of a 60 unit multiple family affordable housing project to be built by CHISPA, a 501(c)(3) nonprofit corporation.

#### ALTERNATIVES FOR COMMISSION CONSIDERATION

After reviewing this report and any testimony or materials that are presented, the Commission can take one of the following actions:

OPTION 1 – APPROVE the proposed sphere of influence amendment and annexation as submitted based upon the following findings, determinations and orders:

- A. Find that the Commission has reviewed and considered the Draft and Final EIR prepared by the City of Hollister as lead agency under CEQA approval of the development project, and related sphere of influence amendment and rezoning. There are no mitigation measures that are the responsibility of LAFCO to adopt or monitor as a responsible agency for approval of this annexation. The Commission concurs with the Statement of Overriding Considerations adopted by the City of Hollister for approval of the project through Resolution 2016-202.
- B. Adopt this report and approve the proposal known as the "Allendale Annexation to the City of Hollister," based on the determinations presented on Pages 2 through 5 of this Executive Officer's Report, along with the parallel sphere of influence amendment involving 31 acres on the northern portion of the Annexation area, based upon the 5 determinations presented on Page 2 of the Executive Officer's Report. The annexation subject to the condition that the territory be liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the City.
- C. Find: 1) the subject territory is uninhabited, 2) the affected landowner has signed a petition giving consent to the annexation and 3) the annexing agency has given written consent to the waiver of conducting authority proceedings.
- D. Waive the conducting authority (protest) proceedings and direct the staff to complete the proceedings without further notice, hearing or election.
- E. Direct the staff not to record the annexation until the map and legal description are found by the County Surveyor to be acceptable.


OPTION 2 - Adopt this report and DENY this proposal.

OPTION 3 - CONTINUE this proposal to a future meeting for additional information.

RECOMMENDED ACTION:

Approve OPTION 1.

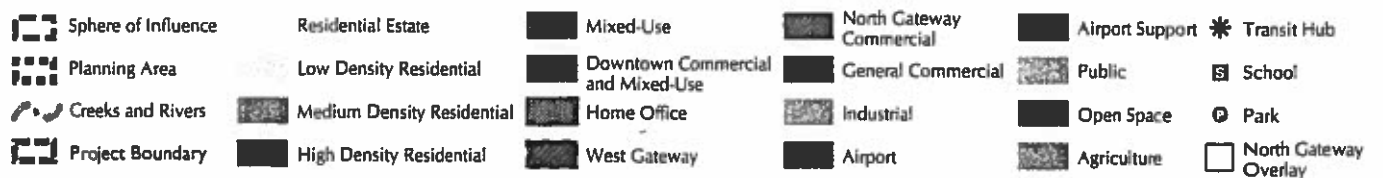
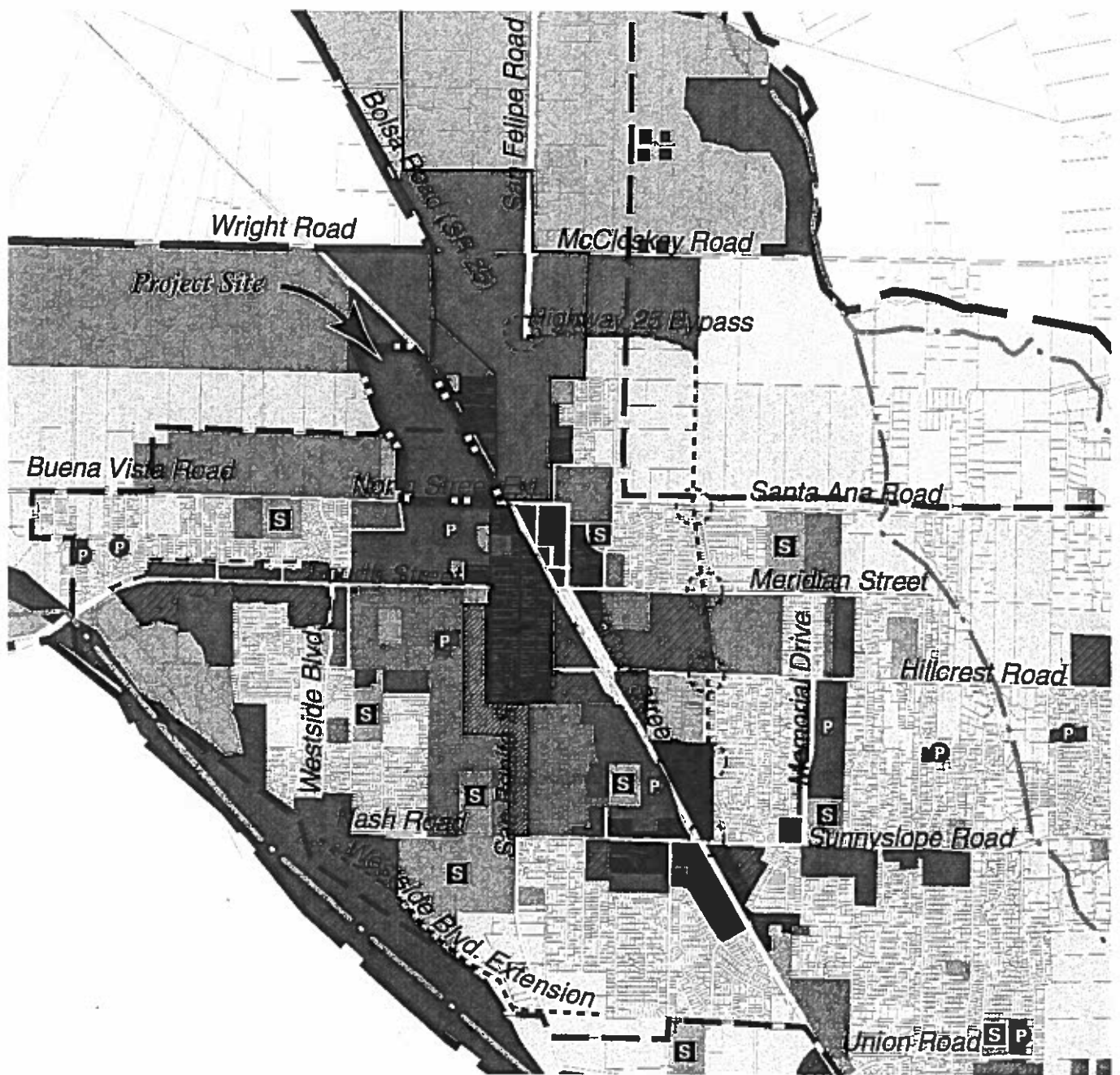
Respectfully submitted,

  
\_\_\_\_\_  
BILL NICHOLSON  
Executive Officer  
LAFCO of San Benito County

cc: Abraham Prado, City of Hollister Development Services Department  
Michael Evans, DeNova Homes  
John Brigantino, San Benito Realty

Attachments:

1. Maps of annexation area and Sphere of Influence expansion area
2. Proposal Justificatiin Questionnaire and associated Plan for Services Report
3. Resolution No. 2017-31 of the City of Hollister, "Resolution of Application"

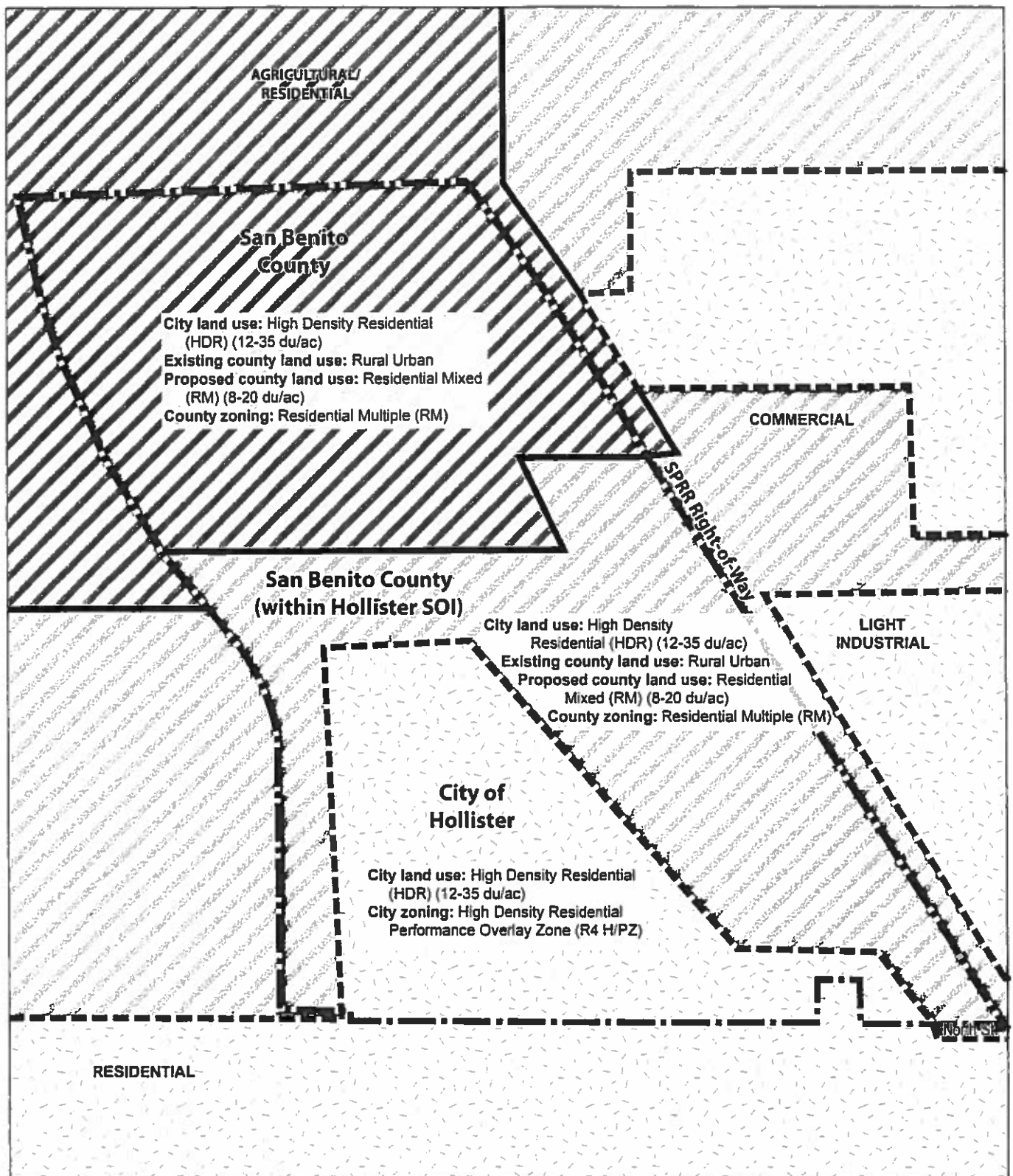


Source: City of Hollister 2005 General Plan

Figure 6

## City General Plan Land Use Map

North Street Subdivision EIR



0 400 feet

Project Boundary  
 Hollister City Limits

Hollister Sphere of Influence

Source: County of San Benito General Plan 1992

Figure 7

## Land Use Designations and Zoning Districts

North Street Subdivision EIR

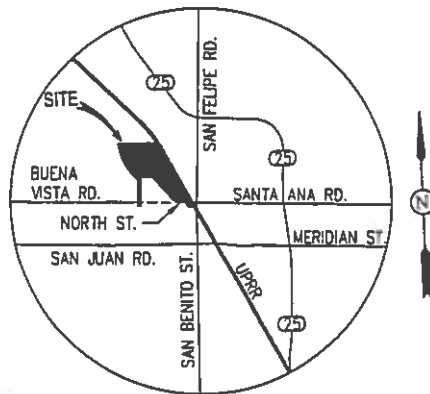


BOUNDARY DESCRIPTION CONFORMS TO LAFCO REQUIREMENTS.

DATE: \_\_\_\_\_

BY: \_\_\_\_\_

PLS/RCE: \_\_\_\_\_



VICINITY MAP  
NOT TO SCALE

SCALE: 1"=400'



LINE TABLE		
NO	BEARING	LENGTH
L1	N86°53'26"W	148.54'
L2	N28°07'26"W	231.99'
L3	N86°53'26"W	391.50'
L4	N39°53'26"W	1158.45'
L5	N86°53'26"W	421.75'
L6	S02°41'34"W	1045.63'

LINE TABLE		
NO	BEARING	LENGTH
L7	N86°53'26"W	100.00'
L8	N02°41'34"E	762.99'
L9	N10°35'26"W	82.01'
L10	N17°50'26"W	174.00'
L11	N37°15'26"W	362.00'
L12	N27°03'26"W	275.70'

LINE TABLE		
NO	BEARING	LENGTH
L13	N17°41'26"W	827.32'
L14	S86°43'45"E	1307.78'
L15	S31°33'47"E	284.50'
L16	S31°08'54"E	130.25'
L17	S28°00'31"E	2274.73'

LAFCO  
**EXHIBIT B**

ALLEDALE  
AREA TO BE ANNEXED INTO THE CITY OF HOLLISTER  
SAN BENITO COUNTY, CALIFORNIA

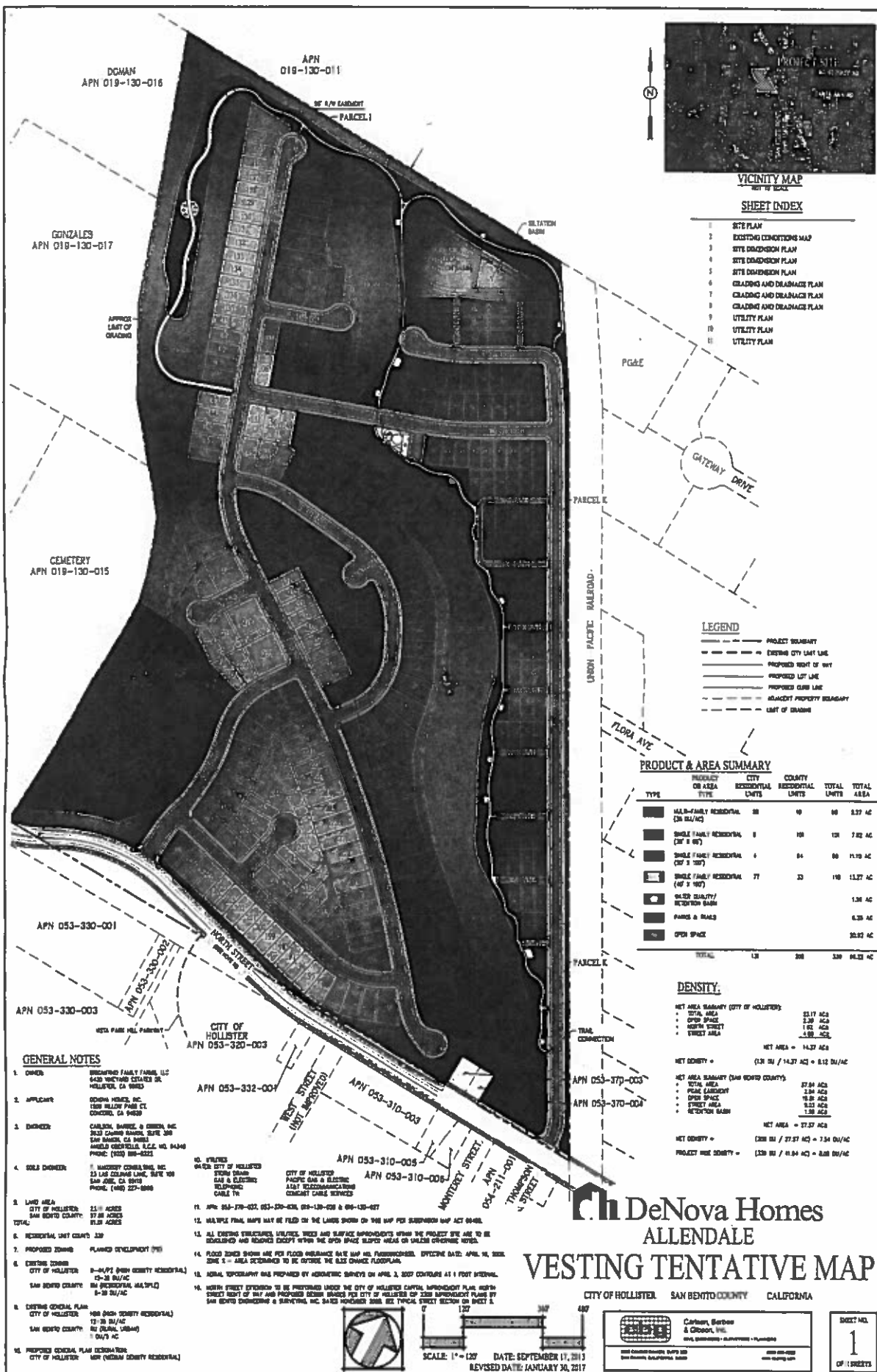
FEBRUARY 15, 2017

SHEET 1 OF 1

**Carlson, Barbee & Gibson, Inc.**

CIVIL ENGINEERS • SURVEYORS • PLANNERS  
SAN RAMON • (925) 866-0322  
WEST SACRAMENTO • (916) 375-1877

5/20/17 3:53 PM



VICINITY MAP  
NOT TO SCALE

SHEET INDEX

- 1 SITE PLAN
- 2 EXISTING CONDITIONS MAP
- 3 SITE DIMENSION PLAN
- 4 SITE DIMENSION PLAN
- 5 SITE DIMENSION PLAN
- 6 GRADING AND DRAINAGE PLAN
- 7 GRADING AND DRAINAGE PLAN
- 8 GRADING AND DRAINAGE PLAN
- 9 UTILITY PLAN
- 10 UTILITY PLAN
- 11 UTILITY PLAN

LEGEND

- PROJECT BOUNDARY
- EXISTING CITY LIMIT LINE
- PROPOSED RIGHT OF WAY
- PROPOSED LOT LINE
- PROPOSED CURB LINE
- ADJACENT PROPERTY BOUNDARY
- LIMIT OF DRAINAGE

PRODUCT & AREA SUMMARY

TYPE	PRODUCT OR AREA TYPE	CITY RESIDENTIAL UNITS	COUNTY RESIDENTIAL UNITS	TOTAL UNITS	TOTAL AREA
■	MULTI-FAMILY RESIDENTIAL (24' x 80')	20	10	30	5.37 AC
■	SINGLE FAMILY RESIDENTIAL (28' x 80')	8	100	108	7.82 AC
■	SINGLE FAMILY RESIDENTIAL (28' x 100')	6	84	90	11.19 AC
■	SINGLE FAMILY RESIDENTIAL (40' x 100')	27	33	110	13.27 AC
■	WATER QUALITY RETENTION BASIN				1.26 AC
■	PARKS & PLAZAS				6.38 AC
■	OPEN SPACE				20.83 AC
TOTAL		131	227	358	66.83 AC

DENSITY

NET AREA SUMMARY (CITY OF HOLLYSTER):		21.17 AC
• TOTAL AREA		21.17 AC
• OPEN SPACE		1.26 AC
• NORTH STREET		1.88 AC
• STREET AREA		1.88 AC
NET AREA = 14.37 AC		
NET DENSITY = (131 DU / 14.37 AC) = 9.12 DU/AC		
NET AREA SUMMARY (SAN BENTO COUNTY):		27.84 AC
• TOTAL AREA		27.84 AC
• PARKS & PLAZAS		1.26 AC
• STREET AREA		1.88 AC
• RETENTION BASIN		1.26 AC
NET AREA = 23.57 AC		
NET DENSITY = (208 DU / 23.57 AC) = 8.83 DU/AC		
PROJECT NET DENSITY = (339 DU / 38.94 AC) = 8.68 DU/AC		

GENERAL NOTES

1. OWNER: BRIGHTSIDE FAMILY FARMS, LLC, 6435 VENTURA CIRCLE, HOLLYSTER, CA 94508
2. APPLICANT: DENOVA HOMES, INC., 1500 HILLY PARK CT, COVINGTON, CA 94626
3. ARCHITECT: CARLSON, BARBER & GIBSON, INC., 3025 CAMINO REAL, SUITE 200, SAN RAMON, CA 94583, ARLENE GIBSON, P.E., 10000, 94583, PHONE: (925) 884-0251
4. SOLD OWNER: 1. HERRINGTON CONCRETE, INC., 23 LAG LOMA LANE, SUITE 100, SAN JOSE, CA 95128, PHONE: (408) 227-8900
5. LAND AREA: 21.17 ACRES, CITY OF HOLLYSTER, SAN BENTO COUNTY, 11.8 ACRES
6. RESIDENTIAL UNIT COUNT: 358
7. PROPOSED ZONING: PLANNED DEVELOPMENT (PD)
8. EXISTING ZONING: CITY OF HOLLYSTER, 15-14(P) (HIGH DENSITY RESIDENTIAL), 15-18 DU/AC, SAN BENTO COUNTY, 15-18 DU/AC (MULTI-FAMILY), 8-28 DU/AC
9. EXISTING GENERAL PLAN: CITY OF HOLLYSTER, HIGH DENSITY RESIDENTIAL, 17-28 DU/AC, SAN BENTO COUNTY, 17-28 DU/AC
10. PROPOSED GENERAL PLAN DESIGNATION: CITY OF HOLLYSTER, MEDIUM DENSITY RESIDENTIAL

11. UTILITIES: SHOWN CITY OF HOLLYSTER, WATER, SEWER, GAS & ELECTRIC, CABLE TV
12. UTILITIES: SHOWN SAN BENTO COUNTY, WATER, SEWER, GAS & ELECTRIC, CABLE TV
13. UTILITIES: SHOWN SAN BENTO COUNTY, WATER, SEWER, GAS & ELECTRIC, CABLE TV
14. FLOOD ZONES SHOWN ARE PER FLOOD INSURANCE RATE MAP AND FLOODINSURANCE, EFFECTIVE DATE: APRIL 16, 2006, ZONE X - AREA DETERMINED TO BE OUTSIDE THE FLOOD CHANCE FLOODPLAIN
15. AERIAL PHOTOGRAPHY WAS PREPARED BY AERIALMATIC SURVEYS ON APRIL 3, 2007, CONTOURS AT 1 FOOT INTERVAL
16. NORTH ARROW POINTED TO BE PROVIDED UNDER THE CITY OF HOLLYSTER CAPITAL IMPROVEMENT PLAN NORTH STREET RIGHT OF WAY AND PROPOSED RETAIN WALLS FOR CITY OF HOLLYSTER CITY ZONE IMPROVEMENT PLANS BY SAN BENTO ENGINEERING & SURVEYING, INC. DATED NOVEMBER 2006, SEE TYPICAL STREET SECTION ON SHEET 2

# DeNova Homes ALLENDALE VESTING TENTATIVE MAP

CITY OF HOLLYSTER, SAN BENTO COUNTY, CALIFORNIA



SCALE: 1" = 125' DATE: SEPTEMBER 17, 2013  
REVISED DATE: JANUARY 30, 2017

Carlson, Barber & Gibson, Inc.  
CITY ENGINEER  
10000, 94583  
WITH EXPIRING DATE

SHEET NO.  
1  
OF 1 SHEETS

# SAN BENITO LOCAL AGENCY FORMATION COMMISSION

## **Proposal Justification Questionnaire for Annexations, Detachments and Reorganizations** (Attach additional sheets as necessary)

1. **Name of Application:** (The name should match the title on the map and legal description; list all boundary changes that are part of the application) Allendale.
2. **Describe the acreage and general location; include street addresses if known:**  
57.9 acres located northeast of the intersection of Buena Vista Road and Locust Avenue.
3. **List the Assessor's Parcels within the proposal area:** 019-130-027 and 019-130-026
4. **Purpose of proposal:** (List all actions for LAFCO approval. Identify other actions that are part of the overall project, i.e., a tract map, development permit, etc. Why is this proposal being filed?) Annexation to the City of Hollister..This land is part of a larger Vesting Tentative Map that includes, 339 residential units, 60 units which are Multi-Famialy Residentail and 279 Single family detach. There are 131 units in the City of Hollister and 206 in the county.
5. **Land Use and Zoning - Present and Future**
  - A. **Describe the existing land uses** within the proposal area. Be specific. The existing land use is vacant disced / tilled land, no houses.
  - B. **Describe changes in land uses** that would result from or be facilitated by this proposed boundary change. 339 residential units, 60 units which are Multi-Famialy Residentail and 279 Single family detach. There is 6.25 acres of parks & trails with 20.92 acres of open space.
  - C. **Describe the existing zoning designations** within the proposal area. Residential Multiple.
  - D. **Describe any proposed change in zoning** for the proposal area. Do the existing and proposed uses conform with this zoning? Medium Denisty Residential. The proposed Vesting Tentative Map for this area conforms to the proposed use or Planned Development (PD).
  - E. (For City Annexations) **Describe the prezoning** that will apply to the proposal area upon annexation. Do the proposed uses conform with this prezoning? The City of Hollister approved the prezoning of the proposal area to Medium Denisty Residential on December 19, 2016. The proposed Vesting Tentative Map for this area conforms to the prezoning. Prezoning Ordinance and resolutions where sent to you by the City of Hollister (Abraham Prado) on 4/4/2017.

- F. List all known entitlement applications pending for the property (i.e., zone change, land division or other entitlements). Vesting Tentative Map application is actively being processed with the City of Hollister.

6. Describe the area surrounding the proposal . The surrounding uses include existing residential community to the south, existing cemetery and agricultural uses to the west, agricultural uses to the north and railroad, industrial and hotel uses to the east.

7. Conformity with Spheres of influence

- A. Is the proposal area within the sphere of influence of the annexing agency? Yes, partially. The Draft EIR Figures 6 & 7 identify the split boundry.

B. If not, are you including a proposal to revise the sphere of influence? Please see attached Ordinance 1133 and Ordinance 1134 adopted by the City of Hollister City Council on December 19, 2016. Ordinance 1133 is for the amendment of the City of Hollister General plan of 4 parcels comprising of a total of approximately 81.01 acres identified as APN 053-370-037, 053-370-038, 019-130-026, and 019-130-027 from High Density Residential (HDR) which requires 12 to 35 dwelling units per acre to "Medium Density Residential Performance Overlay Zone" (MDR M/PZ) which requires 8 to 12 dwelling units per acre and for the expansion of the sphere of influence to encompass the property identified as APN 019-130-027 in its entirety.

Ordinance 1134 is an Ordinance rezoning to "Medium Density Residential Performance Overlay Zone" both parcels currently located in the unincorporated area of the county (APN 019-130-026 and 019-130-027) consisting of a total of approximately 57.90 acres. Ordinance 1134 also covers the expansion of the SOI to encompass APN 019-130-027 in its entirety.

8. Conformity with County and City General Plans

- A. Describe the existing County General Plan designation for the proposal area. Residential Mixed.
- B. (For City Annexations) Describe the City general plan designation for the area. Medium Denisty Residential
- C. Do the proposed uses conform with these plans? Yes. If not, please explain.

9. Topography and Natural Features

- A. Describe the general topography of the proposal area and any significant natural features that may affect the proposal. The existing topography of the proposal area includes a bluff on the western portion of the proposal area that is elevated in comparison to the eastern remainder of the proposal area. The eastern areas are flat and gently sloping from south to the north. There are existing seismic faults and setbacks within the proposal area. The proposed project and uses have been planned to address the existing topography and seismic constraints.

B. Describe the general topography of the area surrounding the proposal. Topography of surrounding parcels: The existing topography of the surrounding areas to the west, north and east are generally flat, gently sloping to the northeast. Vista Park Hill exists to the south, which includes a small hill.

10. **Impact on Agriculture**

- A. Does the property currently produce a commercial agricultural commodity? No.
- B. Is the property fallow land under a crop rotational program or is it enrolled in an agricultural subsidy or set-aside program? No
- D. Is the property Prime Agricultural Land as defined in G.C. Section §56064? Portion, 15.49 acres are prime (DEIR, Figure 13).
- E. Is the proposal area within a Land Conservation (Williamson) Act contract? No.
- 1) If "yes," provide the contract number and date contract was executed.
  - 2) If "yes", has a notice of non-renewal be filed? If so, when?
  - 3) If this proposal is an annexation to a city, provide a copy of any protest filed by the annexing city against the contract when it was approved.

11. **Impact on Open Space**

Is the affected property Open Space land as defined in G.C. Section 65560? NO

12. **Relationship to Regional Housing Goals and Policies (City annexations only)**

*If this proposal will result in or facilitate an increase in the number of housing units, describe the extent to which the proposal will assist the annexing city in achieving its fair share of regional housing needs.*

The current zone is consistent with City's General Plan. Annexation to the City of Hollister. This land is part of a larger Vesting Tentative Map that includes, 339 residential units, 60 units which are Multi-Family Residential and 279 Single family detach. There are 131 units in the City of Hollister and 206 in the county. There is 6.25 acres of parks & trails with 20.92 acres of open space.

Net Area Summary (City of Hollister).

- Total Area 23.17 AC+-
  - Open Space 2.03 AC +-
  - North Street 1.62 AC +-
  - Street Area 4.88 AC+-
- Net Area = 14.37 AC+-

Net Density =  $(131 / 14.73 \text{ AC}) = 9.12 \text{ DU / AC}$ .

Net Area Summary (San Benito County):

- Total Area 57.84 AC+-
- PG&E Easement 2.84 AC +-

- Open Space 16.81 AC+-
- Street Area 9.03 AC+-
- Retention Basin 1.59 AC +-

Net Area = 27.57 AC+-

Net Density= (208 DU / 27.57 Ac) = 7.54 DU / AC

Product Wide Density= ( 339 DU / 41.94 Ac ) = 8.08 DU / AC.

There are 4 different Product types

- Muti-Family Residential, 2 & 3 Story, 60 Units. (35 DU / AC).
- SFR (38' x 85') Lots. 101 Units.
- SFR (40' x 100') Lots. 110 Units.
- SFR (50' x 100') Lots. 68 Units.

**13. Population**

A. Describe the number and type of existing dwelling units within the proposal area.  
0

B. How many new dwelling units could result from or be facilitated by the proposal?

Single-family 198 Multi-family 10

**14. Government Services and Controls – Plan for Providing Services (per §56653)**

A. Describe the services to be extended to the affected territory by this proposal.  
Please see the attached report: Plan for Services Report.

B. Describe the level and range of the proposed services.

C. Indicate when the services can feasibly be provided to the proposal area.

D. Indicate any improvements or upgrading of structures, roads, sewers or water facilities or other conditions that will be required as a result of the proposal.

E. Identify how these services will be financed. Include both capital improvements and ongoing maintenance and operation.

F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of services.

**15. Ability of the annexing agency to provide services**

Attach a statement from the annexing agency describing its ability to provide the services that are the subject of the application, including the sufficiency of revenues (per Gov't Code §56668j). Please see the attached report: Plan for Services Report.

16. **Dependability of Water Supply for Projected Needs** (as per §56653)

If the proposal will result in or facilitate an increase in water usage, attach a statement from the retail water purveyor that describes the timely availability of water supplies that will be adequate for the projected needs. Please see the attached report: Plan for Services Report.

17. **Bonded indebtedness and zones** – These questions pertain to long term debt that applies or will be applied to the affected property.

- A. Do agencies whose boundaries are being changed have existing bonded debt?  
X Yes No If yes, please describe
- B. Will the proposal area be liable for payment of its share of this existing debt?  
X Yes ☐ No If yes, how will this indebtedness be repaid (property taxes, assessments, water sales, etc.?)
- C. Should the proposal area be included within any 'Division or Zone for debt repayment? X Yes No If yes, please describe.
- D. (For detachments) Does the detaching agency propose that the subject territory continue to be liable for existing bonded debt? ☐ Yes No Please describe. N/A.

18. **Environmental Impact of the Proposal**

- A. Who is the "lead agency" for this proposal? City of Hollister
- B. What type of environmental document has been prepared?  
None, Categorically Exempt -- Class \_\_\_\_  
EIR \_\_\_X\_\_\_ Negative Declaration \_\_\_\_\_ Mitigated ND \_\_\_\_\_  
Subsequent Use of Previous EIR \_\_\_\_\_ Identify the prior report. \_\_\_\_\_
- C. If an EIR has been prepared, attach the lead agency's resolution listing significant impacts anticipated from the project, mitigation measures adopted to reduce or avoid significant impacts and, if adopted, a "Statement of Overriding Considerations." See attached EIR.

19. **Boundaries**

- A. Why are these particular boundaries being used? Ideally, what other properties should be included in the proposal? The boundaries are the extent of the project. No other properties are proposed to be included. Because (The surrounding uses include existing residential community to the south, existing cemetery and agricultural uses to the west, agricultural uses to the north and railroad, industrial and hotel uses to the east).

- B. If any landowners have included only part of the contiguous land under their ownership, explain why the additional property is not included. N/A

**20. Final Comments**

- A. Describe any conditions that should be included in LAFCO's approval. If there is a new tax sharing agreement between the City and County this project should have the option of using it.
- B. Provide any other comments or justifications regarding the proposal. This project site is half in the City and half in the County.
- C. Enclose all pertinent staff reports and supporting documentation related to this proposal. Note any changes in the approved project that are not reflected in these materials. No



**21. Notices and Staff Reports**

List up to three persons to receive copies of a notice of hearing and staff report.

Name and agency

Address

Email address

A. Michael Evans, 1500 Willow Pass Ct, Concord Ca 94520 mevens@denovahomes.com

B. Scott Fuller, 3825 Union Rd, Hollister Ca 95023 Scott@sanjuanoaks.com

C. John Brigantino 150 San Felipe Rd, Hollister Ca 95023 john@sanbenitorealty.com

Who should be contacted if there are questions about this application?

Name

Address

Email address

Phone

Michael Evans, 1500 Willow Pass Ct, Concord Ca 94520 mevens@denovahomes.com  
925-852-0551

Signature \_\_\_\_\_

Date \_\_\_\_\_

TABLE A

Information regarding the areas surrounding the proposal area

	Existing Land Use	General Plan Designation	Zoning Designation
East	Industrial and Hotel	General Commercial	Commercial and North Gateway
West	Cemetery and Agricultural	Residential Mixed and Agricultural	Agricultural Productive
North	Agricultural	Agricultural	Agricultural Productive
South	Park and Residential	Open Space and High Density Residential	Open Space and R-4H

Other comments or notations:

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**Plan for Services Report**

# **North Street Residential Project**

**City of Hollister/County of San Benito, CA**

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Prepared by

**Kimley»»Horn**

November 2014

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## 1. Outline of Requirements

In accordance to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 (commencing with Government Section 56000), a request has been made to annex property to the City of Hollister.

Pursuant to California Government Code Section 56653, the Plan for Services shall include the following:

- An enumeration and description of the services to be extended to the affected territory.
- The level and range of those services.
- An indication of when those services can feasibly be extended to the affected territory.
- An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- Information with request to how those services will be financed.

In addition, San Benito LAFCO policy also requires a clear quantifiable mechanism to provide adequate services. This Plan for Services has been prepared by Kimley-Horn & Associates on behalf of an annexation applicant to fulfill the above-referenced requirements.

## 2. Project Summary

### 2.1. Project Description

The North Street Residential Project (the “Project” considered by this report) includes a City-initiated Sphere of Influence (SOI) Amendment/Annexation of an approximately 58-acre area to allow for future residential land uses (“Annexation Area”). The Annexation Area is a logical extension of the City’s SOI and City boundary, as it is immediately adjacent to the northwestern boundary of the City. The project also includes a General Plan amendment, pre-zoning of the area for medium density residential purposes, and an approval of a resolution by the City to initiate annexation proceedings of the Annexation Area to the City of Hollister.

The Annexation Area consists of 2 privately-owned parcels totaling approximately 58 acres adjacent to the planned North Street extension and is contiguous with the existing City boundary and SOI. The parcels in the unincorporated area have an existing County of San Benito General Plan designation of RU (Rural Urban) and a zoning designation of RM (Residential Multiple). The parcels also have an existing City of Hollister General Plan designation of HDR (High Density Residential) allowing for 12 – 35 dwelling units per an acre (du/a) and a zoning designation of R-4H/PZ (High Density Residential) allowing for 12-35 du/a. The Annexation Area would be pre-zoned R3 (Medium Density Residential)<sup>1</sup>.

The Annexation Area is currently utilized as farm land. Existing overhead power and gas pipeline easements occupy 75 feet across the northern border of the site and would remain undeveloped and in the existing condition. There are two existing fault lines that cross the Annexation Area and as a result have created a plateau between the faults. Based on the topography of the Annexation Area, existing easements, and the pre-zoning of R3, **Table 2.1: Net Area Summary**, shows the net area that would be developed with medium density residential units.

**Table 2.1: Net Area Summary**

Area	Acres
Total Area	57.9
PG&E* Easement	2.27
Sloped Area	15.2
Retention Basin	0.84
Street Area	9.64
<b>Net Area</b>	<b>29.95</b>
*Pacific Gas & Electricity	

<sup>1</sup> Pre-zoning pending City approval.

Based on a net area of 29.95 acres, the greatest intensity of development allowable in the Annexation Area with a zoning designation of R3 would be 12 du/acre for a total of 360 residential units.

The annexation of these parcels would ensure that future development in the Annexation Area would be consistent with the Medium Density Residential pre-zoning and with the City's infill strategy. The Medium Density category of residential land use accommodates more intensive forms of residential development. This category is intended to provide greater housing choices in the City for different family sizes and incomes (examples include duplexes and triplexes).

The existing utility providers for the Annexation Area are the City of Hollister for water, wastewater, and storm drainage functions; Pacific Gas & Electric for gas and electric; AT&T Telecommunications for telephone/internet services; and, Comcast Cable Services for cable television/internet services.

## **2.2. North Street Improvement and Re-Alignment**

Annexation of the Annexation Area would require the construction and installation of new infrastructure and public improvements, and the extension of existing roadways and utility infrastructure. The City of Hollister has completed the design for the improvement and re-alignment of North Street/Buena Vista Road along the southern Project boundary, from Westside Boulevard to San Felipe Road, through the City's Capital Improvement Program (CIP).

The North Street Improvements (planned as part of the City's CIP program) include extension of a 12-inch potable water line from west of the Annexation Area to the existing 12-inch water line from the storage tank atop Park Hill, the replacement of an existing 6-inch sewer line in North Street from just west of Monterey Street to the existing system in Thompson Street, and the installation of a new storm drain system from West Street to beyond the Union Pacific Railroad crossing. An existing natural gas line already follows the current alignment of North Street and will not be relocated as part of the CIP project. Existing overhead power, cable and telephone lines will be relocated into a joint trench (i.e. "undergrounded") along the south side of North Street from San Felipe Road to just west of Monterey Street. Joint trench facilities already exist along Buena Vista Road at Locust Street.

## **2.3. Project Location**

The Annexation Area is approximately 58 acres, made up of 2 parcels. Parcel APN 019-130-027 is located partially in the SOI and partially outside the SOI, and borders the City of Hollister limit line. Parcel APN 019-130-026 is located within the SOI and borders the City of Hollister limit line. The parcels are located in unincorporated San Benito County, west of the Union Pacific Railroad and north of the planned North Street extension. This



area is within the City's designated *2005 General Plan* "planning area," the area encompasses incorporated and unincorporated territory bearing a relation to the City's planning. A city's planning area generally includes city limits and land for potential annexation with the sphere of influence.

#### **2.4. Estimated Project Revenues and Public Facilities Financing**

In terms of Project revenues, it is anticipated that future development under the R3 (High Density Residential) zoning would generate positive revenue as a result of sales, property and other applicable taxes and assessments, in addition to the development impact fees collected in connection with a private project in a residential zone.

Any improvements required within a specific future project would be constructed and funded by property owners. The City requires that all new development pay development fees in order to offset impacts associated with increasing the City's demand for public services and utilities. The Project applicant of individual projects within the Annexation Area would be required to pay a fair and equitable amount to the City's Development Impact Fee to offset the capital costs for public services and utilities.

The maintenance of internal driveways/roads, landscaping, detention/retention basins, and other amenities provided by specific future projects would be funded through a combination of any and all of the following:

- Standard City maintenance responsibility (public facilities)
- Assessments from property owners
- Payment for City water and wastewater conveyance user fees
- Other utilities (such as electricity, natural gas, and telephone) and services (such as solid waste collection would be maintained through fees and charges of the appropriate service providers
- City-operated Lighting and Landscaping District or Landscape Maintenance District

### **3. Police Service**

Police protection within the Hollister area is the responsibility of the Hollister Police Department within the City limits, and the San Benito County Sheriff's Department in the unincorporated areas. The City of Hollister Police Department is located at 395

Apollo Way. The City of Hollister has 24 sworn police officers and 10 non-sworn personnel. This equates to approximately 0.72 police officers per 1,000 residents<sup>2</sup>.

Police service to the Annexation Area upon annexation would be provided by the City of Hollister Police Department. The Annexation Area is contiguous with the current City limits (current City of Hollister Police Department service area). Individual projects developed in the Annexation Area would increase the population and would include additional roadways that would affect traffic enforcement and collision investigation responsibilities. Therefore, there would be an incremental increase in the level of staffing required by the Hollister Police Department. This incremental increase in police service would be financed by the imposition of a Mello-Roos Community Facilities public safety tax.

Any incremental increase in capital equipment would be financed through police impact fees collected at the time of building permit issuance or prior to occupancy of the site. The annexation of the Annexation Area will not create the need for any police related structures or improvements.

#### **4. Fire Service**

The City of Hollister City Fire Department provides fire protection within the Hollister city limits. The Hollister Fire Department provides first responder emergency medical services and responds to all automatic aid areas as the first responder for EMS incidents<sup>3</sup>. Services provided by the Hollister Fire Department include fire prevention (including building plan review, site inspection, and public education), arson investigation, hazardous material releases, involvement with public events, medical aid requests, vehicle accidents, specialized rescue and all types of fires<sup>4</sup>.

In 2013, the Hollister Fire Department began to provide services for two additional municipalities: San Benito County and the City of San Juan Bautista. In compliance with the fire protection services agreement for the County of San Benito, the Hollister Fire Department recently added two additional fire stations, for a total of four fire stations. As of the 2013 agreement, the Hollister Fire Department had 1 Chief, 7 Captains, 9 Engineers, 6 Fire Fighters, 25 Reserves and a part-time Clerical.

The Annexation Area is contiguous with the current City limits (current service area). Development of individual projects within the Annexation Area would cause an

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<sup>2</sup> Personal Communication, Anita Gomez, City of Hollister Police Department, November 12, 2014.

<sup>3</sup> City of Hollister, *City of Hollister General Plan Final Environmental Impact Report*, October 2005.

<sup>4</sup> City of Hollister Fire Department website, accessed November 5, 2014, <http://hollister.ca.gov/Site/html/gov/office/fire.asp>.

incremental increase in the need for additional staff, infrastructure improvements or capital equipment. The incremental increase in staffing will be financed by the imposition of a Mello-Roos public safety tax. Project applicants of individual projects within the Annexation Area would be required to pay fire impact fees in order to finance any incremental increases in fire services.

## **5. General Government**

General Government services include the City Council, City Administration, City Finance, Building, Planning, Engineering, and Animal Control. These services are currently being provided to the City. Annexation of the proposed sites in their current condition would not cause any increase in City General Government services. Development of the site, if annexed, would cause an incremental increase in General Government services for the City Council, City Administration, City Finance, and Animal Control. This increase in General Government services would be financed through an incremental increase in General fund revenues through property and sales taxes. The incremental increase in services for Building, Planning and Engineering would be financed through permit fees. The City also requires that all projects requesting annexation enter into an agreement to be fiscally neutral (project would provide all revenues necessary to provide public services). The affected area would be subject to an annexation agreement for fiscal neutrality.

## **6. Wastewater**

Development of the site assuming annexation would require that the City transmit and treat sewage generated on site. Wastewater facilities and treatment for the Annexation Area would be provided by the City of Hollister. The City of Hollister currently treats its domestic wastewater at the Domestic Wastewater Treatment Plant (DWTP), which serves the current City limits and portions of unincorporated San Benito County.

The DWTP is located west of downtown Hollister on both sides of the Highway 156 bypass near the San Benito River. This facility is permitted to treat up to 2.69 million gallons of wastewater per day and percolation ponds at this facility can percolate approximately 2 million gallons of un-disinfected treated wastewater per day. The Industrial Wastewater Treatment Facility (IWTF) is located west of downtown Hollister at the west end of South Street and on the north side of the San Benito River, less than one mile east of the DWTP. Treated wastewater from both facilities is disposed of by percolation, which contributes to localized areas of high groundwater in the Hollister West sub-basin<sup>5</sup>.

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<sup>5</sup> City of Hollister, *City of Hollister General Plan Final Environmental Impact Report*, October 2005.

The DWTP was upgraded in 2009 to include a water reclamation facility and to improve treatment to tertiary levels. The system treats water to disinfected tertiary recycled water standards through the use of a Membrane Bioreactor (MBR). The DWTP is currently capable of treating up to 4 mgd and the current dry weather average flow is approximately 3 mgd. The DWTP can be expanded to accommodate peak flows of 5 mgd through the installation of additional membranes, when required by additional development. The capacity of the IWTF has been estimated as high as 7.5 mgd; however, the current RWQCB permit limits flows to 3.5 mgd during summer and fall and 1.72 mgd of stormwater during the winter and spring<sup>6</sup>.

The City is responsible for the operation, maintenance, monitoring and reporting for the IWTF and the DWTP. The City of Hollister's collection system consists of gravity pipelines and force mains ranging from 4- to 36-inches in diameter. The City has six lift stations<sup>7</sup>.

### 6.1. Sewer Service

On-site sewer systems would be constructed with any residential developments in the Annexation Area. The sewer system would be designed in accordance with the City of Hollister's Design Standards. The project applicant would be required to fund the installment of sewer lines from the main transmission line to all the proposed facilities within the development to City standards. On-site sewer systems would connect with the existing City's system at a manhole at the intersection of Buena Vista Road and Westside Boulevard. The existing downstream system is an 8-inch sewer pipeline that collects wastewater just west of Westside Boulevard. The existing 8-inch sewer pipeline connects to the City trunk main in San Juan Hollister Road and continues west.

The total sewer flow generated for the Annexation Area is based on a peak factor of 2.5 and an average design flow based on a land use classification of High Density Residential and a watershed coefficient for multi-family. **Table 6.1: Sewer Generation** shows the wastewater generation that would occur based on the highest possible intensity of development for the Annexation Area if zoned R3.

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<sup>6</sup> Todd Engineers, 2010 Hollister Urban Area Urban Water Management Plan, June 2011.

<sup>7</sup> HDR, Hollister Urban Area Water and Wastewater Master Plan, November 2008.

**Table 6.1: Sewer Generation**

Area	Number
Medium Density Residential	11.25 units/gross acre
Wastewater Coefficients	290 average daily flow (gpd/DU)*
Dwelling Units	360 residential units
Peak Factor	2.5
<b>Total Generation</b>	<b>0.26 mgd (261,000 gpd)</b>
* gpd/DU = gallons per day per dwelling unit	

The applicant's project engineer has estimated that sewer demand for the greatest intensity of allowable development in the Annexation Area would be 0.26 mgd. The Annexation Area is within an area that has been defined as the Hollister Water and Wastewater Urban Service Area. The area is defined by a Memorandum of Understanding between the City of Hollister, County of San Benito and the San Benito County Water District as properties that will be served by the recently constructed Hollister Wastewater Treatment facility. According to the *Will Serve Letter for Water and Sewer Service to Properties Identified as APN's: 053-320-002, 053-330-002, 019-130-120 and 053-370-002*, provided by the City of Hollister Engineering Division and dated May 15, 2008, the City has adequate sewer service capacity to serve the development of the residential uses permitted in the current San Benito County and/or City of Hollister General Plans and zoning up to a maximum density of 24 dwelling units per acre.

Individual projects developed within the Annexation Area would incrementally utilize capacity at both the treatment plant and within the City sewer transmission line. To offset the use of the capacity for the transmission facilities, project applicants of individual projects would be assessed an impact fee at the time of building permit issuance. A sewer treatment impact fee would also be assessed to provide funding for additional capacity at the treatment plant.

## 7. Domestic Water Supply

Water supply in the Hollister Planning Area for agricultural, municipal and industrial uses comes from several sources: local groundwater, local surface water, and surface water purchased from the U.S. Bureau of Reclamation Central Valley Project (CVP) and imported to the County via the San Felipe project. The San Benito County Water District (SBCWD) is responsible for the management of the groundwater basins in much of San Benito County. The Hollister Planning Area has two independent water suppliers:

Sunnyslope County Water District and the City of Hollister. The City of Hollister would be responsible to supplying water to the Annexation Area<sup>8</sup>.

During the year 2013, the City of Hollister obtained 82 percent of its potable drinking water from its six active deep groundwater wells located throughout the City and Cienega Valley, 10 percent from San Felipe surface water, treated at the Lessalt Water Treatment Plant, and 8 percent of groundwater from the Sunnyslope County Water District wells<sup>9</sup>.

### **7.1. Existing Water Supplies**

The City of Hollister obtains water from the following sources:

- Imported water from the Central Valley Project (CVP) – San Felipe Division;
- Groundwater from the Hollister West sub-basin pumped from six groundwater wells located within the City and Cienega Valley; and
- Local surface water supplies from the Hernandez Reservoir and Paicines Reservoir.

#### **7.1.1. Imported Water**

The CVP is one of the nation's major water systems, covering the entire Central Valley and portions of California's mountain ranges. CVP water brought into San Benito County is stored in San Justo Reservoir. The SBCWD has a 40-year contract (extending to 2027) for a maximum of 8,250 acre-feet per year (AFY) of municipal and industrial (M&I) water and 35,550 AFY of agricultural water. The City of Hollister purchases M&I CVP water directly from the SBCWD. The direct use of CVP water for M&I purposes is limited by the available treatment capacity of the Lessalt Water Treatment Plan, which provides treatment for local municipal uses<sup>10</sup>.

#### **7.1.2. Groundwater**

The Hollister Planning Area overlies the Gilroy-Hollister basin, which is delineated into eight sub-basins. The Hollister Urban Area overlies the Hollister East, Hollister West, and Tres Pinos sub-basins. The City of Hollister and the Sunnyslope County Water District pump directly from these sub-basins<sup>11</sup>. The groundwater storage capacity of the San

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<sup>8</sup> City of Hollister, *City of Hollister General Plan Final Environmental Impact Report*, October 2005.

<sup>9</sup> City of Hollister Community Services, Utility Division, *2013 Annual Drinking Water Quality Report, City of Hollister Water System*, July 9, 2014.

<sup>10</sup> Todd Engineers, *2010 Hollister Urban Area Urban Water Management Plan*, June 2011.

<sup>11</sup> *Ibid.*

Benito County portion of the Gilroy-Hollister Groundwater Basin is approximately 500,000 acre-feet within 200 feet of the ground surface. The average annual safe groundwater yield is estimated to be approximately 54,000 acre-feet per year<sup>12</sup>. The SBCWD provides active management of the Gilroy-Hollister Basin.

#### **7.1.3. Surface Water**

The primary sources of local surface water supply are Hernandez Reservoir and Paicines Reservoir. Both of these reservoirs are owned and operated by the SBCWD. Hernandez Reservoir has a capacity of 17,200 acre-feet and is located on the San Benito River, 43 miles southeast of Hollister, and stores runoff from the upper San Benito River watershed. The Hernandez Reservoir is designed and operated to supplement the groundwater supply in northern San Benito County.

Paicines Reservoir, with a capacity of 2,870 acre-feet, is an off-stream reservoir between the San Benito River and Tres Pinos Creek approximately 5 miles south of Tres Pinos. It is filled by water diverted from the San Benito River, with some of the diversions consisting of natural runoff and some consisting of re-division of water stores and released from Hernandez Reservoir. The stored water is released for percolation to Tres Pinos Creek and the San Benito River to provide additional groundwater recharge during the dry season<sup>13</sup>.

#### **7.1.4. Recycled Water**

Recycled water is in the initial phases of development as a source of irrigation water and is presently used to irrigate Brigantino Park and areas near the City of Hollister Municipal Airport<sup>14</sup>.

### **7.2. Future Water Supplies**

The City is currently anticipating the following additional planned future potable water supplies:

- North County Groundwater Bank;
- Lessalt Water Treatment Plan Upgrades;
- West Hills Water Treatment Plant; and
- Additional supplies from recycled water.

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<sup>12</sup> City of Hollister, *City of Hollister General Plan Final Environmental Impact Report*, October 2005.

<sup>13</sup> HDR, *Hollister Urban Area Water and Wastewater Master Plan*, November 2008.

<sup>14</sup> Todd Engineers, *San Benito County Water District Annual Groundwater Report*, December 2013.

**7.2.1. North County Groundwater**

The North County sub-basins have been identified as sources of additional long-term supply. North County pumping could provide additional supply to the Lessalt Water Treatment plant and help alleviate local high groundwater conditions. In addition, banking groundwater in the north could also provide opportunities for percolation and storage of relatively high quality imported supplies when available. The North County Groundwater Bank would include a combination of facilities to pump and recharge water, and could produce 2,000 to 5,000 AFY of groundwater<sup>15</sup>.

**7.2.2. Lessalt Water Treatment Plant Upgrade**

The Lessalt Water Treatment Plant is in the process of improving its process to reduce disinfection byproducts. Lessalt has operated at an average rate of less than 1.6 mgd. The upgraded facility will treat an average of 2 mgd (2,240 AFY) of CVP water. The Lessalt Water Treatment Plant will be able to treat up to 3 mgd during peak times<sup>16</sup>.

**7.2.3. West Hills Water Treatment Plant**

The *Hollister Water and Wastewater Master Plan* recommended a second surface water treatment plant to treat CVP imports for delivery to urban areas currently not served by the Lessalt Water Treatment Plant. The plant will be located at the West Hills Site, near the San Joan sub-basin and will be designed to treat an average annual capacity of 3 mgd (based on a 4.5 mgd design capacity). It may be expanded in the future to a total annual capacity of 9.0 mgd. Construction is expected to begin in later 2014 with completion by 2016<sup>17</sup>.

**7.2.4. Recycled Water**

Recycled water is currently being used for irrigation at two sites within the Hollister Urban area and plans for increased use are ongoing. The water purveyors in the Hollister Urban Area continue to pursue recycled water as an additional water supply, potentially as much as 4,000 AFY. The Water Supply Treatment Agreement was signed by all parties in August 2013<sup>18</sup>.

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<sup>15</sup> Todd Engineers, *2010 Hollister Urban Area Urban Water Management Plan*, June 2011.

<sup>16</sup> Todd Engineers, *San Benito County Water District Annual Groundwater Report*, December 2013.

<sup>17</sup> *Ibid.*

<sup>18</sup> Todd Engineers, *San Benito County Water District Annual Groundwater Report*, December 2013.



### 7.3. Water Facilities

The City of Hollister pumps directly from the groundwater basin in order to meet water demands. The City has eight groundwater wells within the City and Cienega Valley. Only six of the eight groundwater wells are currently active<sup>19</sup>.

The Lessalt Water Treatment Plant, a jointly-owned facility between the City and the Sunnyslope County Water District (SSCWD), was put into operation in January 2003. The plant was designed to treat imported CVP water using microfiltration and chlorine disinfection. The treated water is distributed to both City and SSCWD customers. The plant was designed with a rated capacity of 3.0 million gallons per a day (mgd) capable of treating 3,360 acre-feet of imported CVP water annually.

The City has hour storage reservoirs for a total capacity of 8.2 million gallons (mgal). The City also has two pressure reducing pressure sustaining stations that are used to maintain water pressure for supplemental flows during periods of peak demand. Together the City and SSCWD have over 128 miles of water mains for transmission and distribution. Most of these pipelines were installed in the 1960s. The City of Hollister and the SSCWD maintain a close interrelationship due to service area proximity and configuration of the low and middle pressure zones<sup>20</sup>.

### 7.4. Water Service

The Annexation Area is within the City of Hollister's adopted service area. All plans for water service will need to be approved by the City.

The Annexation Area would comprise of approximately 58 acres. The area is zoned by the City of Hollister as R3 (Medium Density Residential) allowing for the development of a maximum of 360 residential units. The project engineer estimates that the maximum intensity of development of the Annexation Area would increase the demand for water by 1.03 acre-feet per year. This is based on the assumption that a single-family residential unit's maximum domestic daily demand is 0.53 gallons per minute per a connection. Assuming that approximately 30 acres is developed with medium density residential uses in the Annexation Area, the estimated water supply demand would be 0.28 mgd or 1.03 acre-feet per year.

**Table 7.1: Past and Projected Water Supply (Acre-Feet per Year)** below demonstrates that the City of Hollister has the capacity to meet the increased demand of development of the Annexation Area.

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<sup>19</sup> Todd Engineers, 2010 Hollister Urban Area Urban Water Management Plan, June 2011.

<sup>20</sup> HDR, Hollister Urban Area Water and Wastewater Master Plan, November 2008.

**Table 7.1: Past and Projected Water Supply (Acre-Feet per Year)**

Water Source	2010	2015	2020	2025	2030
<b>Water Demand</b>					
Hollister	2,859	4,185	4,481	5,829	6,838
Sunnyslope	2,424	3,707	3,579	3,864	3,988
Additional water uses and losses <sup>1</sup>	573	552	564	678	758
<b>Total</b>	<b>5,856</b>	<b>8,444</b>	<b>8,624</b>	<b>10,371</b>	<b>11,583</b>
<b>Water Supply</b>					
SBCWD (Imported CVP)	1,510	8,250	8,250	8,250	8,250
Groundwater	4,098	4,004	4,004	4,004	4,004
Recycled Water	203	1,170	1,170	1,170	1,170
<b>Total</b>	<b>5,811</b>	<b>13,424</b>	<b>13,424</b>	<b>13,424</b>	<b>13,424</b>

<sup>1</sup>Saline Barriers, Groundwater Recharge, Conjunctive Use, Raw Water, Recycled Water, System Losses  
Source: Todd Engineers, 2010 Hollister Urban Area Urban Water Management Plan, June 2011.

The Annexation Area is within an area that has been defined as the Hollister Water and Wastewater Urban Service Area. The area is defined by a Memorandum of Understanding between the City of Hollister, County of San Benito and the San Benito County Water District as properties that will be served by the recently constructed Hollister Wastewater Treatment facility. According to the *Will Serve Letter for Water and Sewer Service to Properties Identified as APN's: 053-320-002, 053-330-002, 019-130-120 and 053-370-002*, provided by the City of Hollister Engineering Division and dated May 15, 2008, the City has adequate water service capacity to serve the development of the residential uses permitted in the current San Benito County and/or City of Hollister General Plans and zoning up to a maximum density of 24 dwelling units per acre.

Any on-site potable water systems will be constructed with individual developments in accordance with the City of Hollister's Design Standards. The project applicant would be required to fund the installment of water lines to all the residential facilities within the development to City of Hollister standards. The water system for development in the Annexation Area would connect to the proposed 12-inch water pipe in the North Street improvements and re-alignment. Any on-site water system would be supplied by the existing City of Hollister's 2 mgal storage tank located atop Park Hill (just south of the Annexation Area).

## 8. Storm Drainage

Land use for the Annexation Area is predominantly agricultural under existing conditions, with a high percentage of pervious surfaces. As a part of development as a high density residential land use, there will be a significant increase in impervious surfaces that will increase rates and volumes of runoff generated during storms. These increases will need to be mitigated via appropriate storm drainage facilities and provisions.

On-site storm drain systems would be constructed with developments in accordance with the City of Hollister's Engineering Department's Design Standards, Standard Specifications, and Standard Plans, dated June 1992. The project applicant of individual projects within the Annexation Area would be required to fund and install all storm drainage improvements needed for the affected area to City standards.

The development of individual projects within the Annexation Area would incrementally utilize capacity of the City's storm transmission lines and area wide storm water treatment and recharge facilities. To offset the use of this capacity, the project applicant of individual projects would be assessed a storm drainage impact fee at the time of building permit issuance.

### 8.1. Water Quality

The City of Hollister has an active MS4 – Phase II permit for storm water discharge. The City does not have a detail design guide for storm water management within the jurisdiction. A retention basin would serve as an infiltration basin for the Annexation Area, in accordance with policies in the *Hollister 2005 General Plan*:

**CSF3.5**      *Require new development to identify sites which may be used for vegetated swales or strips, infiltration, media infiltration, water-oil separators, wet ponds, constructed wetlands, extended detention basins and multiple systems which may enhance water quality.*

**CSF3.7**      *1. Support alternative to impervious surfaces in new development, redevelopment, or public improvement projects to reduce urban runoff into storm drain systems and creeks;*

*2. Require that site designs work with the natural topography and drainages to the extent practicable to reduce the amount of grading necessary and limit disturbance to natural water bodies and natural drainage systems; and*

*3. Where feasible, use vegetation to absorb and filter fertilizers, pesticides and other pollutants.*

The basin size would be established to provide infiltration for the entire approximately 58 acres. The retention basin sizing is calculated using the pond storage sizing method provided in the City of Hollister's Design Standards. The percolation rate is based on T. Makdissy Consulting, Inc. Percolation Test Results dated April 15, 2013.

The project engineer based infiltration basin sizing on the Santa Clara Valley Urban Runoff Pollution Prevention Program C.3 Stormwater Handbook (April 2012) treatment based on sizing calculations. The project engineer estimated that the required basin size

including siltation area for the Annexation Area would be 3.3 acre-feet. This is based on the information provided by the project engineer, shown in **Table 8.1: Infiltration Basin**.

**Table 8.1: Infiltration Basin**

Area	Number
Impervious Surface Area	15 acres <sup>1</sup>
Watershed Impervious Ratio	0.26
Watershed Runoff Coefficient	0.04
Percolation Rate	144 inches/hour
Mean Annual Precipitation	16 inches <sup>2</sup>
Reference Rain Gage	19.5 inches
Mean Storm Event Precipitation	0.76 inches
48-Hour Drain Time	1.963
Siltation Basin	0.4 acre-feet
Pond Volume	2.9 acre-feet
<b>Required Basin Size</b>	<b>3.3 acre-feet</b>
1. Based on assumption of 30 acres of developable land, with a 50 percent lot coverage maximum allowed for medium density residential zoning.	
2. Assume per San Benito County NDAA data.	

The retention basin would provide infiltration for the entire Annexation Area. The basin size is established at 3.3 acre-feet to provide infiltration for the entire 58 acres. The development of the infiltration basin would mean that the storm drain system for the Annexation Area would not connect to or impact the North Street storm drain system or other downstream City facilities.

## 9. Parks and Recreation

Parks that are located on or adjacent to school facilities are maintained by the Hollister School District. Maintenance of all other City parks and recreational facilities, as well as over 9,000 street trees, all public medians, and City buildings and greenways is provided by the Hollister Division of Parks, which is managed by the Director of the Community Services Department<sup>21</sup>. According to the *Hollister Park Facility Master Plan*, the City's parkland goal is four acres per thousand population.

No park or recreation facilities currently occupy the Annexation Area. Annexation of the site in its current state would not require any additional park facilities or recreational programs.

<sup>21</sup> City of Hollister, *City of Hollister General Plan Final Environmental Impact Report*, October 2005.

The City of Hollister maintains a number of park facilities within its jurisdictional limits in order to serve the needs of City residents and residents of the adjoining unincorporated San Benito County. The City or private developers (or a combination of both) has historically constructed park and recreation facilities. The amount of parkland required is set forth by the General Plan and the City Subdivision Ordinance.

Development of residential projects generally requires an increase in park facilities to serve new residents in order to maintain the standard of four acres of parkland per 1,000 residents. The degree to which an increase in park facilities will be needed would be determined at the time of review of the development application. The City of Hollister requires that residential projects either dedicate land and/or pay park-in-lieu impact fees for the incremental need to expand park facilities. At the time of review of the project application for individual projects within the Annexation Area, the project's financial contribution for park lands or facilities would be determined.

The City of Hollister funds a number of recreation programs to serve the needs of City residents and residents of adjoining unincorporated San Benito County. The City would likely enter into an annexation agreement with the owners of the Annexation Area to ensure that the development of the site is fiscally neutral.

## **10. Road Construction**

The City of Hollister requires that there be adequate roadways to serve the transportation needs of City residents. The City or private developers (or a combination of both), fund roadways improvement, new roadways, etc. in Hollister. Access to the Annexation Area would be provided by the planned CIP improvement and re-alignment of North Street. Project applicants for individual development projects in the Annexation Area would be assessed a traffic impact fee at the time of final occupancy for a building permit in order to offset any costs. Developments may also be assessed a pro-rata fee for other necessary related traffic improvements.

## **11. Street and Utility Maintenance**

Upon annexation, development of the Annexation Area would require the maintenance of area City streets, landscaping and utility facilities that would serve the affected area, as well as streets and utility systems within the development. Street maintenance within the vicinity of the Annexation Area is funded by the City of Hollister taxes. City utilities systems are currently funded by City user fees.

North Street, which would provide access to the Annexation Area, was identified in the *2005 General Plan* as in need of improvement. These improvements are designed to maintain or improve the current levels of service for the roadways and to meet future traffic demand within the City of Hollister. The *2005 General Plan Environmental Impact Report* anticipates that the area surrounding the Annexation Area could support more

than 2,000 new residential units and have developed policies in order to incrementally mitigate roadway capacity deficiencies caused by future development.

DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER

**RESOLUTION NO. 2017-31**

**A RESOLUTION OF APPLICATION BY THE CITY COUNCIL OF THE CITY OF  
HOLLISTER REQUESTING THE LOCAL AGENCY FORMATION COMMISSION  
(LAFCo) OF SAN BENITO COUNTY TO INITIATE PROCEEDINGS FOR THE  
ANNEXATION OF TERRITORY  
(DE NOVA HOMES, INC.)**

**WHEREAS**, the City Council of the City of Hollister desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, (the "Act") for a change of organization consisting of the annexation of 57.9 acres to the City of Hollister; and

**WHEREAS**, the reasons for the proposed reorganization is to annex the territory of 57.9 acres owned by De Nova Homes, Inc. (the "Territory") which is substantially surrounded by the City of Hollister, and to allow for the provision of municipal services to the Territory that will allow development consistent with the City of Hollister General Plan; and

**WHEREAS**, the following agency would be affected by the proposed jurisdictional change:

<u>Agency</u>	<u>Nature of Change</u>
County of San Benito	Annexation to City of Hollister

**WHEREAS**, a description and map of the boundaries of the Territory are attached hereto as Exhibit A and by this reference incorporated herein; and

**WHEREAS**, the proposed annexation of the Territory is consistent with the City of Hollister sphere of influence as set forth in the City's General Plan; and

**WHEREAS**, the Territory has been rezoned by City of Hollister Ordinance 1134 in conformance with state and local law; and

**WHEREAS**, the City Council certifies that as lead agency pursuant to the California Environmental Quality Act it has adopted an Environmental Impact Report at its December 5, 2016 meeting per Resolution No. 2016-202 which is on file in the office of the City Clerk, as the appropriate environmental document for the project.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOLLISTER AS FOLLOWS:**

1. This Resolution of Application is hereby adopted and approved by the City Council of the City of Hollister, and the San Benito County Local Agency Formation Commission is hereby requested to take proceedings for the change of organization as authorized and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
2. The City Clerk shall cause a certified copy of this Resolution to be filed with the Executive Officer of the San Benito County Local Agency Formation Commission.

**PASSED AND ADOPTED** by the City Council of the City of Hollister at a regular meeting duly held on this 6<sup>th</sup> day of February, 2017, by the following vote:

AYES: Council Members Sims, Klauer, Friend, and Luna.

NOES: None.

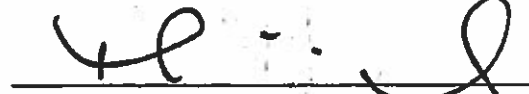
ABSTAINED: Mayor Velazquez (recused).

ABSENT: None.



Ignacio Velazquez, Mayor

ATTEST:

  
Thomas A. Graves, MMC, City Clerk

APPROVED AS TO FORM:

L+G LLP, Attorneys at Law

  
Bradley Sullivan, City Attorney

DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER



**Exhibit A**

**LEGAL DESCRIPTION  
AREA TO BE ANNEXED TO THE CITY OF HOLLISTER  
APNS 019-130-026 AND 019-130-027  
SAN BENITO COUNTY, CALIFORNIA**

REAL PROPERTY, SITUATE IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF SAN BENITO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THAT CERTAIN DEED RECORDED SEPTEMBER 13, 2006, IN DOCUMENT NO. 2006-0013768 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BENITO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERN CORNER OF SAID PARCEL OF LAND, SAID POINT BEING THE INTERSECTION OF THE NORTHERN LINE OF NORTH STREET WITH THE WESTERN LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY;

THENCE, FROM SAID POINT OF BEGINNING, ALONG THE SOUTHERN LINE OF SAID PARCEL OF LAND, NORTH 86°53'26" WEST (THE BEARING OF SAID SOUTHERN LINE BEING TAKEN AS NORTH 86°53'26" WEST FOR THE PURPOSE OF THIS DESCRIPTION) 148.54 FEET TO A POINT ON THE CITY LIMIT LINE OF THE CITY OF HOLLISTER;

THENCE, ALONG SAID CITY LIMIT LINE, THE FOLLOWING FIVE (5) COURSES:

- 1) NORTH 28°07'26" WEST 231.99 FEET,
- 2) NORTH 86°53'26" WEST 391.50 FEET,
- 3) NORTH 39°53'26" WEST 1,158.45 FEET,
- 4) NORTH 86°53'26" WEST 421.75 FEET, AND
- 5) SOUTH 02°41'34" WEST 1,045.63 FEET TO A POINT ON THE SOUTHERN LINE OF SAID PARCEL OF LAND, SAID POINT BEING ON THE NORTHERN LINE OF NORTH STREET;

THENCE, ALONG SAID SOUTHERN LINE, NORTH 86°53'26" WEST 100.00 FEET TO THE SOUTHWESTERN CORNER OF SAID PARCEL OF LAND;

THENCE, FROM SAID SOUTHWESTERN CORNER, ALONG THE WESTERN LINE OF SAID PARCEL OF LAND, THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 02°41'34" EAST 762.99 FEET,
- 2) NORTH 10°35'26" WEST 82.01 FEET,

3) NORTH 17°50'26" WEST 174.00 FEET,

4) NORTH 37°15'26" WEST 362.00 FEET,

5) NORTH 27°03'26" WEST 275.70 FEET, AND

6) NORTH 17°41'26" WEST 827.32 FEET TO THE NORTHWESTERN CORNER  
OF SAID PARCEL OF LAND;

THENCE, FROM SAID NORTHWESTERN CORNER, ALONG THE NORTHERN LINE OF  
SAID

PARCEL OF LAND, SOUTH 86°43'45" EAST 1,307.78 FEET TO THE NORTHEASTERN  
CORNER OF SAID PARCEL OF LAND, SAID CORNER BEING A POINT ON SAID  
WESTERN LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY;

THENCE, FROM SAID NORTHWESTERN CORNER, ALONG THE EASTERN LINE OF SAID  
PARCEL OF LAND, THE FOLLOWING THREE (3) COURSES:

1) SOUTH 31°33'47" EAST 284.50 FEET,

2) SOUTH 31°08'54" EAST 130.25 FEET, AND

3) SOUTH 28°00'31" EAST 2,274.73 FEET TO SAID POINT OF  
BEGINNING.

CONTAINING 57.9 ACRES OF LAND, MORE OR LESS.

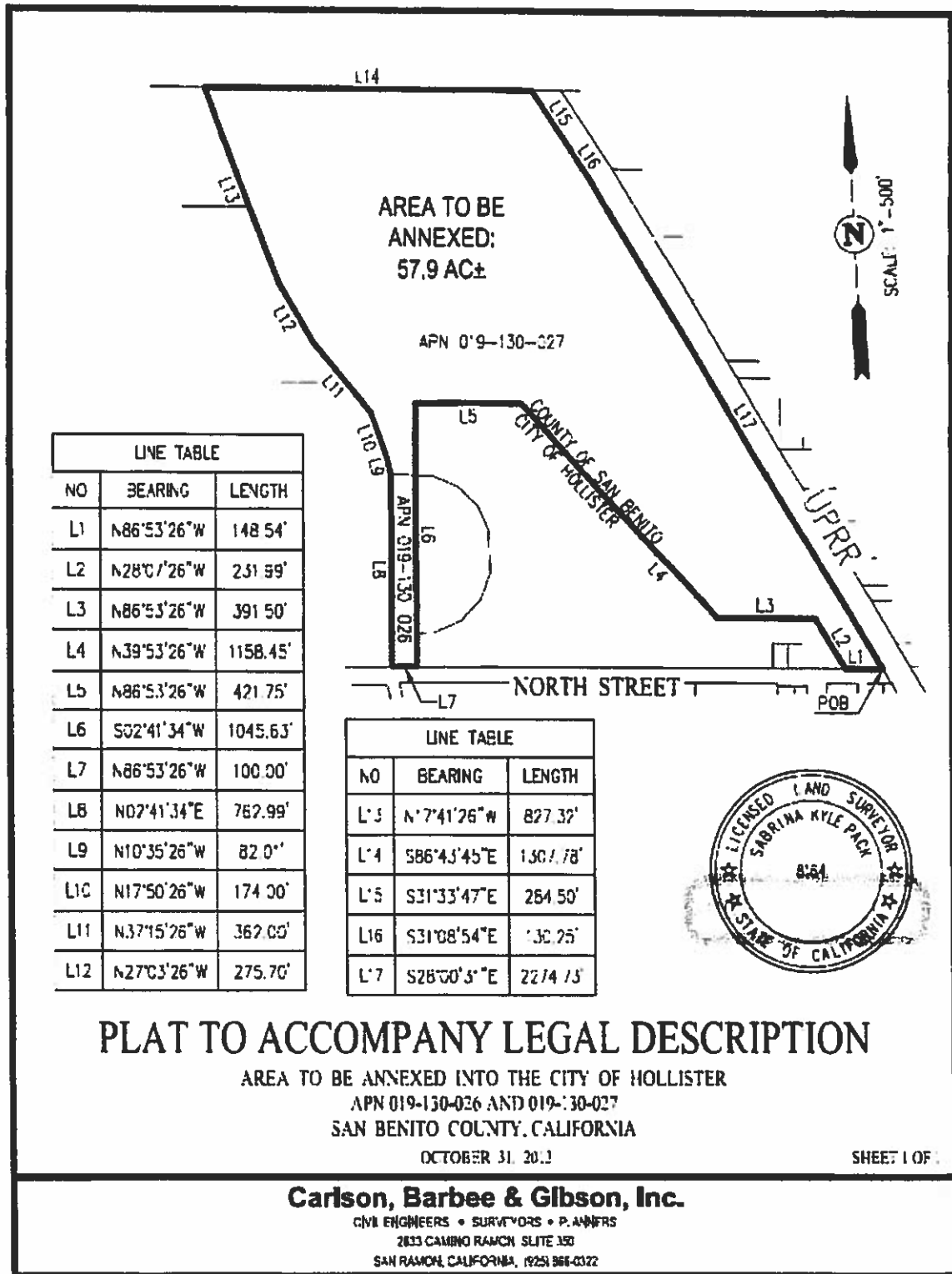
ATTACHED HERETO IS A PLAT TO ACCOMPANY LEGAL DESCRIPTION, AND BY THIS  
REFERENCE MADE A PART HEREOF.

FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL  
PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT  
BE USED AS THE BASIS FOR AN OFFER OF SALE OF THE LAND DESCRIBED.

END OF DESCRIPTION

PRELIMINARY

SABRINA KYLE PACE, P.L.S.  
L.S. NO. 9164



**RESOLUTION No. 2017-30**

**A RESOLUTION OF THE CITY OF HOLLISTER CITY COUNCIL AUTHORIZING THE  
MAYOR TO EXECUTE AN ANNEXATION AGREEMENT WITH DE NOVA HOMES,  
INC.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOLLISTER**, that the Mayor of the City of Hollister is hereby authorized and directed, for and on behalf of the City of Hollister, to execute the agreement with De Nova Homes, Inc. ensuring implementation of the City/County Tax Sharing Agreement, City of Hollister policy, and compliance with LAFCO policies for annexation of roads and elimination of unincorporated islands and to ensure adequate services.

**PASSED AND ADOPTED**, at the regular meeting of the City of Hollister held this 6<sup>th</sup> day of February 2017 by the following vote:

**AYES:** Council Members Sims, Klauer, Friend, and Luna.

**NOES:** None.

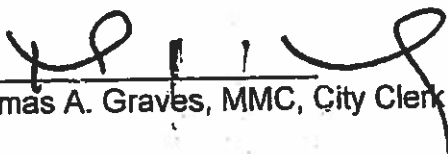
**ABSTAINED:** Mayor Velazquez (recused).

**ABSENT:** None.



\_\_\_\_\_  
Ignacio Velazquez, Mayor

**ATTEST:**

  
Thomas A. Graves, MMC, City Clerk

Approved as to Form:

L+G LLP, Attorneys at Law

  
\_\_\_\_\_  
Bradley Sullivan, City Attorney

**DUPLICATE OF ORIGINAL  
ON FILE IN THE  
OFFICE OF THE CITY CLERK  
CITY OF HOLLISTER**

# **BUSINESS ITEMS – PUBLIC-HEARING ITEM**

## **7. Adoption of Final Fiscal Year 2017-2018 Budget.**

\*\*\*\*\*

**LOCAL AGENCY FORMATION COMMISSION**  
SAN BENITO COUNTY

2301 Technology Parkway  
Hollister, CA 95023  
Phone: (831) 637-5313

-  
May 25, 2017 (Agenda)

Local Agency Formation Commission  
2301 Technology Parkway  
Hollister CA 95023

**Final LAFCO Budget for FY 2017-18**  
**(Agenda Item 7)**

Dear Members of the Commission:

**RECOMMENDATION**

It is recommended the Commission:

1. Review the Final Budget for Fiscal Year 2017-18, accept all public testimony and approve the Proposed Budget with any desired modifications.
2. Direct the staff to distribute the Adopted Budget to cities, special districts and the County as required by Government Code Section 56381.
3. Authorize the County Auditor-Controller to adjust the amounts collected from local agencies for LAFCO operations based on the actual year-end fund balance.
4. Direct staff to advise the Commission of any changed conditions that could adversely affect the Commission's ability to fulfill its responsibilities in the coming year.

**DISCUSSION**

**Introduction**

Staff is recommending the Final Budget for Fiscal Year 2017-2018 so it can be adopted by the statutory deadline of June 15<sup>th</sup>. No comments were received from the County, Cities or special districts as a result of the required mailing of the Preliminary Budget on May 2, 2017. Notice this public hearing was published as required by LAFCO statute.

### Appropriations

The Proposed Budget requested \$149,494 in appropriations, which reflected a \$15,132 increase from the FY 2016-17 budget. However, based on discussion during the Proposed Budget Hearing held on April 27, 2017, there is a recommended decrease in the amount of \$27,200 through reductions in several accounts, resulting in a Final Budget proposal of \$122,294. This is a \$12,068 reduction from the current fiscal year budget.

The reductions were achieved through the removal of a Preliminary Budget proposed increase in the Contingencies Account No. 999.999 by \$10,000. Based on Commission direction, this increase has been removed, and the amount will remain at \$20,000 consistent with the current fiscal year. Another \$10,000 was reduced from Account No. 619.704 (Retiree medical expenses) as annual expenditures over the past couple years have been below \$9,000. The third adjustment is removing a proposed budget increase in Account No. 619.222 for Executive Officer services in the amount of \$7,200 for additional administrative staff support.

After investigation with Counsel and the County Board Clerk, additional administrative/clerical support will be pursued through the Clerk's Office with the recent promotion of part-time staff to full time status. However, the Executive Officer has seen an increasing need to spend more time on processing LAFCO applications and on related issues such as regional sewer and water extensions. An increase in the amount of hours (currently set at 7 hours per week) may be appropriate, and this can come back as an item on a future agenda.

The Budget Chart has been revised for the Final Budget reflecting the adjustments from the Proposed Budget by each individual account, along with the current expenditures from the first three quarters of the Fiscal Year (provided as an Attachment).

Appropriations that are not expended during one fiscal year become part of the Available Fund Balance to finance the following fiscal year budget, and reduce the amount to be collected from the County and Cities for LAFCO operations.

### Revenues

Contributions from the County and cities represent the great majority of LAFCO revenue. In addition the Commission receives fees for processing boundary changes and modifying spheres of influence. In the current fiscal year application processing revenues of \$55,323 have been received as of April 4<sup>th</sup>, and are anticipated to total approximately \$65,000 by the end of the fiscal year.

Local Agency Formation Commission  
Final Budget for FY 2017-2018  
May 25, 2017 (Agenda)  
Page 3

Conclusion/Recommendation

In consideration of this information, it is recommended the Final Budget be approved and distributed to local agencies as required by Government Code Section 56381, the Auditor-Controller be requested to adjust the actual amounts billed to the County and Cities for LAFCO operations to reflect the actual the year-end fund balance, and that Staff be directed to apprise the Commission of any changed conditions during the fiscal year which could adversely affect the Commissions ability to fulfill its responsibilities.

Sincerely,



BILL NICHOLSON  
Executive Officer

Enclosure – Final Budget Chart: Explanation of Accounts



# SAN BENITO LOCAL AGENCY FORMATION COMMISSION

## Final Budget for Fiscal Year 2017-18

(Revised from Preliminary Budget to Reflect Commission Action on 4/27/17)

### Explanation of Accounts

Object Code No.	Description	FY 2016-17 Adopted	As of 4/3/17	FY 2017-18 Proposed	Change
619.166	CALAFCO Membership	800	840	898	98
	Membership dues are not increasing this year.				
619.172	Service & Supplies: Postage	1,320	0	1,320	0
	Keeping account the same based on anticipated application activity.				
619.174	Service & Supplies: Office Supplies & Copies	3,200	164	3,200	0
	Keeping account the same based on anticipated application activity.				
619.180	Services & Supplies: Legal Notice	750	0	750	0
	Keeping account the same based on anticipated application activity.				
619.194	Training - Registration	1,000	0	1,000	0
619.196	Travel - Lodging	1,520	0	1,520	0
	Executive Officer and possible Commissioner attendance at CALAFCO Conference – To be held in San Diego in October 2017 and Marin in April 2018.				
619.198	Training & Education - Meals	565	0	565	0
	Corresponding meal reimbursement for conference attendance.				
619.200	Travel – Mileage	5,166	0	3,000	(2,166)
	For attending conferences and special meetings.				
619.210	Legal Counsel Services	10,000	0	10,000	0
	Legal services are provided by County Counsel and Outside Counsel.				
619.222	LAFCO Consultant Services	50,400	60,794	50,400	0
	Executive Officer services at same hours and pay = \$50,400, but may need to increase. Study contract was completed at a total of \$30,545 in 2016-17 FY expenditures.				
619.226	Prof. Services: Public Works (Map/Legal review)	7,825	0	7,825	0

San Benito Local Agency Formation Commission

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Object Code No.	Description	FY 2016-17 Adopted	As of 4/3/17	FY 2017-18 Proposed	Change
619.252	County GIS Contribution	9,000	0	9,000	0
	The Commission participates in the County GIS Program. The amount is provided by the County as the LAFCO share of annual Basic Maintenance Expense.				
619.101	Cost Allocation Plan	2,816	1,840	2,816	0
	County overhead for Auditor/Administration and related functions.				
645.704	Retire – Medical Insurance	10,000	6,822	10,000	(10,000)
	Medical insurance costs for former Executive Officer settlement, reduced estimate.				
999.999	Contingency Reserve	20,000	0	20,000	0
	Contingency Reserve – remain at \$20,000 the amount was increased in FY 2016-17 by \$10,000 for emergencies/unanticipated costs. Funds only spent with prior Commission authorization.				
	Totals	134,362	70,560	122,294	(12,068)

# **BUSINESS ITEMS – NON- HEARING ITEM**

**8. Possible direction to staff on how to proceed with Out of Agency Service Extensions, such as the delivery of sewer and water service outside City and Special District Boundaries.**

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**LOCAL AGENCY FORMATION COMMISSION**  
SAN BENITO COUNTY

2301 Technology Parkway  
Hollister, CA 95023  
Phone: (831) 637-5313

DATE: May 25, 2017 (Agenda)

TO: San Benito LAFCO Commissioners

FROM: <sup>Bill</sup> Bill Nicholson, Executive Officer

RE: **Possible direction to staff on how to proceed with Out of Agency Service Extensions – Continued direction from April 27, 2017 Study Session on the Hollister Urban Area (Agenda Item 8)**

At the April 27, 2017 Commission meeting, the Commission conducted a lengthy Study Session regarding the Hollister Urban Area, its relationship to LAFCO approval for the extension of urban sewer and water services outside the City limits of Hollister or the boundary of the Sunnyslope County Water District, and various related urban service and groundwater protection issues.

Representatives from the City of Hollister (Bill Avera, City Manager), Sunnyslope County Water District (Don Ridenhour, General Manager), the San Benito County Water District (Jeff Cattaneo, General Manager), were in attendance and provided information to the Commission from their various historic and current perspectives.

After approximately two hours of discussion, questions and deliberations, the Commission decided to continue any discussion of preferred options until the next meeting. Presented in this brief Memo is a summary of the options presented at the end of the Study Session, although they are broad concepts that would need to be refined depending on the direction the Commission wishes to take. Attached are three maps for reference: the Hollister Urban Area with the wastewater service provider boundaries identified, the City of Hollister General Plan Land Use Map and the San Benito County General Plan Map (North County Detail) targeting the area under discussion.

Options for addressing regional sewer service to implement the concepts behind the Hollister Urban Area:

1. The Commission can give direction to work with the City and other agencies to establish a "Hollister Sanitation District" or similar district to match the boundaries of the Hollister Urban Area and incorporate all land receiving service within the district boundary, and establish a sphere of influence for areas considered for future service (possibly even including the City of San Juan Bautista). Attention to the manner of governance of the District is a central issue – City Council or a larger body

Hollister Urban Area and Out of Agency Service Extensions

Agenda Item 9

May 25, 2017

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including membership from registered voters within the district but outside the City limits.

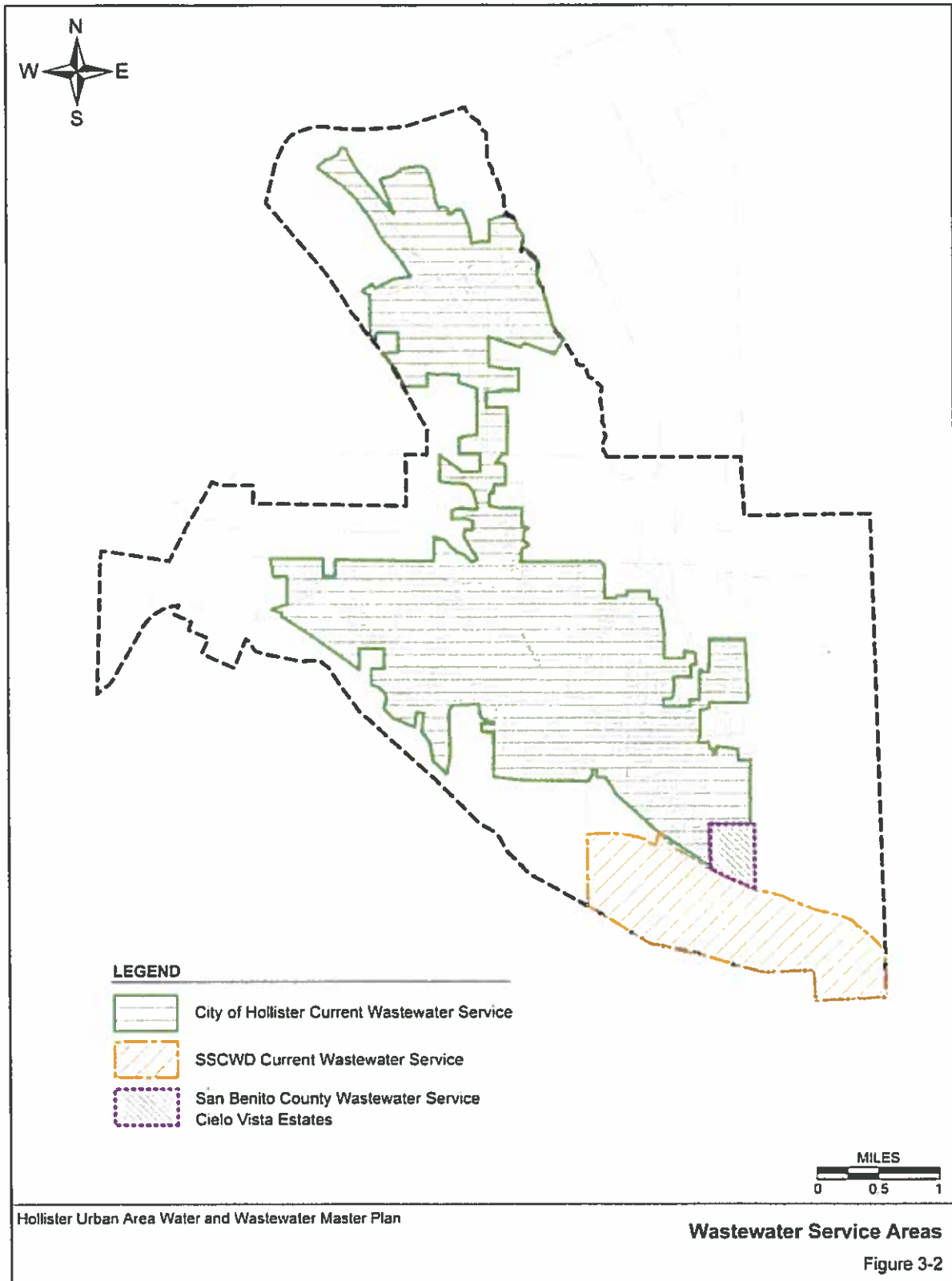
2. The City of Hollister can initiate an update to their 2005 General Plan to expand the urban service area to match the Hollister Urban Area, and request LAFCO to expand the City's sphere of influence to include the entire Hollister Urban Area boundary with the exception of the sewer service area by the Sunnyslope County Water District (CWD).
3. The Commission can direct LAFCO Staff, with the aid of consultants, to initiate an update to the City of Hollister sphere of influence to include the entire Hollister Urban Area boundary (excluding the sewer service area of the Sunnyslope CWD). While the Commission would need to coordinate closely with the City for those areas outside the City's General Plan boundary and ensure the City will require preannexation agreements from all landowners who seek city sewer connection.

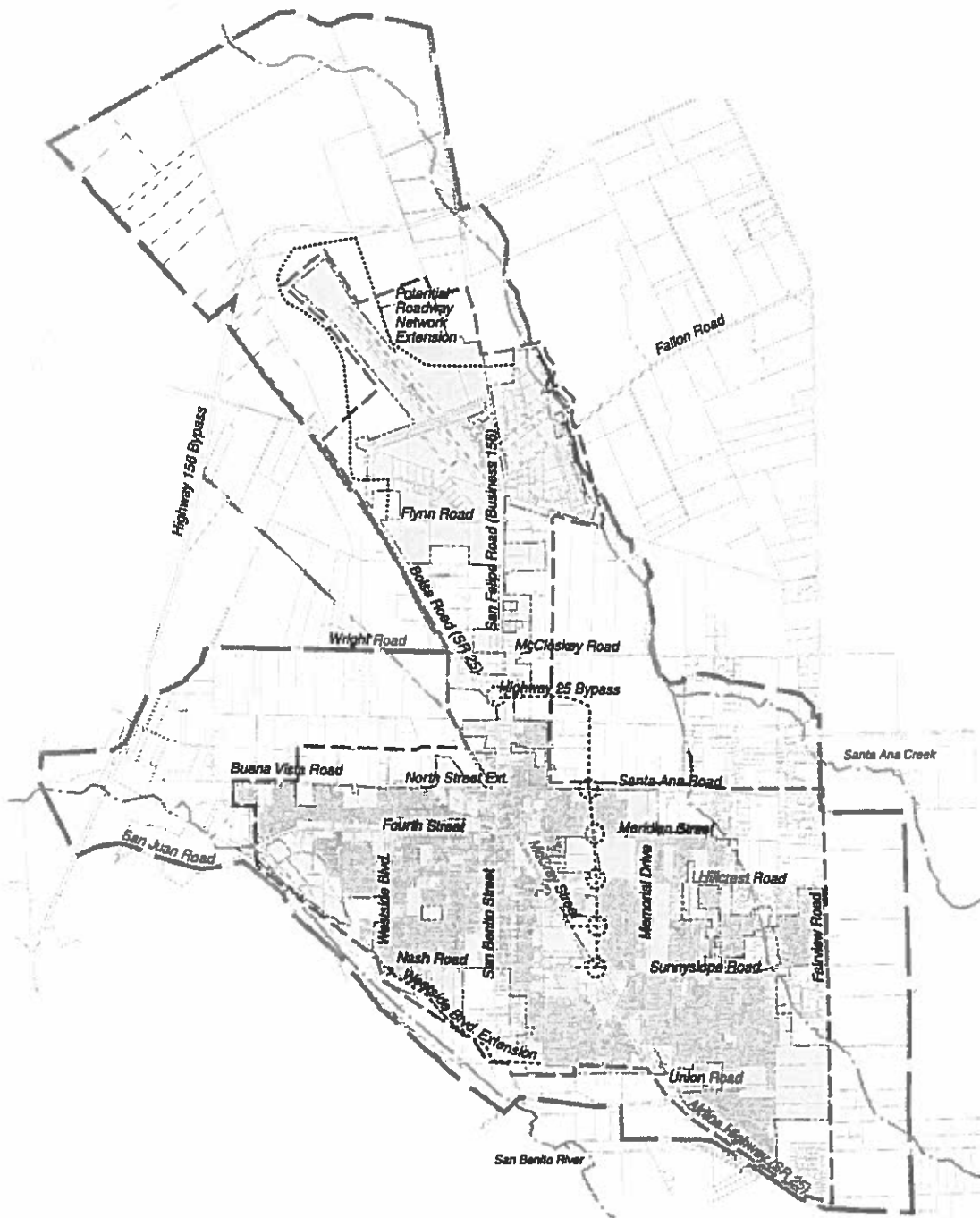
All of these options will have an environmental review component in order to comply with CEQA. Staff would work with the respective agencies on identifying an implementation plan for the desired option or combination of options selected.

If any Commissioners have questions about this agenda item in advance of this meeting, please feel free to contact me.

cc: Barbara Thompson, LAFCO Counsel

Enclosures - Maps

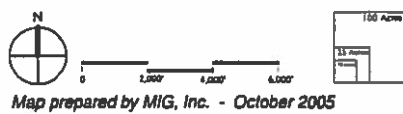




Hollister City Limits  
 Sphere of Influence

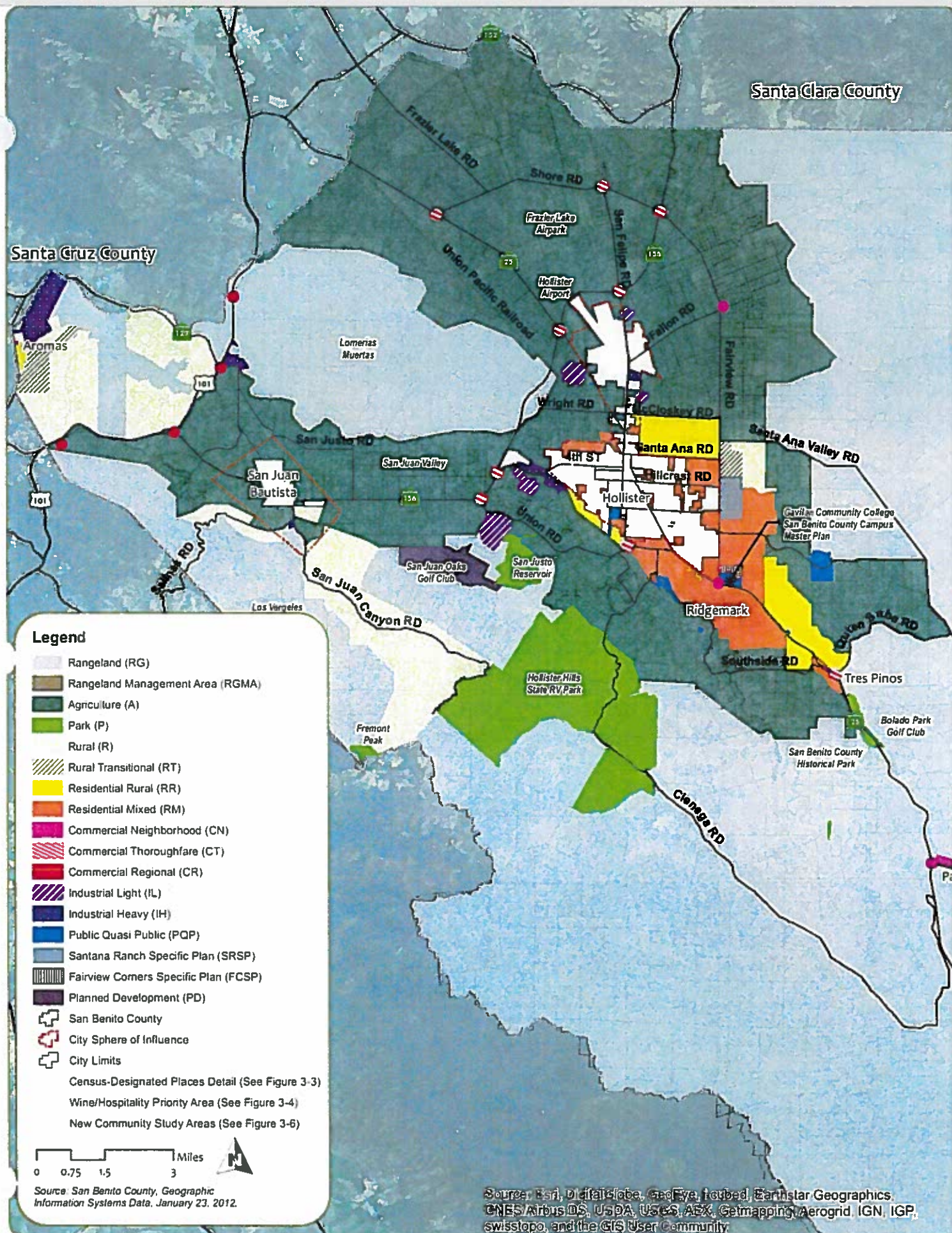
Planning Area  
 Creeks and Rivers

Planned Roads  
 Planned Interchanges



Map 1  
**Hollister Planning Area**  
 City of Hollister 2005 General Plan





**Figure 3-2**  
**Land Use Diagram (North County Detail)**



# **BUSINESS ITEMS – NON- HEARING ITEM**

**9. Consideration of change to  
Commission Handbook regarding  
attendance of Alternate Members  
at Commission meetings.**

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**LOCAL AGENCY FORMATION COMMISSION**  
SAN BENITO COUNTY

2301 Technology Parkway  
Hollister, CA 95023  
Phone: (831) 637-5313

May 25, 2017 (Agenda)

Local Agency Formation Commission  
2301 Technology Parkway  
Hollister CA 95023

**Consideration of Change to Commission Handbook Regarding Attendance of  
Alternate Members at Commission Meetings  
(Agenda Item 9)**

Dear Members of the Commission:

**RECOMMENDATION**

Staff is recommending the Commission modify Chapter 3 "Commission Membership" of the Commissioner Handbook, Items 2 and 3 under Section C "Alternate Members" if Alternate members are not to be allowed to attend Commission meetings and participate in deliberations when the regular member(s) are present.

**BACKGROUND**

Based on the discussion that occurred before the start of the last Commission meeting on April 27, 2017, the alternate public member was not invited to sit with the Commission during the meeting. Staff is bringing this agenda item for the Commission's consideration in order to provide the Commission the option to officially change the provisions in the San Benito LAFCO "Commissioner Handbook" originally adopted at the January 28, 2016, Commission meeting, which permits alternate commissioner participation during meetings.

**DISCUSSION**

Under Chapter 3, "Commission Membership" of the Commission Handbook, procedures for selection of Commissioners and their participation at Commission meetings are specified. The procedures for how alternate members on the Commission are selected mirrors the State LAFCO statute in Section 56325, and related subsections of the Government Code. In brief, one alternate member is selected by the selection body for each of the three categories of membership on the Commission: an alternate county member selected by the Board of Supervisors, and alternate city member appointed by the City Selection Committee, and an alternate public member appointed by the sitting county and city commissioners.

The Government Code is silent on the role alternate commissioners plays when the regular member is in attendance at the meeting. However, because commissioners are representing the LAFCO Commission in their actions, and are implementing provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 when sitting as commissioners rather than representing the body who appointed them, many LAFCOs have adopted procedures to allow and encourage participation of the alternates at all commission meetings. However, they are restricted from voting unless they are sitting in place of a regular member who is not in attendance, or when a sitting member has a conflict on an item.

Under Items 2 and 3 of Section C, the San Benito LAFCO Commission Handbook allows such participation. These sections read as follows:

2. *Alternate members participate fully in LAFCO proceedings with the exception they vote only in the absence or disqualification of a regular member.*
3. *Alternates are encouraged to attend and participate in LAFCO meetings.*

Staff reviewed all neighboring LAFCOs to San Benito County, and found they all allow participation by alternate members at their meetings, and their local policies and procedures contain language almost identical to San Benito LAFCO's language. These include the following LAFCOs: Monterey, Santa Cruz, Santa Clara, Merced, Fresno and Stanislaus. However, not all LAFCOs in the State allow such participation although there is no accurate count available.

The primary concern voiced in allowing participation of alternates during meetings where they can't vote, is that they may have contrary opinions to the regular voting member and their discussion may influence the vote in a direction different than desired by the voting members. Another argument is that alternates do not attend other governing board meetings such as the Council of Governments or regional Air Districts. As stated earlier, the role of Alternate members when not acting as voting members is not dictated in the Government Code.

#### POSSIBLE MODIFICATION

Under Chapter 13 of the Commission Handbook, the following text outlines how the Handbook can be modified under the heading "Commission Approved Changes" with the following text:

*The Commissioner Handbook is a guide. The Commission may, by majority vote, modify procedures set forth in the Handbook when the situation warrants, provided the change is not in conflict with statutes governing LAFCO activities.*

*Amendments may be approved at any regular or special meeting of the Commission by a majority vote of the members.*

Therefore, if the Commission desires to change the guidelines governing alternate commissioner participation, Item 3 should be deleted, and Item 2 could be modified as follows (new text is underlined and deleted text is presented in ~~strikethrough~~):

2. Alternate members may not participate ~~fully~~ in LAFCO proceedings except with the exception they vote only in the absence or disqualification of a regular member.
- 3- ~~Alternates are encouraged to attend and participate in LAFCO meetings.~~

This is one suggestion for modification; the Commission may desire to modify this language in an alternative manner, as long as it is not in conflict with Government Code Section 56325 or related sections of the Code.

If you have questions or would like to discuss this matter please contact the LAFCO staff.

Sincerely,



Bill Nicholson  
Executive Officer

# **INFORMATIONAL**

**10. Commissioner Announcements and Requests for Future Agenda Items.**

**11. Executive Officer oral status report on pending proposals.**

**12. Adjourn to regular meeting at 6:00 p.m. on June 8, 2017, unless meeting time is changed based on Commission action or cancelled by Chair.**

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