

SAN BENITO LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

March 26, 2015 (Agenda)

LAFCO No. 495: Budd/Dassel Mackie Annexation to City of Hollister

PROPONENT: City Council of the City of Hollister, by resolution.

ACREAGE & Approximately 1.6 acres to be annexed to the City of Hollister as follows:

LOCATION

- Parcel A – Approximately 0.7 acres located east of and including San Felipe Road, about 1,700 feet north of McCloskey Road; (1151 San Felipe Road); Hollister area
- Parcel B – Approximately 0.9 acres located east of and including San Felipe Road, about 900 feet north of McCloskey Road; (1181 San Felipe Road); Hollister area

PURPOSE: To allow industrial uses consistent with M1 Light Industrial Zoning which includes low intensity research and development, warehousing and manufacturing activities.

PROJECT INFORMATION

Project Information

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

Both parcels, about 600 feet apart, are developed with industrial uses, front San Felipe Road and are located within the City Sphere of Influence.

Parcel A contains a 12,755 square foot vacant industrial building. Parcel B contains a 6,911 square foot equipment rental building.

The County General Plan and zoning designates both parcels as Heavy Industrial (M2).

The City General Plan and rezoning designate both sites as Light Industrial (M1). New uses will need to conform with the City's light industrial classification which is intended to provide for low-intensity research and development, warehousing and manufacturing.

Land uses surrounding Parcel A are County services to the east and south, vacant to the west and industrial and residential uses to the south.

Land uses surrounding Parcel B are Existing Industrial to the north and south and vacant to the east and west.

3. Topography, Natural Features and Drainage Basins:

The site and surrounding areas are generally level.

4. Population:

There are no existing homes within the proposal area and none are anticipated.

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

The City "Plan for Providing Services Within the Affected Territory" as required by Government Code Section 56653 is attached and made a part of this report.

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

The site does not produce an agricultural crop and is not prime agricultural land.

7. Assessed Value, Tax Rates and Indebtedness:

The annexation area is within Tax Rate Area 067-003. The assessed value is \$768,723 (2014-2015 roll).

The proposal is subject to a master property tax exchange agreement that has been approved by the Board of Supervisors and Hollister City Council. The overall tax rate will not be affected by this change.

8. Environmental Impact of the Proposal:

The City of Hollister is the lead agency and has found the proposal to be categorically exempt from CEQA (Class 19 – Existing Facilities and Lots for Exempt Facilities).

9. Landowner and Subject Agency Consent:

The property owners involved in this proposal have given written consent to annexation. The City of Hollister consents to the waiver of conducting authority proceedings.

10. Boundaries, Lines of Assessment and Registered Voters:

The boundaries appear to be definite and certain and there do not appear to be conflicts with lines of assessment or ownership.

The property is contiguous to the existing City boundary.

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.

11: Environmental Justice

Annexation will have no effect with respect to the fair treatment of people of all races and income, or the location of public facilities or services.

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 proposal as submitted.

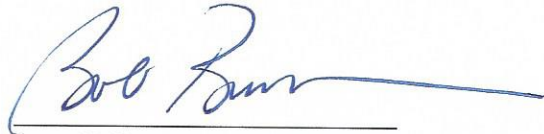
- A. Find the proposal to be categorically exempt.
- B. Adopt this report and approve the proposal known as Budd/Dassel Mackie Annexation to the City of Hollister, subject to the condition that the territory be liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the City.
- C. Find: 1) the subject territory is uninhabited, 2) all affected landowners have given written 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 proceedings and direct the staff to complete the proceeding.
- 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.



BOB BRAITMAN
Executive Officer
LOCAL AGENCY FORMATION COMMISSION

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.
- B. Describe the level and range of the proposed services.
- C. Indicate when the services can feasibly be provided to the proposal area.
Please see below answers for A, B, and C.

Police Service

Police service to the affected area upon annexation will be provided by the Hollister Police Department. The Police Department provides this service throughout the City based upon staffing levels set by the City Council of the City of Hollister. The affected area is contiguous to the current City limits (current service area). The annexation will not extend the boundary of police service currently in effect. Upon annexation and upon development, the project will not include roadways that would affect traffic enforcement/collision investigation responsibilities. There project area has been previously been developed for an industrial land use and infill development is not anticipated. The annexation of the affected area will not create the need for any police related structures or improvements.

Fire Service

The Hollister Fire Department will provide fire Service to the affected area upon annexation. The Fire Department provides this service throughout the City and adjoining County areas, via a mutual aide agreement, based upon staffing levels set by the City Council. The Fire Department currently houses its fire personnel and equipment at its stations located at the northwest corner of Fifth and Sally Streets and the north side of Union Road between Valleyview Road and Airline Highway. The affected area is part of an unincorporated island of two small lots surrounded by the City limits (current City limits (current service area), thus it will not extend the range of fire service currently in effect. The affected area is within the five minute first engine response time, as set forth in City Fire Protection Master Plan for Fire Station 1. Potential infill development of site is unlikely because the site is substantially developed. The affected area in its current condition would result in a negligible increase in fire services.

General Government

General Government services include the City Council, City Administration (City Manager, City Attorney), City Finance (Payment of Utility Bills), Building, Planning, Engineering, and Animal Control. These services are currently being provided to the City at large. Annexation of the affected area in its current condition will not cause any increase in City General Government services. Development of the site if annexed will cause a negligible incremental increase in General Government services for the City Council, City Administration, City Finance, and Animal Control. These will be financed through an incremental increase in General Fund revenues, such as property and sales taxes. The City is also requiring that all projects requesting annexation enter into

an agreement to be fiscally neutral (project will provide all revenues necessary to provide public services). The affected area has entered into an annexation agreement for fiscal neutrality. The incremental increase in services for Building, Planning and Engineering will be financed through permit fees.

Sewer Service

Previously, an industrial equipment business (Gay Lee Products, Inc.) was located on the affected site. The existing building is now vacant. Sewage that was generated from the site was disposed to an existing septic system. Annexation will require that the City transmit and treat sewage generated on site at some time in the future. Abandonment of the existing septic system and connection to the city system will be required if the system fails, as a condition of approval for future redevelopment the property or in conjunction with requirements of an area-wide connection policy. The property owner will be required to fund the installment of sewer lines from the main transmission line to City standards. To offset the use of the capacity for the transmission facilities, the property owner will be assessed an impact fee at the time of connection of the business. A sewer treatment impact fee will also be assessed to provide funding for additional capacity at the treatment plant. The property owner will be eligible for a sewer impact fee loan program approved by City Council Resolution 2010-16 for existing industrial and commercial uses. The City of Hollister currently treats its domestic wastewater at the Hollister Domestic Wastewater Treatment Plant (DWTP), which serves the current City limits and portions of unincorporated San Benito County. Domestic wastewater is the waste flows from the City's residential, industrial, commercial, and institutional land uses. Sewage or wastewater flows are transported to the treatment plant via a series of transmission lines. The affected area is near a sanitary sewer transmission line in the right-of-way of the San Felipe Road frontage road. This line is part of a system of lines that currently transports wastewater flows to the DWTP and/or IWPT and is designed to serve the affected area. The subject property is substantially development and future connection of the existing business will not directly require the building of any structures or improvements related to the need for sanitary sewer treatment or transmission, with the exception of the on-site laterals discussed above. The City currently treats domestic and industrial wastewater at its new regional immersed membrane bioreactor (MBR) wastewater treatment plant located on the west side of the City, on the north side of San Juan Hollister Road. The plant has a design capacity of 5.0 million gallons per day (MGD) and produces effluent that meets Title 22 requirements for disinfected tertiary recycled water. In accordance with the implementation of the Long Term Wastewater Management Plan (LTWMP) filed with the Water Quality Control Board, the City is currently implementing a long-term program of phased improvements for the disposal and reuse of reclaimed wastewater including spray fields, non-potable irrigation for landscaping, and certain agricultural uses. The new facility expands the City's ability to provide wastewater treatment service for the next 10 years, with an additional five years of expansion possible with the expansion of the membrane biological reactor. The City will continue to implement efforts to improve water quality and also to implement the water conservation measures. The development will incrementally utilize capacity at both the treatment plant and within the City sewer transmission line.

Domestic Water Service

The subject site is within the City of Hollister's adopted service area. All plans for water service will need to be approved the City. The area requested for annexation, will comprise a total of 0.298 acres with an existing industrial equipment business. An existing 12-inch water main is located in the right-of-way of San Felipe frontage road along the west boundary of the project site. The project proponent will be required to fund the installment of a future water connection to the City of Hollister standards.

Storm Drain

The City of Hollister maintains a series of transmission lines that convey storm flows within the city and some adjoining areas of unincorporated San Benito County to either the San Benito River or Santa Ana Creek. The affected area is within Santa Ana drainage area. With the exception of one tree the property is substantially covered with buildings and paved surfaces. Surface water flows to existing drainage facilities on San Felipe Road. Since the property is already developed, annexation of the property is not expected to alter the capacity of the City storm transmission lines and area wide storm water treatment and recharge facilities.

Parks and Recreation

Annexation of the site in its current state will not require any additional park facilities or recreational programs. The City of Hollister maintains a number of park facilities with its jurisdictional limits 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 these facilities. The amount of parkland required is correlated to population growth that could result from residential development and is set forth by the City General Plan and the City Subdivision Ordinance for residential development. The City of Hollister does not require industrial or commercial land uses to contribute to park impact fee programs.

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. These programs are funded at a level of 75 percent by user fees. The remaining costs are funded by the City of Hollister General Fund. The City has entered into an annexation agreement with the owners of the affected area to ensure that the development of the site is fiscally neutral, which would include the City portion of the funding required for recreational programs.

Road Construction

The City of Hollister requires that there be adequate roadways to serve the transportation needs of City residents. The City, private developers, or a combination of both fund roadways. The project site is adjacent to the San Felipe frontage road.

Street and Utility Maintenance

An existing industrial equipment business currently occupies the affected area. Annexation of the site in its current state will not require an increase in the need for the funding for street or utility maintenance. The existing business has primary access to the San Felipe frontage road and annexation of the property would not require the addition of new roads, landscape area or utility systems to service the properties.

- 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.
None.
- E. Identify how these services will be financed. Include both capital improvements and ongoing maintenance and operation.
All utilities will be public. The property shall be included within a Community Facilities District to finance the related maintenance costs. The proposed streets are public and will be maintained by the City of Hollister. The street, water, sewer, storm water drainage improvements are developer financed.
- F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of services.
None.

THIS MAP IS NOT AN OFFICIAL DOCUMENT AND IS USED FOR ASSESSMENT PURPOSES ONLY.

BOOK	PAGE
019	04

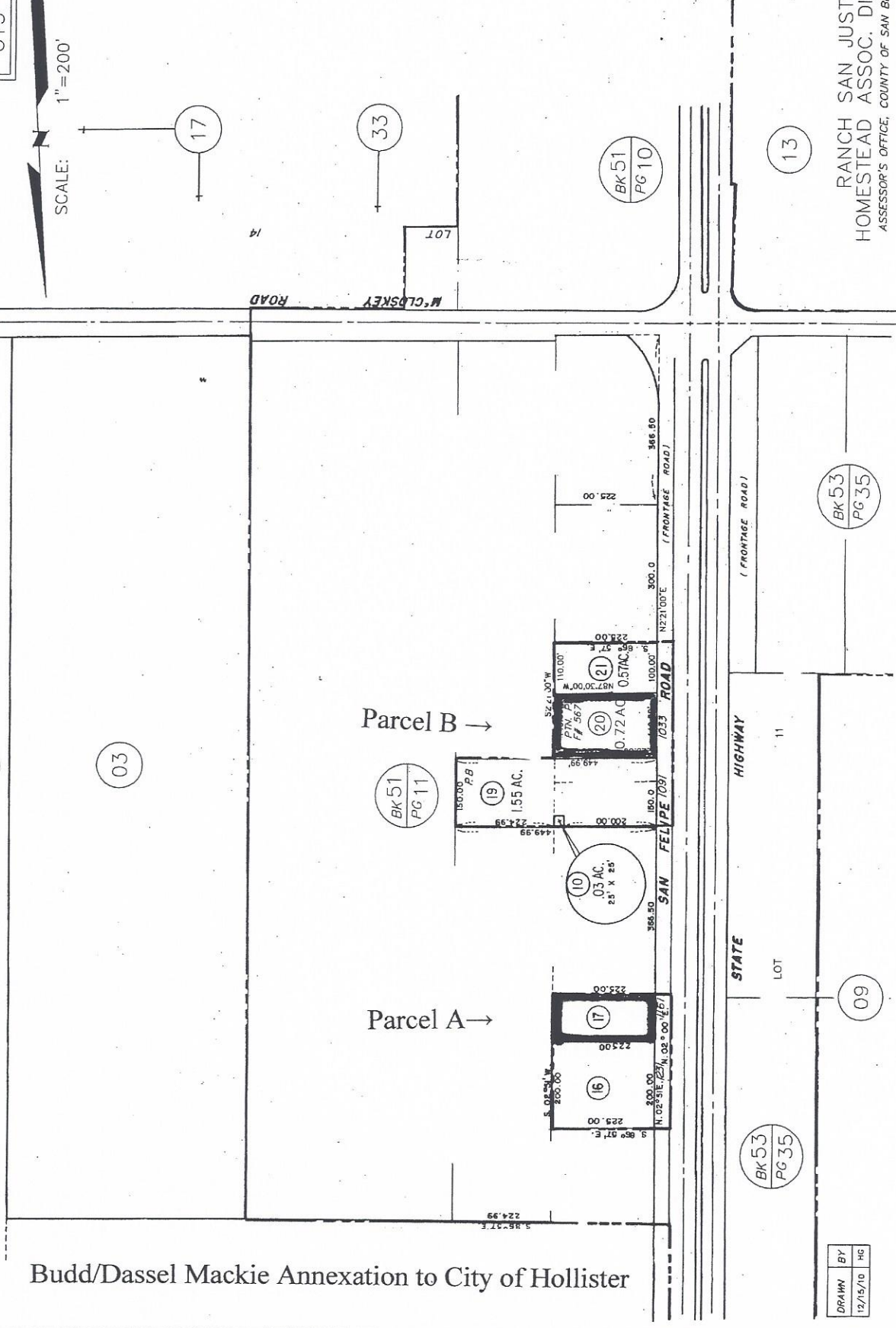
TRA
67 003

SCALE: 1" = 200'

PARCEL A

05

03



Budd/Dassel Mackie Annexation to City of Hollister

DRAWN	BY
12/15/10	HG

BK 53
PG 35

BK 51
PG 10

RANCH SAN JUSTO
HOMESTEAD ASSOC. DIST. #1
ASSESSOR'S OFFICE, COUNTY OF SAN BENITO, CA.