

# SAN BENITO LOCAL AGENCY FORMATION COMMISSION

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## REGULAR MEETING AGENDA

January 10, 2019

Board of Supervisors Chambers  
481 Fourth Street, Hollister CA

3:00 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: December 13, 2018

### BOUNDARY CHANGE PROPOSALS – PUBLIC HEARING ITEM

5. LAFCO 526 – Chappell Road Annexation and Concurrent Sphere of Influence Amendment to the City of Hollister: Involving an expansion to the City's Sphere of Influence by 102.1 acres and the Annexation of 34.2 acres of property and an adjacent roadway into the City. The sphere of influence expansion includes all land south and west of the State Highway 25 Bypass located north of Santa Ana Road, and east of Chappell Road (with one parcel located west of Chappell Road and north of Pacific Way). The City's proposed annexation area involves portions of Assessor's Parcel Numbers 019-170-083 and 084 lying south and west of State Highway 25, and 019-350-012. An alternate annexation boundary includes Assessor's Parcel Numbers 019-350-008 & 011 to make the annexation a contiguous boundary of land (also identified as 325 and 377 N. Chappell Road). The actions requested are to make an environmental determination regarding the adequacy of the City's Environmental Impact Report, and to consider amendment of the Sphere of Influence and approval of the annexation.

### BUSINESS ITEMS

6. Initiate Dissolution of Inactive Special Districts in Compliance with SB 448 – The Commission is requested to initiate the dissolution of eleven County Service Areas (CSAs) which have been identified by the State Controller's Office as inactive under the provisions of SB 448 as they have no financial transactions, assets, debts, or other financial activities in the past year (as defined in Government Code section 56042). The State has identified the following CSAs as inactive: 1, 2, 3, 10, 12, 13, 15, 17, 26, 27 and 40. If the process is initiated, the Commission must hold a noticed public hearing within 90 days.

7. Consideration of changing the Commission meeting starting time from 3:00 pm to 5:00 pm. The location at the San Benito County Board of Supervisors Chambers, and the meeting day of the second Thursday of each month is not proposed to change.

INFORMATIONAL

8. Commissioner announcements and requests for future agenda items
9. Executive Officer oral status report on pending proposals
10. Adjourn to regular meeting at 3:00 PM on February 14, 2018, unless the meeting is cancelled by the Chair or the meeting time is changed to 5:00 PM as proposed on today's Agenda

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 Clerk at least three (3) days prior to the meeting by telephone at 831/636-4000 or by email at [jslibsager@cosb.us](mailto:jslibsager@cosb.us).

**LOCAL AGENCY FORMATION COMMISSION**  
**2301 Technology Parkway**  
**Hollister, CA 95023**



**CERTIFICATE OF POSTING**

Pursuant to Government Code § 59454.2(a) I, Janet Slibsager, Clerk of the Board of Supervisors, certify that the **REGULAR MEETING AGENDA** for the

**SAN BENITO COUNTY LOCAL AGENCY FORMATION COMMISSION**

Scheduled for January 10, 2019 was posted at the San Benito County Planning Department, 2301 Technology Parkway, Hollister, CA and at the San Benito County Administration Office, 481 Fourth Street, Hollister, CA on this 4<sup>th</sup> Day of January, 2019.

All locations freely accessible to the general public.

Janet Slibsager

Clerk of the Board of Supervisors

# CONSENT AGENDA

4. Approval of minutes: December 13, 2018.



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

December 13, 2018  
Board of Supervisors Chambers - Hollister, CA

**CALL TO ORDER**

1. Commissioner Ignacio Velazquez called the meeting to order at 3:07 PM. Present were Executive Officer Bill Nicholson and Commissioners: Chair, Ignacio Velazquez; Vice Chair, Anthony Botelho; Commissioner Jaime De La Cruz; Commissioner Richard Bettencourt; and Alternate Commissioner Dan De Vries. Also present were G. Michael Ziman, LAFCO Counsel and Janet Slibsager, Recording Secretary.
2. Commissioner De Le Cruz led the Pledge of Allegiance. Commissioner De La Cruz asked that the meeting be dedicated to the late San Juan Bautista Mayor Jim West. Commissioner De Vries suggested a moment of silence, which was held after the pledge.

**PUBLIC COMMENT**

3. Public Comment Period: There was no one from the public who wished to speak.

**CONSENT AGENDA**

4. **Approval of Minutes from the November 8, 2018 meeting.**

*Commissioner De La Cruz made a motion to approve the minutes. Commissioner De Vries seconded the motion.*

Ayes: Bettencourt, Botelho, De La Cruz, De Vries, Velazquez  
Noes: None  
Abstain: None

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

5. **LAFCO 525 – The Promontory at Ridgemark Annexation to the Sunnyslope County Water District and Parallel Sphere of Influence Amendment: Involving an amendment to the Sunnyslope County Water District Sphere of Influence and the annexation of 49.23 acres into the District located south of Ridgemark Drive and Marks Drive, and on the northeast side of Southside Road in the Ridgemark area of unincorporated San Benito County. The proposed annexation is for 90 single-family detached lots with access to Ridgemark Drive and Southside Road. The actions requested are to make an**

**environmental determination regarding the adequacy of the County's Environmental Impact Report, and to consider amendment of the Sphere of Influence and approval of the annexation. This hearing was continued from the August 9, 2018; October 11, 2018; and November 8, 2018 regularly scheduled Commission meetings.**

Executive Officer Bill Nicholson provided background information on the item, saying it is the fourth public hearing that is being held on the item. There have been several presentations about the item previously and Mr. Nicholson summarized the results of the previous meetings, the Executive Officer's reports from the previous meetings, and the information received regarding Sunnyslope Water District's capacity to serve the annexation. Additionally, he reiterated the actions that can be taken by the Commission. The options include:

- 1) Approve the sphere of influence amendment and annexation, subject to one mitigation measure, and make the appropriate determinations.
- 2) Deny the sphere of influence amendment and annexation, based on the inability to make the appropriate determinations and findings. The denial should include the reasons the Commission reached that conclusion.
- 3) Continue the sphere of influence amendment and annexation to a future meeting, in order to obtain more information.

Commissioner Velazquez asked if the report was released regarding the cause of the landslide on Southside Road.

Mr. Nicholson answered saying that the report was finished and the San Benito County Board of Supervisors held a closed session regarding it, but it had not been released to the Commission or the Sunnyslope Water District.

Commissioner Botelho confirmed that the County has the finished report and that he had met with the consultant who created the report and the County Resource Management Agency regarding it. He informed the Commission that, with the assurances that Pond #5 will not be used in the future, he is ready to move forward as he is convinced that Sunnyslope Water District has the capacity to service the annexation regardless of the usage of Pond #5.

Commissioner De Vries disclosed that he was on the San Benito County Planning Commission when the project came before it and he voted yes. He also disclosed that he had met with Don Ridenhour, the General Manager of Sunnyslope County Water District, before the meeting.

Mr. Nicholson asked for clarification regarding what project he was on the Planning Commission for, as the City's Environmental Impact Report was only prepared a year ago and there have been multiple projects in the same area.

Commissioner De Vries clarified that he wasn't positive it was the same project but it was in the same area.

Commissioner Bettencourt informed the Commission that he visited the Water District's facility with Richard Place and noticed that there was no pipe running into Pond #5.

Commissioner Velazquez asked if the results of the report could be shared with the Commission, as it is an important piece of information regarding their decision on the project.

Commissioner Botelho shared that the San Benito County Resource Management Agency Director feels that the Water District has the capacity to service the annexation, regardless of whether Pond #5 is taken out of usage or not, and that therefore the project should move forward. The County will need to work with the Water District in regard to settling the issue of the damage, but that does not have anything to do with the item before the Commission today.

Commissioner Velazquez disagreed, saying there needs to be a clear answer as to whether the pond was or was not part of the problem. He stated that his understanding is that Pond #5 is the problem and needs to be closed (to which Commissioner Botelho agreed) but the District will be using other ponds for their operations. He stated that this might eventually turn into another problem. He also wants to know who is going to be held responsible if it does become a problem again. He stated the public and the Commission should be made aware of the results of the report.

Commissioner De Vries asked if the Water District decides not to use Pond #5 anymore, isn't it a moot point?

Commissioner Velazquez answered that there are other ponds that could become an issue.

Sunnyslope County Water District's General Manager Don Ridenhour said he was amazed that he has to hear the results of the report in a LAFCO meeting when he has made a "Public Records request" for the information but was told by the County Counsel that the report was "attorney-client privilege". The Water District has yet to see the results of the report and has not had the ability to dispute the findings. Regardless, with or without Pond #5 the District has the capacity to service the annexation. If the County has the report, how many more LAFCO meetings are they going to have before they see the report? They have been waiting since October.

Commissioner Velazquez agreed, saying that the report should be made available and they shouldn't even be discussing this project without the results in front of them.



Mr. Ridenhour stated that he thinks the Commission already has all of the information they need and would like to see the project move forward today.

Commissioner Bettencourt stated he had had the same concerns as Commissioner Velazquez but was convinced by the information regarding the capacity of the other ponds and the District's financial ability to pay the County back if the need arose.

Commissioner Velazquez reiterated that his concern is information and whether there will be another problem. They are being asked to make a decision that will have consequences down the road. He does not want to make a decision on something when he doesn't know the cause of the landslide.

Mr. Ridenhour stated he does not have any information that points to the Water District's ponds as being a problem in regard to the landslide and "irregardless", it is only Pond #5 that is being questioned, not the District's entire operation.

Commissioner Botelho said that he has looked into this issue in depth. This future issue would be between the County and the Water District. At some point in the future, they will need to meet to discuss the operations of the District. It is clearly indicated that it is the single pond –Pond #5– that caused the problem. The rest of the operations at the facility have nothing to do with it. He stated he is "absolutely convinced" that there is enough capacity without Pond #5 to serve the project. He also stated that Mr. Ridenhour is not saying he will use Pond #5 . . . if he was, they may need to discuss the issue further, but he is not. The Commission should move the project forward today.

Commissioner Velazquez asked if LAFCO would be held harmless should there be issues or lawsuits in the future.

Mr. Nicholson provided clarification, saying yes LAFCO has a "hold harmless" agreement with the applicant.

Commissioner De La Cruz asked if the agreement was "settled" and whether the "ink had dried on the agreement" as there had been issues with such agreements before.

Mr. Nicholson said there is a standard format and it must be signed to make the application complete. It is signed and on file.

Discussion ensued regarding governmental immunity and indemnity.

*Commissioner Botelho made a motion to approve Option #1 per staff recommendation to 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 San Benito County as lead agency under CEQA approval of*



*the development project, sphere of influence amendment of the Sunnyslope Water District and annexation. Mitigation measure AG-1 is hereby adopted by the Commission requiring obtaining an agricultural easement or payment of in-lieu fees to a qualified trust on a 1:1 ratio for the 36.4 acres of important farmland converted by the project which is under the responsibility of LAFCO to adopt or monitor as a responsible agency for approval of this sphere amendment and annexation.*

- B. Adopt this report and approve the Sphere of Influence amendment to the Sunnyslope County Water district based on the five determinations presented on Pages 4 and 5 of the Executive Officer's Report and approve the annexation proposal known as the "Promontory at Ridgemark Annexation to the Sunnyslope County Water District" based on the determinations presented on Pages 5 through 10 of the Executive Officer's Report, by adopting Resolution No. 525. The annexation is subject to a requirement that the territory be liable for any existing or authorized taxes or bonded assessments applicable to properties presently within the district (District Resolution No. 549, Section 6.B).*
- 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 staff to complete the proceedings without further notice, hearing or election.*
- E. Direct staff not to record the annexation until the map and legal description are found by the County Surveyor to be acceptable.*

*Commissioner De Vries seconded the motion.*

Ayes: Bettencourt, Botelho, De Vries  
Noes: De La Cruz, Velazquez  
Abstain: None

## **INFORMATIONAL**

- 6. Communication from State Controller's Office Regarding Inactive Special Districts in San Benito County and Process to Pursue Dissolution of Eleven (11) Inactive County Service Areas (CSAs) in compliance with SB 448.**

Mr. Nicholson gave background information about SB 448 which mandated that special districts that don't have assets, financial transactions, or liabilities be dissolved. SB 448 removed the protest hearing process and changed how districts are dissolved. LAFCO has 90 days to dissolve inactive districts. In January, LAFCO will initiate the dissolution of 11 CSAs.

Commissioner Bettencourt asked if they can add more CSAs to the list to be dissolved.

Mr. Nicholson said no. If they aren't on the list they have financial transactions. They can be dissolved through a different process.

Commissioners Botelho, De Vries, and De La Cruz all expressed support for the item.

**7. Commissioner Announcements and Requests for Future Agenda Items:**

Commissioner Bettencourt had a question regarding the LAFCO code. He asked if they should change the local rules to help slow growth.

Commissioner Velazquez stated that LAFCO already makes decisions on projects and they recently looked at the policies.

Commissioner De Vries stated that the meetings being at 3:00 PM does not work for him as he works. He wants the meeting moved back to the evening.

The Commission made a decision to agendize an item to change the meeting time to 5:00 PM for the next meeting.

**ADJOURNMENT**

8. Upon a motion by Commissioner Botelho, and seconded by Commissioner Bettencourt, adjourned meeting in memory of San Juan Bautista Mayor Jim West at 3:52 PM.

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

By \_\_\_\_\_  
Ignacio Velazquez, Chairman

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

**5. LAFCO 526-Chappell Road Annexation and Concurrent Sphere of Influence Amendment to the City of Hollister: Involving an expansion to the City’s Sphere of Influence by 102.1 acres and the Annexation of 34.2 acres of property and an adjacent roadway into the City. The sphere of influence expansion includes all land south and west of the State Highway 25 Bypass located north of Santa Ana Road, and east of Chappell Road (with one parcel located west of Chappell Road and north of Pacific Way). The City’s proposed annexation area involves portions of Assessor’s Parcel Numbers 019-170-083 and 084 lying south and west of State Highway 25 and 019-350-012. An alternate annexation boundary includes Assessor’s Parcel Numbers 019-350-008 & 011 to make the annexation a contiguous boundary of land (also identified as 325 and 377 N. Chappell Road). The actions requested are to make an environmental determination regarding the adequacy of the City’s Environmental Impact Report, and to consider amendment of the Sphere of Influence and approval of the annexation.**



SAN BENITO LOCAL AGENCY FORMATION COMMISSION  
EXECUTIVE OFFICER'S REPORT

January 10, 2019 (Agenda)  
(AGENDA ITEM 5)

LAFCO No. 526: Chappell Road Annexation and Concurrent Sphere of Influence Amendment to the City of Hollister

PROPONENT: City Council of the City of Hollister by Resolution

ACREAGE & LOCATION To expand the Hollister Sphere of Influence by 102.1 acres and to Annex 34.2 acres of property and an adjacent roadway into the City. The sphere of influence expansion includes all land south and west of the State Highway 25 Bypass located north of Santa Ana Road, and east of Chappell Road (with one parcel located west of Chappell Road and north of Pacific Way). The City's proposed annexation area involves portions of Assessor's Parcel Numbers 019-170-083 and 084 lying south and west of State Highway 25, and 019-350-012. An alternate annexation boundary includes Assessor's Parcel Number 019-350-008 and 011 to make the annexation a contiguous boundary of land (also identified by address as 325 and 377 N. Chappell Road)

PURPOSE: Include the larger 102.1 acre territory into the City Sphere of Influence for ultimate annexation in the future, but only annex 34.2 acres for more immediate single family residential development at 1 to 8 dwellings per acre allowed by the City's R1 L/PZ zoning - a maximum of approximately 259 dwellings - (No tentative subdivision maps have been approved)

PROJECT EVALUATION AND DETERMINATIONS – SPHERE OF INFLUENCE

San Benito LAFCO prepared a comprehensive review of the City of Hollister sphere of influence (SOI) in 2008 along with the preparation of the first round of Municipal Service Reviews (MSRs) for both cities and the seven special districts within San Benito County. However, LAFCO did not expand the City's SOI to match their 2005 General Plan, and therefore, annexations on certain fringe areas of the City, such as the nearby Allendale Annexation to the west, require a SOI amendment in order to process an annexation. The City of Hollister has embarked on a General Plan update, and it is anticipated a comprehensive sphere of influence update will be processed by LAFCO once the new General Plan is adopted. The City has proposed a 102.1 acre SOI expansion in this central part of the City's General Plan growth area, but only the annexation of 34 acres, based on landowner interest and willingness to enter an Annexation Agreement with the City. By requesting inclusion of the larger area into the City's SOI, the City can avoid requesting SOI amendments for each future annexation within this area when they can reach agreement with landowners.

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

- Identify the eventual service area or boundary of a city or special district – typically larger than the current agency 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 service extensions; and
- Include an evaluation of public agencies under five determinations consistent with Government Code section 56425(e).

In staff's review of the application materials for the SOI amendment and the City's Environmental Impact Report (EIR), the 102.1 acre sphere expansion area generally complies with Government Code section 56425. However, the present SOI for the City does not represent the City's eventual service area because it was never updated to match the City's 2005 General Plan growth boundary and because the City provides wastewater treatment services in the Hollister Urban Area boundary, which extends well beyond the SOI and General Plan growth boundaries, and was not recognized in the General Plan. The analysis below provides the determinations required under Government Code section 56425(e):

1. **The present and planned land uses in the area including agricultural and open space lands:** The EIR prepared by the City of Hollister identifies the General Plan land use designations in the sphere expansion area as "Low Density Residential" (1–8 dwellings per acre) on properties east of Chappell Road, and "Gateway Commercial" which allows a mix of retail and service commercial uses at the significant State Highway 25 entry point into the City on the parcel west of Chappell Road and north of Pacific Way. In the County General Plan, the area is designated as "Rural Residential."

The current land uses include actively farmed and fallow agricultural land and five residences. The agricultural land is classified as Prime Farmland in the State's Farmland Mapping and Monitoring Program. As a result of the good soil quality and the fact this area is not within the City's identified "priority annexation area" the City adopted a mitigation measure requiring applicants of development projects within the sphere expansion boundary to place conservation easements on farmland (or pay an equivalent in-lieu fee) at a 1:1 ratio of acres converted to acres placed under easement. While the loss of this prime farmland is still identified as a significant and unavoidable impact in the EIR, the future urbanization of the 102 acre SOI expansion area is buffered from nearby prime agricultural land by the State Highway 25 Bypass, and represents a good sphere boundary.



- 2. Present and probable need for public facilities and services in the area:** In order to develop the property into urban densities allowed under the General Plan and rezoning, access to the City's potable water supply and wastewater treatment system are required. Upon annexation of properties within the area, the City would be responsible to provide most all other public services including police, fire, stormwater drainage, parks and recreation and general governmental services. There are no alternate service providers in the vicinity of this project, although across the Highway 25 Bypass to the east, development is connected to the Sunnyslope County Water District's potable water supply.
  
- 3. Present capacity of public facilities and adequacy of public services that the agency provides:** As detailed in the Public Facilities and Services section of the City's Chappell Road Project EIR, and on Pages 3 through 6 of the "Questionnaire for Amending a Sphere of Influence" application form (see Attachment 3), the City has identified adequate service capacity exists and the incremental increase in staffing needed for police and fire will be financed through the imposition of a Mello-Roos Community Facilities (CFD) public safety tax. The City has adequate wastewater treatment capacity for 10 years of growth (approximately 1.0 million gallons per day excess capacity) and with membrane improvements, another million gallons per day of capacity can be achieved (Draft EIR Section 3.15 "Utilities"). As identified in the Draft EIR, the entire SOI expansion area will require an estimated 424 acre feet of potable water per year, approximately 10% of the City's total demand. However, ground and surface water supplies are projected to have over 2,243 acre feet of excess capacity by 2025 when this sphere expansion area is anticipated to be completely built out. Fees are collected for sewer trunk and wastewater treatment plant expansion prior to connection. Eight inch water lines are currently located in Chappell Road for both water and wastewater service and development in this area can connect to these existing lines. Fees for park dedication, storm drainage and road impacts will be collected at the subdivision map recording or building permit stage in the development process. Development in the area will pay traffic impact fees to both the City and the Council of Governments (with a fee of \$8,588 per dwelling as of 2016).
  
- 4. The existence of any social or economic communities of interest:** The SOI expansion area is located between the present Hollister City limits, generally on the west side of Chappell Road, and the State Highway 25 Bypass. No other service provider exists within this area. The City and County have a current tax sharing agreement and the City enters Annexation Agreements with landowners wishing to annex into the city, including the payment of the additional amount identified in the City-County agreement.

However, because the City does not have agreements with more than three landowners (in the current application for annexation) they are proposing a concurrent annexation of

only 34.2 acres at this time, consisting of discontinuous parcels. This results in an illogical boundary and surrounds 15.3 acres of actively farmed land that is proposed to remain in the County. A recently submitted application for annexation of a commercial parcel north of Pacific Way would also skip over a 10 acre parcel leading to a haphazard City boundary. Staff will be recommending an alternative boundary for the annexation portion of today's applications which includes the additional 15.3 acres, and requests the City impose the agreement for forming Mello-Roos Districts and honoring the City-County agreement as requirements for approving development projects on the properties in the future, after annexation. Staff will continue working with the City to encourage contiguous blocks of land to be annexed without creating islands or peninsulas of unincorporated property.

5. **For updates to a sphere of a city or district providing water, sewer and/or fire suppression, the needs and deficiencies related to public services in any disadvantaged unincorporated community (DUC):** The project area contains only five existing residences, and the adjacent lands to the west and south are already within the City limits. Therefore, there are no DUCs in the vicinity of the project. The City has not approved any development plans for projects within this SOI expansion area so there is no identification that affordable housing will be required as part of the development.

#### PROJECT EVALUATION AND DETERMINATIONS – ANNEXATION

This portion of the Executive Officer's Report focuses on the 34.2 acre proposed annexation area located within the larger 102.1 acre SOI expansion boundary. It will also reference inclusion of the 15.3 acres (consisting of two parcels) sandwiched between the City's proposed annexation parcels. Please reference Attachment 2, the Sphere of Influence Expansion Area and Annexation map which identifies the annexation properties as Parcels 1, 2 and 3, and the two parcels in between labeled Parcels C and D.

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

The 34.2 acre proposed annexation area consists of a 14 acre parcel (Parcel 3 on Attachment 2) and the portions of two other parcels located south and west of the Highway 25 Bypass containing 18.4 acres (Parcels 1 and 2) along with 1.8 acres or the portion of Chappell Road not currently within the City limits north of Pacific Way. These parcels are currently fallow but have historically been used to grow row crops, and there is one house on the property identified as Parcel 3. The territory is not within the City of Hollister sphere of influence, and this is why the City proposed this joint application for a SOI amendment and annexation. The land is designated Low Density Residential (1 – 8 dwellings per acre) in the City's General Plan and Rural Residential in the County allowing one to two dwellings per acre (depending on sewer availability).



The City has rezoned the proposed annexation area as "Low Density Residential Performance Overlay" (R1 L/PZ). No current development plans exist, and the City anticipates tentative subdivision maps to be submitted sometime after annexation. But the maximum development potential based on the zoning and General Plan would be 259 dwellings.

Surrounding land uses include cultivated farmland and a single family subdivision in the City limits west of Chappell Road.

2. Topography, Natural Features and Drainage Patterns:

The annexation area is flat and there are no significant natural features that affect future development. All drainage has been modified through historic agricultural activities, and City drainage facilities along Chappell Road.

3. Population:

There is one existing home within the annexation area and the area can be considered "uninhabited" under LAFCO's definition (less than 12 registered voters). Even if the Commission supports inclusion of the two adjacent parcels (identified as Parcels C and D in Attachment 2), there are only two homes and the area is still considered uninhabited. Following annexation, the maximum amount of development allowed by the City's rezoning is 259 units. If the additional 15 acres is included within the annexation boundary, there could be a maximum of 122 additional units (at 8 units per acre). Exact occupancy levels are not known, but applying an average of 3.4 occupants per unit would result in a population of 880 within the proposed annexation area, and another 414 residents in the expanded boundary.

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

The City "Plan for Services" as required by Government Code Section 56653 is attached in the "Proposal Justification Questionnaire" in the responses to Question 14 starting on Page 4 (see Attachment 5). 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. In addition, the City requires all projects involving an annexation enter into an agreement to be fiscally neutral on general City services and recreation programs. A public safety Mello-Roos (Community Facilities) 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 equipment that serve both police and fire protection services.

Other City service and facilities identified in the Plan of Services include storm drainage, road 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, and the project will be annexed into a lighting and landscaping district to provide funding for maintenance of streets, street lighting, the park, landscaping and utility services.

In terms of sewage treatment, the City Domestic Wastewater Treatment Plant has a capacity of 4 million gallons per day (mgd) and a current treatment level of only 3 mgd. The level of sewer capacity required will depend on the number of lots proposed in future tentative subdivision maps, however, there is more than enough existing treatment capacity to serve the development and connection fees will be charged for historic wastewater plant expansion costs and trunk line expansion costs.

In terms of water supply, potable water is supplied in a joint treatment system with the City of Hollister, San Benito County Water District and Sunnyslope County Water District using surface supplies from the State Water Project and groundwater supplies, and the water is treated to potable standards at treatment plants.

One additional public facility cost involves payment of the San Benito County Council of Governments Traffic Impact Mitigation Fee (TIMF) for regional road improvements serving growth throughout the County. Funds under this program include improvements to 20 intersections and road widening projects including widening Highway 25 to four lanes to the Santa Clara County line and intersection improvements at Highway 25 and Highway 156, and at Highway 25 and Highway 101. Local improvements in the neighborhood, which are also included in the TIMF fee program, include installing a traffic signal at the intersection of San Felipe Road and Maple Street, and installing left turn lanes at the intersection of Maple Street and Rustic Street. Even with payment of regional TIMF fees, and improvements to local streets, not all transportation impacts will be fully mitigated, and the impact on the environment remains significant and unavoidable according to Chapter 3.14 of the Draft Environmental Impact Report.

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

The City's Environmental Impact Report (EIR) contains an evaluation of the agricultural resources within the annexation territory and the larger SOI expansion area as referenced in Item No. 1 in the sphere analysis portion of this report (Page 2). The current land uses in the 34.4 acre annexation area include fallow agricultural land and one residence. But the soils are rated Prime Farmland in the State's Farmland Mapping and Monitoring Program whether they are presently cultivated or not. The City's adopted mitigation measure (MM 3.2.1) requires applicants of development projects to the City to place conservation easements on farmland (or pay an equivalent in-lieu fee) at a 1:1 ratio of

acres converted to acres placed under easement. While the loss of this prime farmland is still identified as a significant and unavoidable impact in the EIR. The City also adopted Mitigation Measure 3.2.2 to require adequate land use separation between development and existing farming operations - typically a minimum of 200 feet - which can include roads, landscaping and other features.

6. Assessed Value, Tax Rates and Indebtedness:

The annexation territory consists of portions of two Assessors Parcels located within Tax Rate Area 67-003. The assessed value of the annexation portion would need to be calculated by the Assessor's Office should the annexation be approved. The third parcel (APN 019-350-012) has an assessed value of \$702,415. The two additional parcels which staff recommends including in the annexation have assessed values of: APN 019-350-008 = \$224,700, and APN 019-350-011 = \$98,149.

The base property tax rate will not be affected by the annexation, although the City's requirement for annexation into a Community Facilities District will be added to the tax bill of individual lots following future subdivision and development within the City. The proposal is subject to a property tax exchange agreement that has been approved by the Board of Supervisors and Hollister City Council, and the agreement is currently in full force and effect following reconsideration by the Superior Court of San Benito County.

However, additional litigation is pending on this agreement, and similar to the recent Allendale and Borelli Annexations to the City approved in the fall of 2017, the Commission is presented with a recommended condition of approval to require the landowners of the original three annexation parcels proposed by the City to enter into an agreement with LAFCO that they will either: 1) honor the exiting tax sharing agreement, 2) agree to comply with any successor master tax agreement which is approved and adopted by the City and County, or 3) agree to enter a project specific annexation agreement agreed to by the City and County prior to recording the Certificate of Completion for the annexation. This condition is presented as Item F under the actions on Page 7 of this report. However, because the landowners of the staff proposed expanded annexation boundary, Ann Azevedo and the Alfred Azevedo Trust, have not consented to being annexed, this condition should not be required if their properties are included into the annexation. Instead, the City should make any future subdivision map approval conditioned on the applicant signing a document similar to LAFCO's agreement or to the City's Annexation Agreement.

7. Environmental Justice and Affordable Housing:

The site is not adjacent to a disadvantaged unincorporated community as the adjacent land located in the County contains agricultural land. The annexation does help the City

of Hollister meet its Regional Housing Needs Assessment (RHNA) housing target, but there is no identification whether any future housing project will include affordable housing as no tentative map has been submitted yet. The City has been given a need of 1,316 new housing units between 2014 and 2023, and has approved construction of over 500 units to date. However, the annexation may not include any Low or Very-Low Income Units, which constitute approximately 40% of the 1,316 unit housing target over the 2014-2023 period. However, the City has applied a "performance overlay" zoning to the property within the annexation boundary, and based on Table 17.04-2 of the City Zoning Code, the City encourages a minimum of 6 dwelling units per acre rather than the standard desired minimum of 4 units the Low Density Residential Zoned properties.

8. Landowner and Subject Agency Consent:

Written consent to the annexation through signed petitions of the property owners has not been provided with the application. However, the landowners have entered into Annexation Agreements with the City and have paid the costs for processing. They have also entered into Indemnity Agreements with LAFCO for processing the annexation.

However, if the Commission agrees to include the additional two parcels containing 15.3 acres into the annexation boundary, the approval should be made subject to conducting a protest process. Staff sent a letter to the landowners of these parcels - Ann Azevedo and the Alfred Azevedo Trust - on December 18, 2018, indicating that the properties may be included into the annexation boundary and requesting they contact staff should they have any questions or concerns. No response has been received as of the time of completion of this report (January 3, 2019). Should the Commission agree with including these two parcels, the approval should be subject to a protest hearing where the landowners would have the right to file a protest against the annexation based on the assessed value of their land. Although the owners of the original City proposed annexation parcels have entered Annexation Agreements with the City, all landowners would still be eligible to file protests if the Commission approves the expanded boundary.

9. Logical and Orderly Boundaries, Lines of Assessment and Registered Voters:

The boundaries of the two northern parcels proposed for annexation do not conform to current lines of assessment as only the southern and western portions of these parcels are included in the annexation boundary. In addition, the northern portion of the proposed annexation area (Parcels 1 and 2 on Attachment 2) are only contiguous with the City through the inclusion of a 40 foot segment of North Chappell Road and the boundary forms a flag shaped city boundary. Parcel 2 is only contiguous to the City on the west side and would be surrounded by active farming parcels on two sides (given the Highway 25 right-of-way buffer on the east side providing a good physical boundary). By including Parcels C and D (as identified on Attachment 2) a contiguous block of land

would be annexed, and the City would be responsible to enforce their agricultural setback policy to protect the two actively farmed parcels in the middle (owned by Ann Azevedo and the Alfred Azevedo Trust).

The map and legal description are being reviewed by the County Surveyor for sufficiency in filing with the State Board of Equalization. However, if the boundary is changed to include Parcels C and D (as identified on Attachment 2) then the map and legal description will need to be modified anyway.

The territory is uninhabited; specifically, there are fewer than 12 registered voters even adding the additional two parcels into the annexation boundary.

## ENVIRONMENTAL REVIEW

The City of Hollister, acting as lead agency for approval of the "Chappell Road Project" and related rezoning by the City, prepared a Draft and Final Environmental Impact Report (EIR) to evaluate the impacts of the project and its eventual annexation into the City. The environmental document included a total of 13 parcels, two of which are already within the City's sphere of influence, and the remainder of the area designated Low Density Residential in the City's General Plan. The total development evaluated was for a maximum of 802 residential units and 0.303 million square feet of "gateway commercial" allowing for retail and service uses at the Highway 25 entrance to the City. This EIR covered all the area involved in the proposed sphere of influence amendment and the parcels proposed for annexation - or any alternate boundary involving these 13 parcels. (See Attachment 10 for a CD containing the Draft and Final EIR and the Appendix.)

The City determined that most areas of potential impact in the Environmental Checklist would have a less than significant impact with adoption of 33 mitigation measures, however, there remained several significant unavoidable impacts to agricultural resources, land use, and regional transportation and traffic for which the City adopted a Statement of Overriding Considerations. These impacts included:

- The loss of Prime Farmland upon development, even with implementation of Mitigation Measure 3.2.1 requiring the developer to place conservation easements (or pay an in-lieu fee) at a 1:1 ratio of acres converted to acres under easement, the loss is still significant and unavoidable.
- Impacts to Air Quality as a result of various components of project development and activities after development (natural gas hearths, use of energy and vehicle use) with the only mitigation required to prohibit wood burning fireplaces.

- Potential impacts to Cultural Resources, even with implementation of mitigation measures to have a historic resources study and survey conducted and a report prepared on a project by project basis when historic resources may be located on the project site.
- A impact under Land Use due to the conflict with the City General Plan Open Space and Agricultural Element based on the conversion of prime farmland.
- A significant project-level and cumulative-level impact on Transportation and Traffic even with payment to the Council of Governments Regional Impact Fee (TIMF) fees which will fund improvements at 20 intersections and road widening projects, including some local projects in the vicinity of the development area.

In the City's CEQA Resolution No. 2018-167, (Attachment 8 to this report) the City concludes: *"After balancing the project's environmental risks, the city specifically finds that, to the extent that adverse or potentially adverse impacts set forth above have not been mitigated to a level of insignificance, that specific economic and social benefits, namely, the facilitation of maximum redevelopment opportunities area [sic] outweigh the significant effects on the environment."* (See Page 5 of the CEQA findings which are an attachment to Resolution No. 2018-167) While the Resolution goes on to imply there were other specific economic and social benefits from the project, none are cited or listed in the document. As the annexation area contains Prime Farmland, much of it under active cultivation, staff would not agree that annexation facilitates *"maximum redevelopment opportunities"* as farmland does not constitute development in the first place, and does not require "redevelopment" unless it is to enhance the soil, drainage or irrigation systems to improve crop production. Staff would advise the Commission to adopt additional overriding considerations should a motion to approve the Sphere of Influence amendment and annexation be supported.

In terms of the mitigation measures, Mitigation Measure MM 3.2.1 requiring obtaining conservation easements, or the payment of in-lieu fees, at a 1:1 ratio of easement area to area farmland converted, should be adopted under LAFCO's authority to adopt although the City maintains responsibility to monitor the impacts at the time of development following completion of the annexation.

#### CORRESPONDENCE

As of completion of the Executive Officer's Report on January 3rd, 2019, no comments have been received on the annexation application from affected agencies (such as the San Benito School District), or from landowners within the SOI expansion area or proposed annexation boundary. Landowners within the SOI expansion area and within 300 feet of the proposed SOI boundary were mailed notice of the Commission's hearing on December 19, 2018, and notice was published in the Hollister Freelance on December 21<sup>st</sup>.

#### ALTERNATIVES FOR COMMISSION CONSIDERATION

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

OPTION 1 – APPROVE the proposed annexation as modified to include the two additional parcels identified as APN 019-350-008 and 011, 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 for CEQA approval of the development project, annexation and rezoning. The the Commission finds that the City's EIR is adequate. Mitigation measure MM 3.2.1 is hereby adopted by the Commission requiring obtaining an agricultural conservation easement or payment of in-lieu fees to a qualified trust on a 1:1 ratio for the Prime Farmland converted by the project which is under the responsibility of LAFCO to adopt as a Responsible Agency for approval of the sphere of influence amendment and annexation. The Commission concurs with the Statement of Overriding Considerations adopted by the City of Hollister for approval of the project through City Resolution No. 2018-167 and hereby adopts the one statement of overriding considerations identified by the City, with supplemental considerations identified as part of the motion to approve the Sphere of Influence Amendment and Annexation.
- B. Adopt this report and approve the 102.1 acre Sphere of Influence Amendment to the City of Hollister based on the five determinations presented on Pages 2 through 4 of this Executive Officer's Report, and approve the 34.2 acre annexation known as the "Chappell Road Annexation to the City of Hollister" with the inclusion of two additional parcels totaling 15.3 acres identified as APNs 019-350-008 and 011, based on the determinations presented on Pages 4 through 9 of this Executive Officer's Report, and the adequacy of the plan for services submitted with the application. The annexation is not subject to a condition that the territory be liable for any existing or authorized taxes, charges, fees or assessments applicable to comparable properties presently within the City.
- C. Find: 1) the subject territory is uninhabited, 2) the affected landowners have not signed a petition giving consent to the annexation.
- D. Direct the staff to notice and conduct protest proceedings in compliance with Government Code section 57050 and report the results to the Commission.
- E. Direct the staff not to record the annexation until the map and legal description are found by the County Surveyor to be acceptable.



- F. Direct staff not to record the annexation until the Property Owners of the original City proposed annexation parcels (APNs 019-170-083 and 084, and 019-350-012) have, at their option, (1) agreed to comply with the 2010/2011 Master Tax Agreement between the City of Hollister and San Benito County; (2) agreed to comply with any successor master tax agreement which is approved and adopted by the City and County, including the obligation to pay taxes and/or fees referenced in that successor master tax agreement; or (3) have entered into a project specific annexation agreement agreed to by the City and County prior to recording the Certificate of Completion for the annexation.

OPTION 2 – APPROVE the proposed annexation of 34.2 acres as originally requested by the City of Hollister, subject to the same findings, determinations and orders as under OPTION 1, but without expanding the annexation boundary, and without the need to hold a protest hearing.

OPTION 3 – If the Commission cannot make the determinations and findings presented in the Executive Officer's Report, the Commission should DENY this proposal.

OPTION 4 - CONTINUE this proposal to a future meeting for additional information or to consider other pending annexations within the same Sphere of Influence expansion boundary.

RECOMMENDED ACTION:

Approve OPTION 1.

Respectfully submitted,



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BILL NICHOLSON  
Executive Officer  
LAFCO of San Benito County

cc: Abraham Prado, City of Hollister Development Services Department  
Tony Arreola, John Brigantino and Augie Dent - Landowners  
Michael Ziman, LAFCO Counsel

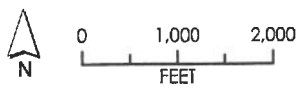
Attachments:

1. Project Location Map
2. Map of Sphere of Influence Expansion and parcels proposed for annexation

3. Surveyor's Annexation Map
4. Proposal Justification Questionnaire Sphere of Influence
5. Proposal Justification Questionnaire for Annexations
6. Ordinance Nos. 1159, 1160 and 1163 rezoning the property and requesting a Sphere of Influence Amendment for APNs 019-170-083 and 084, and 019-350-012
7. Resolution Nos. 2018-222 and 2018-224 of the City of Hollister, "Resolution of Application" for Annexation of APNs 019-350-012, 019-170-083 and 019-170-084
8. Resolution No. 2018-167 of the City of Hollister, "Resolution Certifying EIR and Adopting the Mitigation Monitoring and Reporting Program"
9. Draft LAFCO Resolution No. 526 Approving the Chappell Road Annexation to the City of Hollister and Concurrent Sphere of Influence Amendment
10. CD Containing the Draft and Final Environmental Impact Report (EIR) for the Chappell Road Project including sphere of influence amendment and annexation.



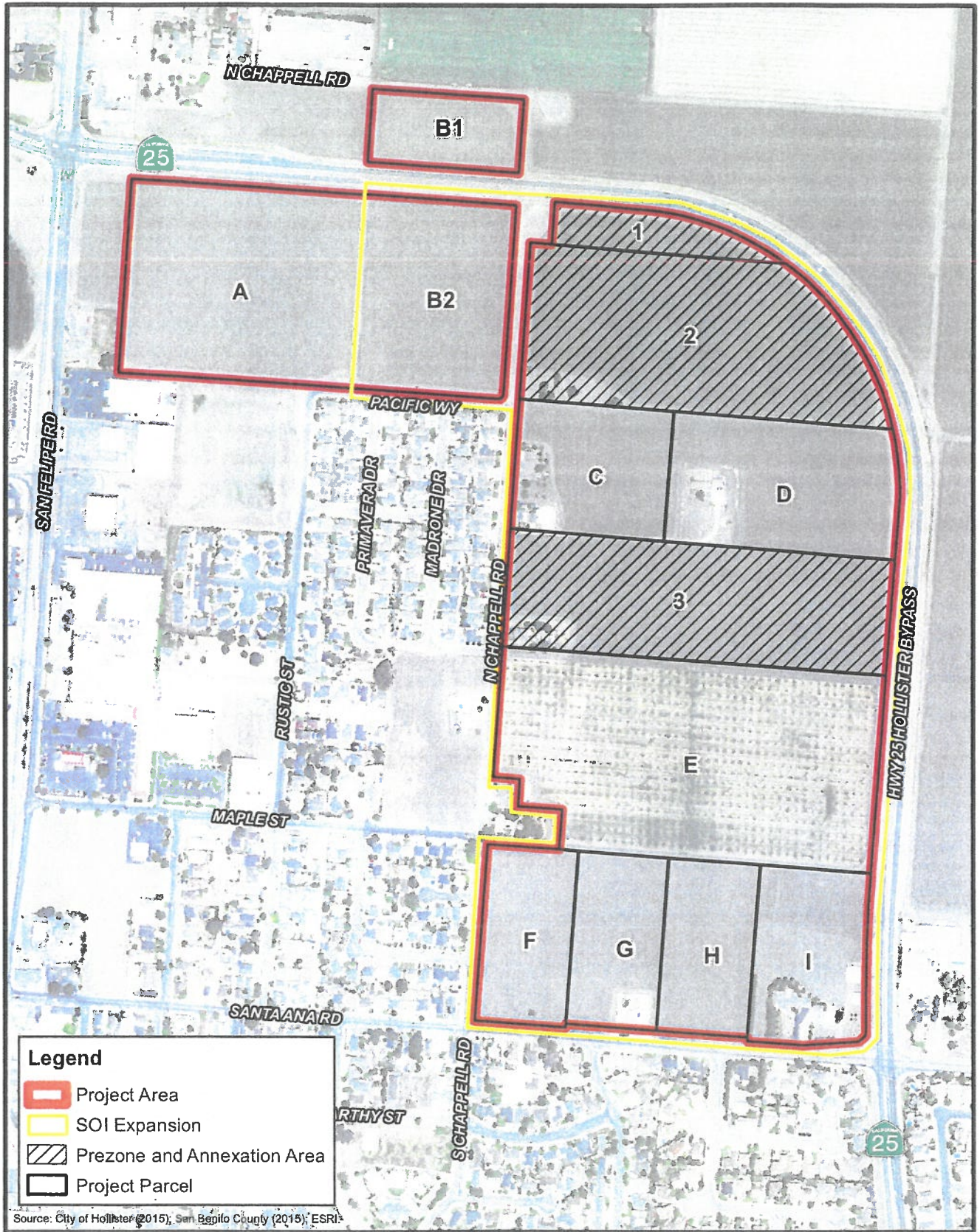
Source: City of Hollister (2015), San Benito County (2015), ESRI



### ATTACHMENT 1

**Figure 2.0-2**  
Project Location





**FIGURE 2.0-3**  
Detailed Project View



## SAN BENITO LOCAL AGENCY FORMATION COMMISSION

### Questionnaire for Amending a Sphere of Influence, (Attach additional sheets as necessary)

Sphere of Influence of the \_\_\_\_\_ City of Hollister \_\_\_\_\_

#### Purpose of the proposal

1. **List all actions for LAFCO approval. Identify other actions that are part of the overall project, i.e., a tract map or development permit. Why is this proposal being filed?**

Sphere of Influence and annexation to the City of Hollister

#### Consultation with the County (City sphere changes only)

2. **Provide documentation regarding consultation that has occurred between the City and the County with regard to agreement on boundaries, development standards and zoning requirements for land in the proposed sphere as required by Government Code §56425.**

#### Description of area to be included in the sphere

3. **What area is proposed to be included in the sphere? Attach a map identifying the current sphere and the proposed addition. What is the acreage?**

The area to be included in the sphere includes the property located to the south and west of the Highway 25 Bypass, north of Santa Ana Road, east of the west side of Chappell Road, and north of Pacific Way. The acreage proposed to be included in the sphere is 102.1 Acres.

4. **Why was it decided to use these particular boundaries?**

The boundary was selected as it is adjacent to the existing City of Hollister Sphere of Influence to the west and south, and is separated from the rest of the County of San Benito by the Highway 25 Bypass.

5. **What are the existing land uses for the proposal area? Be specific.**

The existing land uses of the proposal area are 5 rural residential houses and fallow agricultural land.

6. **Are there proposed land uses changes for the proposal area? Be specific.**



## Questionnaire to Amend Sphere of Influence

The City of Hollister has rezoned the proposal area Low Density Residential Performance Overlay Zone (R1-L/PZ). Three of the parcels are proposed to be annexed to the City of Hollister for development at the R1-L/PZ designation.

### Relationship to Existing Plans

7. **Describe County general plan and zoning designations for the proposal area.**

The County's existing general plan designation is Rural Residential and the existing zoning is Rural Residential.

8. **Describe City general plan and rezoning designations for the proposal area.**

The City of Hollister's general plan designation for the proposal area is Low Density Residential, and the rezoning for the area is Low Density Residential Performance Overlay Zone (R1-L/PZ) which allows up to 8 dwelling units per acre

### Environmental Assessment

9. **What is the underlying project? Who is the lead agency? What type of environmental document has been prepared for the proposed project?**

The underlying project is to change the sphere of influence on approximately 105.1 acres of land (this includes approximately 3 acres of land within Chappell Road) and annex approximately 34.2 acres of land (this includes approximately 1.8 acres of land within Chappell Road) to the City of Hollister to allow low density residential development at a density of up to 8 dwelling units per acre. The City of Hollister is the lead agency. An environmental impact report has been prepared for this project and has been certified by the City of Hollister.

### Justification

10. **To assist LAFCO in making determinations pursuant to Government Code §56425, please provide information relevant to each of the following:**

- A. **Present and planned uses in the area.**

Present uses in the area include 5 rural residential dwelling units and fallow agricultural land.

- B. **Present and probable needs for public facilities and services in the area.**

There are existing public facilities located in Chappell Road. These facilities will need to be extended to the site at the time of development. The City of Hollister Fire Department currently services the site. Please see item C below for additional information.



**C. Present capacity of public facilities and adequacy of public services the affected agency provides or is authorized to provide.**

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) along Chappell Road. The annexation will extend the boundary of police service currently in effect. Upon annexation and upon development, the project will include roadways that would affect traffic enforcement/collision investigation responsibilities and an incremental increase in staffing levels and capital equipment, due to the increase in population. The incremental increase in police service will be financed by the imposition of a Mello-Roos Community Facilities public safety tax. 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 aid 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 contiguous to the current City limits (current service area), but 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. The affected area in its current condition may require a minor increase in fire service, even assuming it is currently in the response area. Development of the site will require an incremental increase in staffing levels and capital equipment, due to the increase in population and structures. An incremental increase in staffing will be financed by the imposition of a Mello-Roos public safety tax. The incremental increase in capital equipment will be financed through the imposition of fire impact fees.

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 minor 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 project 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 Services

At the time of development, the parcels will connect to an existing 8" sanitary sewer transmission line along North Chappell Road. The project proponent will 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. Development of the affected area 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 transmission lines and laterals noted above. The City currently treats domestic wastewater at its new regional immersed membrane bioreactor (MBR) wastewater treatment plant located on the north side of San Juan Hollister Road. In accordance with the implementation of the Long term Water 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 water conservation measures. The development will 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, the development will be assessed an impact fee at the time of building permit issuance. A sewer treatment impact fee will also be assessed to provide for additional capacity at the treatment plant.

#### 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 by the City. The area requested for annexation will comprise a total of 31.6 acres of land zoned for single family residential. Existing water mains are located in the City and County streets adjacent to the project site. Water will be supplied to the subject area from the 8" water line located within North Chapell Road. The project proponent will be required to fund the installment of water lines to all the residents within the development to City of Hollister standards.

#### Storm Drainage

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 the Santa Ana Creek drainage area. The development will incrementally utilize capacity of the City storm transmission lines and area wide storm water treatment and recharge facilities. To offset the use of this capacity, the development will be assessed a storm drainage impact fee at the time of building permit issuance.

#### 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 within 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, have historically constructed these facilities. The amounts of parkland required are set forth by the City General Plan and the City Subdivision Ordinance. The City of Hollister requires that residential projects either dedicate land and/or pay park-in-lieu impact fees for the incremental need for expanded park facilities. At the time of review of the development application, the project's financial contribution for park lands or facilities will 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. 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

## Questionnaire to Amend Sphere of Influence

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. The development will require, on an incremental basis, the need for expanded roadway facilities in the City and County, including the widening of other arterial streets. To offset these incremental costs, the development project will be assessed a traffic impact fee at the time of final occupancy for a building permit.

### Street and Utility Maintenance

Annexation of the site in its current state will require an increase in the need for the funding for street or utility maintenance. Upon annexation, development of the project site will require the maintenance of area City streets, landscaping and utility facilities that will serve the affected area, as well as streets and utility systems within the development. The area street maintenance is funded by the City of Hollister state taxes. The City collects fees on a yearly basis for maintenance of landscaping and lighting. City utility systems are currently funded by City user fees.

**D. Existence of any social or economic communities of interest in the area.**

None known.

### Additional Comments

**11. Provide any other comments or justifications regarding the proposal.**

The Highway 25 Bypass has separated the subject parcels from the rest of the County. These parcels are adjacent to the City of Hollister's existing Sphere of Influence to the west and south. The bypass and County are located to the north and east of the subject parcels.

**12. Enclose any pertinent staff reports and supporting documentation related to this proposal.**

See attached

**13. Notices and Staff Reports**

List up to three persons to receive copies of the LAFCO notice of hearing and staff report

Name and Agency

Address

Email Address



# 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)  
Chappell Road Annexation
  
2. **Describe the acreage and general location; include street addresses if known:**  
The site consists of approximately 34.2 acres located in unincorporated San Benito County. The 34.2 acres consists of 32.4 acres of land rezoned R1 L/PZ by the City of Hollister and another 1.8 acres of the existing Chappell Road. The property lies adjacent to the City of Hollister City Limit Line, Sphere of Influence, and Priority Infill Area to the west along the west side of Chappell Road. The site is bordered to the north and northeast by the Highway 25 Bypass with existing agricultural uses to the south and existing residential uses to the West.
  
3. **List the Assessor's Parcels within the proposal area:**  
Portion of 09-17-083 lying to the south of Highway 25 Bypass  
Portion of 019-17-084 lying to the west of Highway 25 Bypass  
APN 019-35-012
  
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 and Sphere of Influence change to the City of Hollister consistent with the policies of the General Plan.
  
5. **Land Use and Zoning - Present and Future**
  - A. **Describe the existing land uses within the proposal area. Be specific.**  
The parcels currently contain one residential unit and fallow agricultural land.
  
  - B. **Describe changes in land uses that would result from or be facilitated by this proposed boundary change.**  
The parcels currently contain one residential dwelling unit. The property is currently zoned Rural Residential in the County. The property has been rezoned to R1 L/PZ (Low Density Residential Performance Overlay Zone) by the City of Hollister. The annexation would change the use from rural residential to low density residential. Pending annexation, the applicants would submit for tentative maps to subdivide the properties consistent with the densities allowed under the City's R1 L/P zoning designation.

ATTACHMENT 5

- C. Describe the existing zoning designations within the proposal area.**  
 The parcels are currently zoned Rural Residential by the County of San Benito. The parcels have been rezoned to R1 L/PZ (Low Density Residential Performance Overlay Zone) by the City of Hollister.
- D. Describe any proposed change in zoning for the proposal area. Do the existing and proposed uses conform with this zoning?**  
 The subject parcels have been rezoned by the City of Hollister to R1 L/PZ (Low Density Residential Performance Overlay Zone). The subject parcels would be developed and will need to conform to the City of Hollister's rezoning of R1 L/PZ. The parcels currently contain one residential dwelling unit and fallow farm land. The parcels are currently zoned rural residential within the jurisdiction of San Benito County. The proposal would change the land use from 1 dwelling unit per ½ to 1 net acre to 1 to 8 dwelling units per net acre. Pending annexation, the applicant would submit tentative maps to subdivide the property into residential lots consistent with the densities allowed under the City's R1 L/PZ zoning designation. The R1 L/PZ zoning designation applies to vacant land in the low density (1-8 dwelling units per net acre) land use category of the City's General Plan. The R1 L/PZ zoning district is consistent with the Low Density Residential designation of the City's General Plan.
- E. (For City Annexations) Describe the rezoning that will apply to the proposal area upon annexation. Do the proposed uses conform with this rezoning?**  
 The rezoning for the property is Low Density Residential Performance Overlay Zone (R1 L/PZ). The parcels currently contain one residential dwelling unit and fallow agricultural land. Pending annexation of the parcels, the applicants would submit to subdivide the property into residential uses consistent with the densities allowed with the City's R1 L/PZ zoning designation.
- F. List all known entitlement applications pending for the property (i.e., zone change, land division or other entitlements).**  
 Sphere of Influence change to the City of Hollister.

**6. Describe the area surrounding the proposal**

**Using Table A, describe existing land uses, general plans and zoning designations for lands adjacent to and surrounding the proposal area. The application is incomplete without this table.**

Please see Table A at the end of the application.



**7. Conformity with Spheres of influence**

- A. **Is the proposal area within the sphere of influence of the annexing agency?**  
No
- B. **If not, are you including a proposal to revise the sphere of influence?**  
Yes

**8. Conformity with County and City General Plans**

- A. **Describe the existing County General Plan designation for the proposal area.**  
Rural Residential
- B. **(For City Annexations) Describe the City general plan designation for the area.**  
Low Density Residential
- C. **Do the proposed uses conform with these plans? If not, please explain.**  
Yes, the proposed uses conform with these plans. There is one existing residential dwelling unit and fallow agricultural land on the property. Pending annexation, the applicants would submit for tentative maps for a low density subdivision to be consistent with the City of Hollister's Low Density Residential General Plan Designation of 1 – 8 dwelling units per net acre.

**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 general topography of the proposal areas is generally flat with no significant natural features.
- B. **Describe the general topography of the area surrounding the proposal.**  
The general topography of the area surrounding the subject proposal is generally flat.

**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?** Yes

- 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.  
N/a
  - 2) If “yes”, has a notice of non-renewal be filed? If so, when? N/a
  - 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.*

*Development of the parcels will be consistent with the City's General Plan and will increase and assist in the number of market rate housing units within the City of Hollister.*

13. Population

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

There is one existing single family dwelling unit on the property.

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

Although there are currently no specific development plans for the project site, for purposes of the environmental review a maximum development scenario has been established at 8 dwelling units per net acres. Based on 32.4 acres at 8 dwelling units net acre there can be a maximum of 259 units on the parcels (does not include Chappell Road).

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) along Chappell Road. The annexation will extend the boundary of police service currently in effect. Upon annexation and upon development, the project will include roadways that would affect traffic enforcement/collision investigation responsibilities and an incremental increase in staffing levels and capital equipment, due to the increase in population. The incremental increase in police service will be financed by the imposition of a Mello-Roos Community Facilities public safety tax. 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 aid 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 contiguous to the current City limits (current service area), but 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. The affected area in its current condition may require a minor increase in fire service, even assuming it is currently in the response area. Development of the site will require an incremental increase in staffing levels and capital equipment, due to the increase in population and structures. An incremental increase in staffing will be financed by the imposition of a Mello-Roos public safety tax. The incremental increase in capital equipment will be financed through the imposition of fire impact fees.

#### 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 minor 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 project 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 Services

At the time of development, the parcels will connect to an existing 8" sanitary sewer transmission line along North Chappell Road. The project proponent will 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. Development of the affected area 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 transmission lines and laterals noted above. The City currently treats domestic wastewater at its new regional immersed membrane bioreactor (MBR) wastewater treatment plant located on the north side of San Juan Hollister Road. In accordance with the implementation of the Long term Waterwater 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 water conservation measures. The development will 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, the development will be assessed an impact fee at the time of building permit issuance. A sewer treatment impact fee will also be assessed to provide for additional capacity at the treatment plant.

#### 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 by the City. The area requested for annexation will comprise a total of 31.6 acres of land zoned for single family residential. Existing water mains are located in the City and County streets adjacent to the project site. Water will be supplied to the subject area from the 8" water line located within North Chapell Road. The project proponent will be required to fund the installment of water lines to all the residents within the development to City of Hollister standards.

#### Storm Drainage

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 the Santa Ana Creek drainage area. The development will incrementally utilize capacity of the City storm transmission lines and area wide storm water treatment and recharge facilities. To offset the use of this capacity, the

development will be assessed a storm drainage impact fee at the time of building permit issuance.

#### 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 within 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, have historically constructed these facilities. The amounts of parkland required are set forth by the City General Plan and the City Subdivision Ordinance. The City of Hollister requires that residential projects either dedicate land and/or pay park-in-lieu impact fees for the incremental need for expanded park facilities. At the time of review of the development application, the project's financial contribution for park lands or facilities will 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. 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 or private developers, or a combination of both, fund roadways. The development will require, on an incremental basis, the need for expanded roadway facilities in the City and County, including the widening of other arterial streets. To offset these incremental costs, the development project will be assessed a traffic impact fee at the time of final occupancy for a building permit.

#### Street and Utility Maintenance

Annexation of the site in its current state will require an increase in the need for the funding for street or utility maintenance. Upon annexation, development of the project site will require the maintenance of area City streets, landscaping and utility facilities that will serve the affected area, as well as streets and utility systems within the development. The area street maintenance is funded by the City of Hollister state taxes. The City collects fees on a yearly basis for maintenance of landscaping and lighting. City utility systems are currently funded by City user fees.

- 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.**

Existing water, sewer and storm drainage will be extended to serve the parcels upon future residential improvement.

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

All utilities will be public. Upon development the property shall be included with in a Mello Roos Community Facilities Tax District or similar district to finance related maintenance costs. The streets will be public and maintained by the City of Hollister. The streets, water, sewer and storm drainage improvements are privately financed by the developer.

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

No alternatives are proposed.

**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 attached statement from the City of Hollister.

**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.**

The site is expected to obtain domestic water service from the City of Hollister. The services can be provided upon annexation of the site, pending LAFCO approval.

**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?**

Yes  No If yes, please describe

**B. Will the proposal area be liable for payment of its share of this existing debt?**

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?  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.

18. Environmental Impact of the Proposal

- A. Who is the "lead agency" for this proposal?  
The lead agency for this proposal is the 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."

19. Boundaries

- A. Why are these particular boundaries being used? Ideally, what other properties should be included in the proposal?  
The 3 parcels in this proposal have been rezoned by the City of Hollister to R1 L/PZ (Residential Performance Overlay zone), and are requesting annexation for future development purposes. The subject parcels are located to the south and west of the Highway 25 Bypass which separates the property from the County to the north and east of the Bypass.
- B. If any landowners have included only part of the contiguous land under their ownership, explain why the additional property is not included.  
Portions of parcels 019-17—93 and 019-17-94 are located on the Northerly side of the Highway 25 Bypass and are not included. A lot line adjustment application will be submitted to bring the parcel lines into conformance with this proposal.

**20. Final Comments**

**A. Describe any conditions that should be included in LAFCO's approval.**

Owner agrees to comply with the City of Hollister's ordinances, policies, and conditions of approval with regard to development of this property.

**B. Provide any other comments or justifications regarding the proposal.**

On April 26, 2018 the City of Hollister Planning Commission approved Resolution No. 2018-23 recommending the certification of the EIR, and approved Resolution No. 2018-24 recommending approval of the prezone application for the subject property to the City of Hollister City Council. The City of Hollister City Council adopted Ordinance Nos. 1159, 1160 and 1163 on August 6, 2018 rezoning the parcels to Low Density Residential Performance Overlay Zoning District (R1 L/PZ). This request is for annexation and sphere of influence change only.

**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.**

Please see attached

**21. Notices and Staff Reports**

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

|    | <u>Name and agency</u>        | <u>Address</u>   | <u>Email address</u>   |
|----|-------------------------------|--|--|
| A. | Abraham Prado or<br>Eva Kelly | City of Hollister<br>Planning Div.<br>375 Fifth St.<br>Hollister, CA 95023                       | abraham.prado@hollister.ca.gov<br><a href="mailto:eva.kelly@hollister.ca.gov">eva.kelly@hollister.ca.gov</a> |
| B. | Taven Kinison Brown           | San Benito Co.<br>Resource Management Agency<br><br>2301 Technology Pkway<br>Hollister, CA 95023 | <a href="mailto:tkinisonbrown@cosb.us">tkinisonbrown@cosb.us</a>   |
| C. | Tony Arreola                  |  | <a href="mailto:tarreola@dalpropertiesllc.com">tarreola@dalpropertiesllc.com</a>                             |
| D. | Augie Dent                    |  | <a href="mailto:Augie.dent@gmail.com">Augie.dent@gmail.com</a>   |
| E. | John Brigantino               |  | <a href="mailto:john@sanbenitorealty.com">john@sanbenitorealty.com</a>                                       |

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

| <u>Name</u>                   | <u>Address</u>  | <u>Email address</u>  | <u>Phone</u> |
|-------------------------------|---|---|--------------|
| Abraham Prado or<br>Eva Kelly | City of Hollister<br>Planning Div.<br>375 Fifth St<br>Hollister, CA 95023 | abraham.prado@hollister.ca.gov<br><u>eva.kelly@hollister.ca.gov</u> |              |

Signature \_\_\_\_\_

Date \_\_\_\_\_

TABLE A

Information regarding the areas surrounding the proposal area

|       | <b>Existing Land Use</b>                | <b>General Plan Designation</b>  | <b>Zoning Designation</b>  |
|-------|---|--|--|
| East  | Highway 25 Bypass & Agricultural Uses   | County of San Benito:<br>Rural Residential                                       | County of San Benito:<br>Rural Residential                                       |
| West  | Agriculture and Low Density Residential | County of San Benito:<br>Rural Residential<br>Hollister: Low Density Residential | County of San Benito:<br>Rural Residential<br>Hollister: Low Density Residential |
| North | Agriculture and Vacant                  | County of San Benito:<br>Rural Residential                                       | County of San Benito:<br>Rural Residential                                       |
| South | Agriculture and Vacant                  | County of San Benito:<br>Rural Residential<br>Hollister: Low Density Residential | County of San Benito:<br>Rural Residential<br>Hollister: Low Density Residential |

Other comments or notations:

**ORDINANCE NO. 1159**

**AN ORDINANCE OF THE CITY OF HOLLISTER AMENDING MUNICIPAL CODE CHAPTER 17.24.250 PREZONING OF SPECIFICALLY DESCRIBED REAL PROPERTY TO LOW DENSITY RESIDENTIAL PERFORMANCE OVERLAY ZONE WHICH REQUIRES UP TO 8 DWELLING UNITS PER ACRE ON THE PARCEL IDENTIFIED AS SAN BENITO COUNTY ASSESSOR PARCEL NUMBER 019-170- 083 CONSISTING OF 2.45 ACRES LOCATED ALONG STATE ROUTE (SR) 25 NORTH OF SANTA ANA ROAD EAST OF NORTH CHAPPELL ROAD (DAVIDSON LIV TRUST ET AL)**

**WHEREAS**, on June 18, 2018, the City Council of the City of Hollister held a duly noticed public hearing to consider adoption of the Chappell Road Environmental Impact Report, Mitigation Monitoring and Reporting Program, and Pre-zone Application No. 2015-1.

**NOW, THEREFORE**, the City Council of the City of Hollister ordains as follows:

**Section 1: Zoning Map Amended.** The Official Zoning Map of the City of Hollister is hereby amended by rezoning to R1-L/PZ (Low Density Residential Performance Overlay Zone) and expanding the sphere of influence to include all that real property comprising of approximately 2.45 acres situated in the County of San Benito, State of California, particularly described in "Exhibit A" and identified as San Benito County Assessor Parcel Number 019-170-083 attached hereto and made a part thereof by reference.

**Section 2: Severability.** The City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

**Section 3: Effective Date.** This ordinance shall take effect and be in force thirty days from and after its final passage.

**Section 4: Publication.** Within fifteen days after passage, the City Clerk shall cause this ordinance to be published one time in the Free Lance, a newspaper of general circulation.

**INTRODUCED** following a public hearing held at a regular meeting on the 18th day of June, 2018.

**PASSED AND ADOPTED**, by the City Council of the City of Hollister at a regular meeting held this 6th day of August, 2018, by the following vote:

**AYES:** Council member Gillio, Luna, Friend, Klauer

**NOES:** Mayor Velazquez

**ABSTAINED:** None

**ABSENT:** None



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

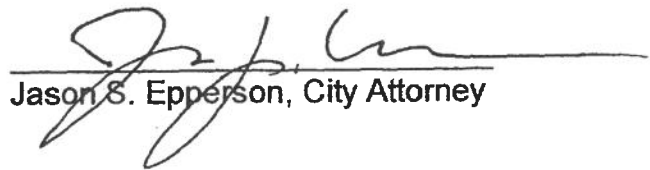
**ATTEST:**



\_\_\_\_\_  
Christine Black, MMC, City Clerk

**APPROVED AS TO FORM:**

Prentice, Long & Epperson, Attorneys at Law



\_\_\_\_\_  
Jason S. Epperson, City Attorney

EXHIBIT A  
LEGAL DESCRIPTION AND MAP

**KELLEY**  
**ENGINEERING & SURVEYING**

400 PARK CENTER DRIVE, SUITE #4, HOLLISTER, CA 95023-2546  
OFFICE: (831) 636-1104 FAX (831) 636-1837

Davidson Annexation  
Annexation Area Boundary  
Assessor's Parcel Numbers: 019-170-083, 019-170-084  
May 2015

**LEGAL DESCRIPTION**

All that real property situate in the unincorporated territory of the County of San Benito, State of California, being a portion of Rancho San Justo being more particularly described as follows:

Beginning at a point on the district boundary between San Benito County and the City of Hollister at the northwest corner of the intersection between North Chappell Road and Pacific Way,

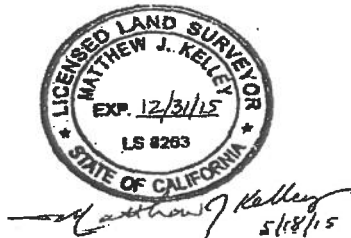
**Course #1:** Thence along the westerly line of North Chappell Road and leaving said district boundary **North 03° 58' 05" East, 721.71 feet** to the intersection of the westerly line of North Chappell Road and the southerly boundary of the Highway 25.

**Course #2:** Thence along said southerly boundary **South 85° 45' 09" East, 439.68 feet**

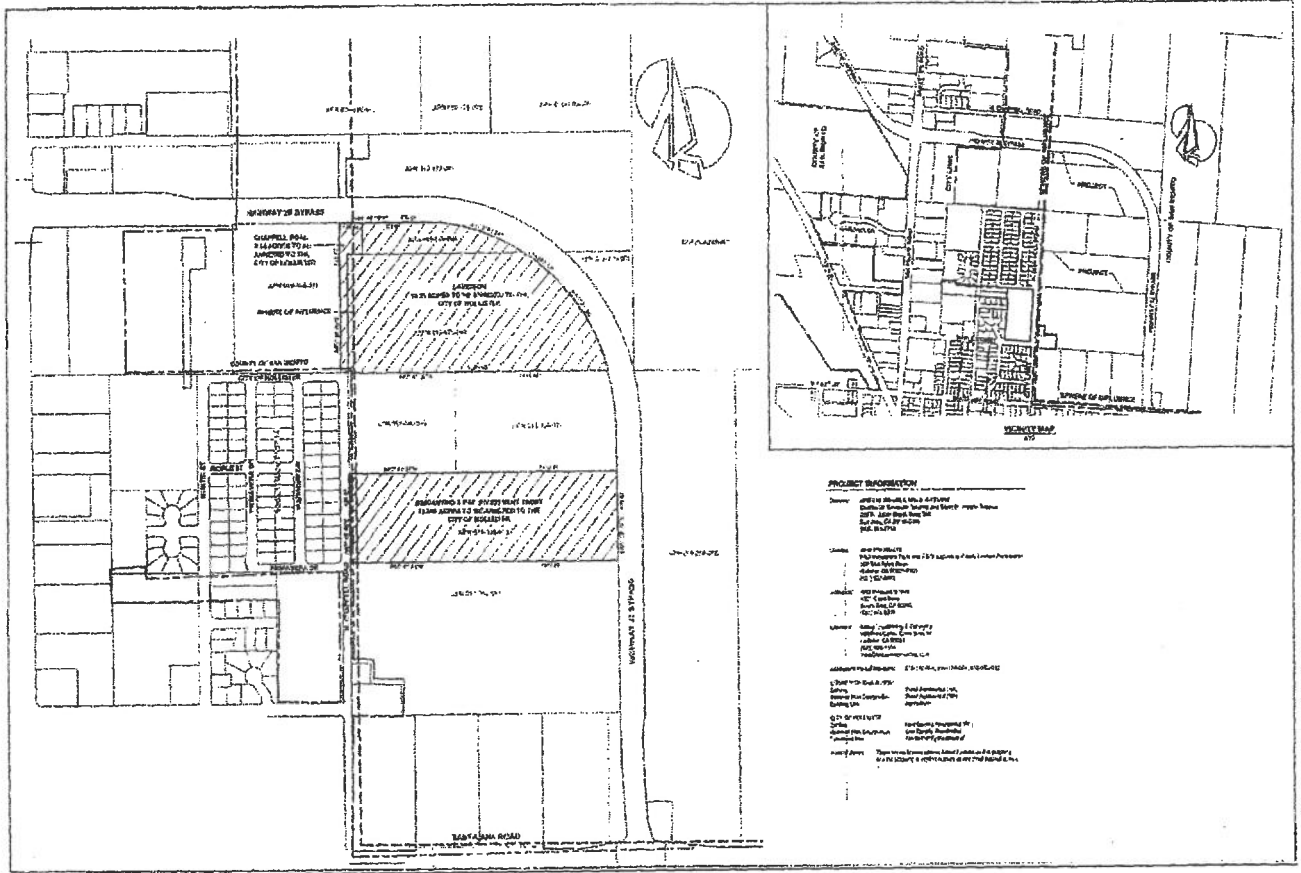
**Course #3:** Thence along said southerly boundary on a tangent curve to the right and having a **radius of 1024.60 feet, through a central angle of 72° 53' 34"**, for an arc length of **1303.52 feet**

**Course #4:** Thence leaving said right-of-way **North 85° 41' 30" 1415.43 feet** to the northwest corner of the intersection between North Chappell Road and Pacific Way and said point of beginning.

Gross Area of Annexation Boundary 19.19 acres more or less.







**ORDINANCE NO. 1160**

**AN ORDINANCE OF THE CITY OF HOLLISTER AMENDING MUNICIPAL CODE CHAPTER 17.24.250 PREZONING OF SPECIFICALLY DESCRIBED REAL PROPERTY TO LOW DENSITY RESIDENTIAL PERFORMANCE OVERLAY ZONE WHICH REQUIRES UP TO 8 DWELLING UNITS PER ACRE ON THE PARCEL IDENTIFIED AS SAN BENITO COUNTY ASSESSOR PARCEL NUMBER 019-170- 084 CONSISTING OF 15.99 ACRES LOCATED ALONG STATE ROUTE (SR) 25 NORTH OF SANTA ANA ROAD AND EAST OF NORTH CHAPPELL ROAD (DAVIDSON LIV TRUST ET AL)**

**WHEREAS**, on June 18, 2018, the City Council of the City of Hollister held a duly noticed public hearing to consider adoption of the Chappell Road Environmental Impact Report, Mitigation Monitoring and Reporting Program, and Pre-zone Application No. 2015-1.

**NOW, THEREFORE**, the City Council of the City of Hollister ordains as follows:

**Section 1: Zoning Map Amended.** The Official Zoning Map of the City of Hollister is hereby amended by rezoning to R1-L/PZ (Low Density Residential Performance Overlay Zone) and expanding the sphere of influence to include all that real property comprising of approximately 15.99 acres situated in the County of San Benito, State of California, particularly described in "Exhibit A" and identified as San Benito County Assessor Parcel Number 019-170-084 attached hereto and made a part thereof by reference.

**Section 2: Severability.** The City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

**Section 3: Effective Date.** This ordinance shall take effect and be in force thirty days from and after its final passage.

**Section 4: Publication.** Within fifteen days after passage, the City Clerk shall cause this ordinance to be published one time in the Free Lance, a newspaper of general circulation.

**INTRODUCED** following a public hearing held at a regular meeting on the 18<sup>th</sup> day of June, 2018.

**PASSED AND ADOPTED**, by the City Council of the City of Hollister at a regular meeting held this 6th day of August, 2018, by the following vote:

**AYES:** Council member Gillio, Luna, Friend, Klauer

**NOES:** Mayor Velazquez

**ABSTAINED:** None

**ABSENT:** None



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Ignacio Velazquez, Mayor

**ATTEST:**

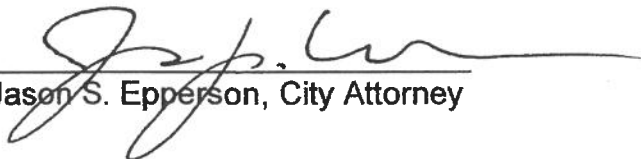


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Christine Black, MMC, City Clerk

**APPROVED AS TO FORM:**

Prentice, Long & Epperson, Attorneys at Law



---

Jason S. Epperson, City Attorney

EXHIBIT A

LEGAL DESCRIPTION AND MAP

**KELLEY**

**ENGINEERING & SURVEYING**

400 PARK CENTER DRIVE, SUITE #4, HOLLISTER, CA 95023-2546  
OFFICE: (831) 636-1104 FAX (831) 636-1837

Davidson Annexation  
Annexation Area Boundary  
Assessor's Parcel Numbers: 019-170-083, 019-170-084  
May 2015

**LEGAL DESCRIPTION**

All that real property situate in the unincorporated territory of the County of San Benito, State of California, being a portion of Rancho San Justo being more particularly described as follows:

Beginning at a point on the district boundary between San Benito County and the City of Hollister at the northwest corner of the intersection between North Chappell Road and Pacific Way,

**Course #1:** Thence along the westerly line of North Chappell Road and leaving said district boundary **North 03° 58' 05" East, 721.71 feet** to the intersection of the westerly line of North Chappell Road and the southerly boundary of the Highway 25.

**Course #2:** Thence along said southerly boundary **South 85° 45' 09" East, 439.68 feet;**

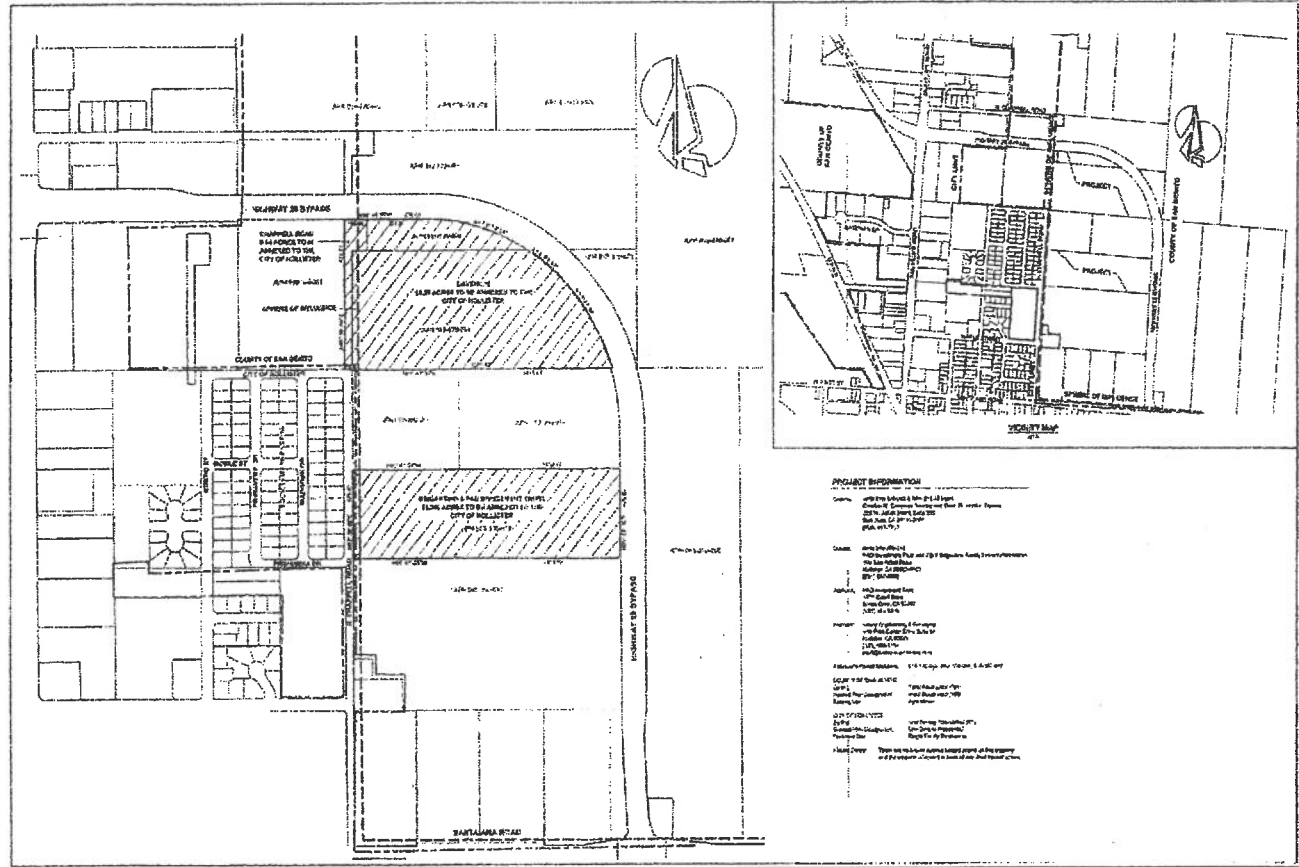
**Course #3:** Thence along said southerly boundary on a tangent curve to the right and having a **radius of 1024.60 feet, through a central angle of 72° 53' 34", for an arc length of 1303.52 feet;**

**Course #4:** Thence leaving said right-of-way **North 85° 41' 30" 1415.43 feet** to the northwest corner of the intersection between North Chappell Road and Pacific Way and said point of beginning.

Gross Area of Annexation Boundary 19.19 acres more or less.



*Matthew J. Kelley*  
5/18/15



**ORDINANCE NO. 1163**

**AN ORDINANCE OF THE CITY OF HOLLISTER AMENDING MUNICIPAL CODE CHAPTER 17.24.250 PREZONING OF SPECIFICALLY DESCRIBED REAL PROPERTY TO LOW DENSITY RESIDENTIAL PERFORMANCE OVERLAY ZONE WHICH REQUIRES UP TO 8 DWELLING UNITS PER ACRE ON THE PARCEL IDENTIFIED AS SAN BENITO COUNTY ASSESSOR PARCEL NUMBER 019-350-012 CONSISTING OF 13.97 ACRES LOCATED ALONG STATE ROUTE (SR) 25 NORTH OF SANTA ANA ROAD AND EAST OF NORTH CHAPPELL ROAD (PAD INVESTMENT TRUST)**

**WHEREAS**, on June 18, 2018, the City Council of the City of Hollister held a duly noticed public hearing to consider adoption of the Chappell Road Environmental Impact Report, Mitigation Monitoring and Reporting Program, and Pre-zone Application No. 2015-1.

**NOW, THEREFORE**, the City Council of the City of Hollister ordains as follows:

**Section 1: Zoning Map Amended.** The Official Zoning Map of the City of Hollister is hereby amended by rezoning to R1-L/PZ (Low Density Residential Performance Overlay Zone) and expanding the sphere of influence to include all that real property comprising of approximately 13.97 acres situated in the County of San Benito, State of California, particularly described in "Exhibit A" and identified as San Benito County Assessor Parcel Number 019-350-012 attached hereto and made a part thereof by reference.

**Section 2: Severability.** The City Council declares that, should any provision, section, paragraph, sentence or word of this ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance as hereby adopted shall remain in full force and effect.

**Section 3: Effective Date.** This ordinance shall take effect and be in force thirty days from and after its final passage.

**Section 4: Publication.** Within fifteen days after passage, the City Clerk shall cause this ordinance to be published one time in the Free Lance, a newspaper of general circulation.

**INTRODUCED** following a public hearing held at a regular meeting on the 18th day of June, 2018.

**PASSED AND ADOPTED**, by the City Council of the City of Hollister at a regular meeting held this 6th day of August, 2018, by the following vote:

**AYES:** Council member Gillio, Luna, Friend, Klauer

**NOES:** Mayor Velazquez

**ABSTAINED:** None

**ABSENT:** None



Ignacio Velazquez, Mayor

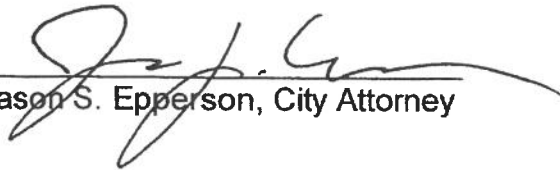
**ATTEST:**



Christine Black, MMC, City Clerk

**APPROVED AS TO FORM:**

Prentice, Long & Epperson, Attorneys at Law



Jason S. Epperson, City Attorney



EXHIBIT A  
LEGAL DESCRIPTION AND MAP

**KELLEY**  
**ENGINEERING & SURVEYING**

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OFFICE: (831) 636-1104 FAX (831) 636-1837

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Annexation Area Boundary  
Assessor's Parcel Numbers: 019-170-083, 019-170-084  
May 2015

**LEGAL DESCRIPTION**

All that real property situate in the unincorporated territory of the County of San Benito, State of California, being a portion of Rancho San Justo being more particularly described as follows:

Beginning at a point on the district boundary between San Benito County and the City of Hollister at the northwest corner of the intersection between North Chappell Road and Pacific Way,

- Course #1:** Thence along the westerly line of North Chappell Road and leaving said district boundary **North 03° 58' 05" East 721.71 feet** to the intersection of the westerly line of North Chappell Road and the southerly boundary of the Highway 25.
- Course #2:** Thence along said southerly boundary **South 85° 45' 09" East 439.68 feet**.
- Course #3:** Thence along said southerly boundary on a tangent curve to the right and having a **radius of 1024.60 feet through a central angle of 72° 53' 34"** for an arc length of **1303.52 feet**.
- Course #4:** Thence leaving said right-of-way **North 85° 41' 30" 1415.43 feet** to the northwest corner of the intersection between North Chappell Road and Pacific Way and said point of beginning.

Gross Area of Annexation Boundary 19.19 acres more or less.



*Matthew J. Kelley*  
5/18/15



**RESOLUTION NO. 2018-222**

**A RESOLUTION OF APPLICATION BY THE CITY OF HOLLISTER REQUESTING THE LOCAL AGENCY FORMATION COMMISSION OF SAN BENITO COUNTY (LAFCO) TO INITIATE PROCEEDINGS FOR THE ANNEXATION OF TERRITORY OF THE PARCEL IDENTIFIED AS APN 019-350-012**

**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 a parcel of land identified as APN 019-350-012 consisting of 13.97 acres of land to the City of Hollister; and

**WHEREAS**, the reasons for the proposed reorganization is to annex the territory of 13.97 acres owned by PAD Investment Trust Et Al (the "Territory") 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 Territory has been prezoned by City of Hollister Ordinance 1163 in conformance with state and local law; and

**WHEREAS**, the prezone ordinances also requested the expansion of the sphere of influence to include all that real property identified as APN 019-350-012 for the proposed annexation of the Territory to be consistent with the City of Hollister sphere of influence as set forth in the City's General Plan; and

**WHEREAS**, the City Council certifies that as lead agency pursuant to the California Environmental Quality Act an Environmental Impact Report and Mitigation Monitoring and Reporting Program was adopted per Resolution No. 2018-167 at its regular meeting of June 18, 2018.

**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 held this 17th day of September, 2018, by the following vote:

AYES: Council Members Gillio, Luna, and Klauer.

NOES: Mayor Velazquez.

ABSTAINED: None.

ABSENT: None.



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

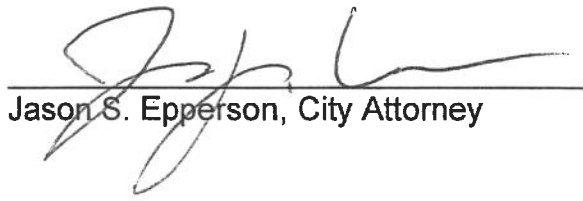
ATTEST:



\_\_\_\_\_  
Christine Black, MMC, City Clerk

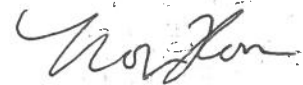
APPROVED AS TO FORM:

Prentice, Long & Epperson, Attorneys at Law



\_\_\_\_\_  
Jason S. Epperson, City Attorney

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





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

**RESOLUTION NO. 2018-224**

**A RESOLUTION OF APPLICATION BY THE CITY OF HOLLISTER REQUESTING THE LOCAL AGENCY FORMATION COMMISSION OF SAN BENITO COUNTY (LAFCO) TO INITIATE PROCEEDINGS FOR THE ANNEXATION OF TERRITORY OF THE PARCEL IDENTIFIED AS APN 019-170-083 AND 019-170-084**

**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 two parcels of land identified as APN 019-170-083 consisting of 2.45 acres and APN 019-170-084 consisting of 15.99 acres for a total of 18.44 acres of land to the City of Hollister; and

**WHEREAS**, the reasons for the proposed reorganization is to annex the territory of 18.44 acres owned by Davidson Liv Trust Et Al (the "Territory") 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 Territory has been rezoned by City of Hollister Ordinance 1159 and 1160 in conformance with state and local law; and

**WHEREAS**, the rezone ordinances also requested the expansion of the sphere of influence to include all that real property identified as APN 019-170-083 and APN 019-170-084 for the proposed annexation of the Territory to be consistent with the City of Hollister sphere of influence as set forth in the City's General Plan; and

**WHEREAS**, the City Council certifies that as lead agency pursuant to the California Environmental Quality Act an Environmental Impact Report and Mitigation Monitoring and Reporting Program was adopted per Resolution No. 2018-167 at its regular meeting of June 18, 2018.

**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 held this 17th day of September, 2018, by the following vote:

**AYES:** Council Members Gillio, Luna, and Klauer.

**NOES:** Mayor Velazquez.

**ABSTAINED:** None.

**ABSENT:** None.



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

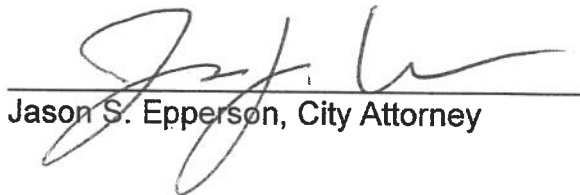
ATTEST:



\_\_\_\_\_  
Christine Black, MMC, City Clerk

APPROVED AS TO FORM:

Prentice, Long & Epperson, Attorneys at Law



\_\_\_\_\_  
Jason S. Epperson, City Attorney

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



**RESOLUTION NO. 2018-167**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER  
APPROVING CERTIFICATION OF AN ENVIRONMENTAL IMPACT REPORT AND  
ADOPTING A MITIGATION, MONITORING AND REPORTING PROGRAM FOR THE  
CHAPPELL ROAD AREA PRE-ZONE PROJECT**

**WHEREAS**, PAD Investment Trust ("the applicant") submitted an application to the City of Hollister Development Services Department requesting approval of a Pre-zone for future annexation of Low Density Residential Performance Overlay Zone (R1-L/PZ) for Assessor Parcel Number 019-017-083, 019-017-084, and 019-035-012 located at along State Route (SR) 25 adjacent to the eastern city limit, outside of the City's existing Sphere of Influence (SOI) boundary; and

**WHEREAS**, an environmental impact report was prepared for Pre-Zone Application No. 2015-1, ("Project") consisting of Assessor Parcel Number 019-017-083, 019-017-084, and 019-035-012 along with additional adjacent properties identified as San Benito County Assessor Parcel Numbers 019-330-005, 019-330-011, 019-350-006, 019-350-008, 019-350-009, 019-350-010, 019-350-011, 019-350-013, and 019-350-014 consisting of a total area of 117.72 acres in order to analyze the entire area along State Route (SR) 25 (Hollister Bypass) Santa Ana Road to the south, North Chappell Road to the west, and SR 25 to the east and north; and

**WHEREAS**, potentially significant impacts from the Project could be reduced to an insignificant level with the incorporation of mitigation measures agreed to by the applicant into the project and other potentially significant impacts from the Project could not be reduced to an insignificant level with the incorporation of mitigation measures and would require a statement of overriding consideration from the City of Hollister City Council; and,

**WHEREAS**, the Draft Environmental Impact Report was circulated for public comment from October 27, 2017 to December 13, 2017, and a Notice of Availability was distributed to the Association of Monterey Bay Area Governments, local agencies, and to members of the public; and

**WHEREAS**, the City of Hollister received three (3) comment letters from responsible agencies in response to the Draft Environmental Impact Report; and,

**WHEREAS**, the City of Hollister prepared a Final Environmental Impact Report responding to the comments and provided the Final Environmental Impact Report to the commenter's; and

**WHEREAS**, all federal, state, and local requirements must be met with any proposed project; and

ATTACHMENT 8

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



**WHEREAS**, the Planning Commission held a duly noticed public hearing on April 26, 2018, to consider the staff report, to hear and consider written and oral comments, and to consider recommending adoption of the Environmental Impact Report and Mitigation Monitoring and Reporting Program to the city council; and

**WHEREAS**, after considering written and oral comment, the City of Hollister Planning Commission deliberated and determined to recommend the adoption of the Environmental Impact Report and the Mitigation Monitoring and Reporting program to the City Council; and

**WHEREAS**, the Environmental Impact Report and the Mitigation Monitoring Program have been prepared in compliance with the provisions of the California Environmental Quality Act; and

**WHEREAS**, pursuant to Section 711.4 of the Fish and Game Code, a de minimis finding cannot be made for the proposed project and the applicant shall be required to pay Fish and Game fees when the Notice of Determination is filed.

**NOW, THEREFORE BE IT RESOLVED**, that the City Council of the City of Hollister adopts the 2018 Findings of the Chappell Road Area Environmental Impact Report, the Environmental Impact Report, and the Mitigation Monitoring and Reporting Program, and the 2018 Mitigation Monitoring and Reporting Program.

**PASSED AND ADOPTED**, by the City Council of the City of Hollister at a regular meeting held this 18th day of June, 2018, by the following vote:

**AYES:** Council Members Luna, Friend, and Klauer.  
**NOES:** Mayor Velazquez.  
**ABSTAINED:** Council Member Gillio (recused).  
**ABSENT:** None.



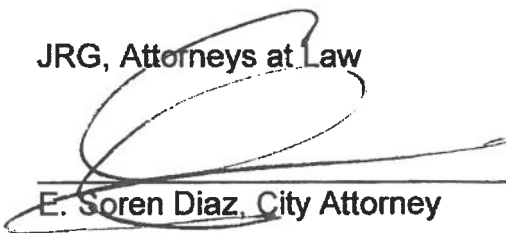
Ignacio Velazquez, Mayor

**ATTEST:**

  
Christine Black, MMC, City Clerk

**APPROVED AS TO FORM:**

JRG, Attorneys at Law

  
E. Soren Diaz, City Attorney

2018 Findings of the Chappell Road Area Environmental Impact Report and Mitigation Monitoring and Reporting Program

1. The Environmental Impact Report for the Project evaluated the impacts of the proposed projects.
2. The City Council has reviewed and considered the information contained in the Environmental Impact Report, Mitigation Monitoring and Reporting Program and based on the whole record before the Council, including the initial study and any comments received, that there is substantial evidence that the Project will have a significant effect on the environment and that the approval of a statement of overriding consideration as provided in Section III, would have to be reviewed and approved by the city council.
3. The Environmental Impact Report and the Mitigation, Monitoring and Reporting Program comply with the California Environmental Quality Act, the State CEQA Guidelines, and the City of Hollister CEQA process.
4. The proposed Environmental Impact Report reflects the City of Hollister's independent judgment and analysis.
5. The mitigation measures contained in the Mitigation Monitoring and Reporting Program were agreed to by the applicant and are adequate to reduce some of the impacts of the project on the physical environment to a less than a significant level.
6. The document and other materials that constitute the record of the proceedings on which the City's determinations are based are located at the City of Hollister Development Services Department, 339 Fifth Street, Hollister California 95023, (831) 636-4360.

FINDINGS REQUIRED BY THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) AND FACTS AND EVIDENCE IN SUPPORT OF FINDINGS FOR THE CHAPPELL ROAD AREA PRE-ZONE

I  
BACKGROUND

1. Location of Project

The Chappell Road project is within the City of Hollister Planning Area and the City's Urban Planning Area. The project area is located along State Route (SR) 25 (Hollister Bypass) adjacent to the eastern city limit, just outside of the City's existing Sphere of Influence (SOI) boundary. The project area is bordered by Santa Ana Road to the south, North Chappell Road to the west, and SR 25 to the east and north.

## 2. Description of the Project

The proposed project includes the following proposed actions: (1) expansion of the City's SOI by approximately 100.6 acres; (2) rezoning of eleven parcels to Low Density Residential and two parcels to North Gateway consistent with General Plan designations; and (3) pending pre-zone approval annexation of the parcels would be required prior to any entitlement approvals from the City of Hollister for site improvements within the project site. Parcels 1, 2, and 3 are proposed for near-term development, while the remaining parcels would be annexed in phases based on the property owner's readiness. It is understood that future actions and detailed submittals for development of parcels A through I may require additional CEQA review. The project area is bordered by SR 25 to the north of parcels A and B2 and to the east of the remaining parcels. Pacific Way borders parcel B2 on the south, while Santa Ana Road is on the southern border of parcels F, G, H, and I. North Chappell Road forms the western border of parcels 1, 2, 3, and C, E, and F. Small unnamed rural roads connect parcel D to North Chappell Road. There are no other inner roads within the project area. The project area has no direct access to SR 25. Vegetation in the project area consists mainly of small clusters of mature trees on parcel 2 and sparse vegetation surrounding the homes on parcels 3, C, and I. Due to the history of agricultural use in the area, there is no other vegetation in the project area.

The western and southern boundaries of the project area are the existing City boundaries.

Agricultural uses are located on the north and east of the project area. Residential uses are located south of parcels B2, F, G, H, and I and west of parcels C, 3, E, and F. Vacant land currently used for agricultural purposes and a residence are located west of parcel E. Light industrial and commercial uses are located west and northwest of the project area (parcels A and B2) across San Felipe Road and SR 25. Commercial uses are also located southwest of parcel A. Santa Ana Creek is 1 mile east of the project area. Commercial and office uses are located along San Felipe Road, west of the project area in Hollister. The Hollister Municipal Airport is approximately 1.5 miles north of the project area. The northern entrance to the city along San Felipe Road is approximately 2 miles to the north.

## 3. Project Objectives

In accordance with CEQA, a statement of objectives sought by the project should be clearly stated to aid the lead agency in developing a reasonable range of alternatives to evaluate in the EIR and to aid decision makers in preparation of findings or a statement of overriding considerations (Title 14 CCR § 15124 (b)). The following objectives, as prepared by the applicant, outline the underlying purpose of the project. The objectives of the project are to:

1. Provide opportunities to accommodate growth in the city.

2. Address land use development in Hollister in a manner that would allow the City to increase residential densities to encourage a sustainable development pattern, which will lead to more efficient use of land and cost-effective infrastructure.
3. Create a cohesive North Gateway Commercial Zone and place compatible land uses near each other.
4. Address the city's retail leakage by providing opportunities for residents to shop local and meet their entire range of retail needs, through development of North Gateway Commercial uses.
6. Create opportunities to provide for a full range of jobs to meet the existing and long-term needs of the community.
7. Amend the SOI to better position the City to seek infrastructure grants for the extension of the sewer collection system and assist with road improvements, which are tied to job creation.
8. Create a logical planning boundary consistent with LAFCO and city policies and procedures regarding County islands such as the project area, to accommodate both near term annexation and long term planning on the city's edge.

II

FINDINGS AND FACTS AND EVIDENCE IN SUPPORT OF FINDINGS:

Pursuant to the requirements of California Public Resources Code Section 21000 et seq. and Title 14, California Code of Regulations Section 15000 et seq. the city as Lead Agency adopts the following findings, along with the facts and evidence upon which each finding is based.

1. Final EIR:

The Final EIR, a copy of which may be obtained at the City of Hollister, Planning Division, 339 5<sup>th</sup> Street, Hollister, CA 95023 for the project consists of the Draft EIR for Chappell Road and the Appendices to the Draft EIR prepared for the City of Hollister by Michael Baker International, and the Final EIR for Chappell Road prepared for the City of Hollister by Michael Baker International. The Final EIR analyzes and evaluates approval and development of the project as described in Section I-2 above.

Finding. The Hollister City Council finds that the actions necessary to carry out approval of the project are within the scope of the project analyzed in the Final EIR; and that the Final EIR is fully adequate to consider this project and reflects the independent judgment of the City of Hollister. Pursuant to CEQA guidelines section 15088.5 no additional recirculation of documents is required. No subsequent changes have been proposed in the project analyzed by the Final EIR that will require important revisions of the Final EIR due to the involvement of new significant environmental impacts not considered in the Final EIR. No substantial changes have occurred with respect to the circumstances under which the project analyzed in the Final EIR is to be undertaken which will require important revisions to the Final EIR due to the involvement of new

significant environmental impacts not covered in the Final EIR. No new information of substantial importance to the project analyzed in the Final EIR has become available in the time since the Final EIR was prepared.

The location and custodian of records for the basis of decision of the city as Lead Agency approving the recommendations and actions described herein is the Hollister City Clerk, City Hall, 375 Fifth Street, Hollister, CA 95023.

## 2. Public Notice

The city has complied with all noticing as required by CEQA. A Notice of Preparation (NOP) was prepared and comments received from responsible agencies pursuant to Public Resources Code Section 21080.4. The city distributed the NOP to all Responsible Agencies on October 7, 2016. The NOP response period ended on November 7, 2016. Responses to the NOP were considered in the preparation of the Draft EIR and are included as an appendix to the Draft EIR.

A Draft EIR was circulated for public review for 45 days beginning on October 27, 2017, and ending on December 13, 2017. The city distributed a Notice of Availability with copies of the Draft EIR, and posted the Notice of Availability at the San Benito County Clerk's office. The City published the Notice of Availability in the Free Lance Newspaper on October 27, 2017. The city received comment letters from the following agencies and members of the public: California Department of Transportation (Caltrans) District 5, the Monterey Bay Air Resources District and the Department of California Highway Patrol. The city responded to these in the Final EIR, copies of which were provided to the commenters no less than ten days prior to project approvals.

Finding. The Hollister City Council finds that the environmental review process was duly noticed to the public and responsible agencies in accordance with CEQA.

## 3. Environmental Effects of the Project Mitigated to a Less-than- Significant Level

The following subsections briefly explain the manner in which each of the recommended mitigation measures have been incorporated or will be implemented into the project plans or conditions and supply the rationale for the finding that the following potential significant effects, as identified in the Final EIR, have been reduced to an acceptable level.

**Table ES-1 within the Environmental Impact Report Executive Summary Pages ES-3 to ES-34.**

### III.

## STATEMENT OF OVERRIDING CONSIDERATIONS

The California Environmental Quality Act and the State CEQA Guidelines provide that:

“CEQA requires the decision-maker to balance the benefits of a proposed project against its unavoidable adverse risks in determining whether to approve the project. If the benefits of the proposed project outweigh the unavoidable adverse environmental effects, the adverse impacts may be considered acceptable.

Where the decision of the public agency allows the occurrence of significant effects which are identified in the final EIR but are not at least substantially mitigated, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. This statement may be necessary if the agency also makes a finding under Section 15091(a)(2) or (a)(3).

If any agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the Notice of Determination.” (Section 15093 of the State CEQA Guidelines).

Project benefits are defined as those improvements or gains to the community that will not occur without the project.

### **Project Impacts**

As previously discussed, development of the project site will result in some significant and unavoidable impacts.

The city has considered each of the significant and unavoidable adverse environmental impacts identified above in deciding whether to approve the project. Although substantial evidence demonstrates that the unavoidable impacts identified in the EIR will be substantially lessened by the mitigation measures incorporated into the project, the city recognizes that approval of the project will nonetheless result in certain unavoidable effects.

After balancing the project's environmental risks, the city specifically finds that, to the extent that adverse or potentially adverse impacts set forth above have not been mitigated to a level of insignificance, that specific economic and social benefits, namely, the facilitation of maximum redevelopment opportunities area outweigh the significant effects on the environment. Furthermore, the city specifically finds that any one and each of the foregoing benefits constitute a significant consideration sufficient to approve the project despite the unavoidable impacts. Therefore, each of the foregoing benefits is adopted as an overriding consideration with respect to each of the significant unavoidable impacts individually. Each overriding consideration is severable from any other consideration should one or more consideration be shown to be legally insufficient for any reason. The Statement of Overriding Considerations for the project is thus adopted.

## IV

### ALTERNATIVES TO THE PROJECT

#### 1. Alternatives

Because the city finds that the project could have a significant effect on the environment, alternatives have been identified that could reduce the level of significance of those effects.

The two alternatives to the project that were selected for further analysis in the DEIR are:

- A. No Project Alternative
- B. Compact Development Alternative

The city has considered these alternatives and makes the following findings with respect thereto:

**Alternative A No Project Alternative:** Under Alternative 1, the No Project Alternative, the project would not be approved and no development would take place on the parcels. Under Alternative 1, the parcels would remain in the county and would not be incorporated into the city. Under Alternative 1, agricultural uses with single-family homes would continue.

**Alternative B Compact Development Alternative:** the Compact Development Alternative would be similar to the proposed project but would concentrate the residential development potential on seven parcels, rather than across 11 parcels. The commercial development potential on parcels A and B1 would remain the same as the proposed project.



LAFCO No. 526

RESOLUTION OF THE SAN BENITO LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND APPROVING AN AMENDMENT TO THE CITY OF  
HOLLISTER SPHERE OF INFLUENCE AND THE CHAPPELL ROAD ANNEXATION TO  
THE CITY OF HOLLISTER

WHEREAS, the Chappell Road Annexation to the City of Hollister (LAFCO File No. 526) has been filed with the Executive Officer of the San Benito Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Sections 56000 et seq. of the Government Code); and

WHEREAS, the City of Hollister (“City”) has requested the Commission approve a sphere of influence amendment of 102.1 acres located south and west of the State Highway 25 Bypass to accommodate the future annexation of property in this area through the approval of Ordinance Nos. 1159, 1160 and 1163; and

WHEREAS, the City also seeks Commission approval to annex 34.2 acres into the City which represents three parcels identified by the San Benito County Assessor as APN Numbers 019-170-034 & 035 and 019-350-012, through adoption of Resolution Nos. 2018-222 and 2018-225; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report with recommendations; and

WHEREAS, the Commission heard and fully considered all the evidence presented at public hearings held on the proposal on January 10, 2019; and

WHEREAS, at the times and in the manner required by law the Executive Officer has given notice of the Commission’s consideration of the proposal through publication in the Hollister Freelance Newspaper, and notice to neighboring landowners within 300 feet; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's Report and recommendation, the Environmental Impact Report and the City’s determinations upon certification, the current and proposed Spheres of Influence and applicable General Plan; and

WHEREAS, in accordance with applicable provisions of the California Environmental Quality Act (hereinafter “CEQA”), the Commission serves as responsible agency for the sphere

of influence amendment and annexation and has determined that the applications are a “project” subject to CEQA; and

WHEREAS, the Local Agency Formation Commission finds the applications to be in the best interests of the affected area and the organization of local governmental agencies within San Benito County, with modification to include two additional parcels which were located between the City’s proposed annexation parcels, more particularly identified as APN 019-350-008 and 011.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Local Agency Formation Commission of San Benito County as follows:

(1) The Commission finds it has reviewed and considered the Environmental Impact Report prepared by the City of Hollister as lead agency under CEQA, and the Commission finds the EIR adequately addresses all environmental impacts of the sphere of influence amendment and annexation and no new significant impacts have been identified, and that there is one mitigation measure that is the responsibility of LAFCO to adopt or monitor as a result of action on this proposal (Mitigation Measure MM 3.2.1 “Agricultural Conversion”). These environmental findings are based on the Commission’s independent judgment and analysis, and the Commission agrees with the CEQA Findings of Fact contained in City of Hollister Resolution No. 2018-167, presented on Page 1 through 6, and the Commission agrees with the City’s statement of overriding considerations, on Page 5 and supplements this statement of overriding considerations with the following additional considerations: *Fill in.*

(2) The Commission adopts the one mitigation measure, Mitigation Measure MM 3.2.1, requiring the applicant to obtain an agricultural easement or payment of in-lieu fees to a qualified agricultural trust on a 1:1 ratio for the Prime Farmland converted within the sphere of influence expansion area, but at the time of future development, which is under the responsibility of LAFCO to adopt or monitor as a responsible agency for approval of this sphere amendment and annexation.

- (3) The annexation proposal is assigned the distinctive short-form designation:

**CHAPPELL ROAD ANNEXATION TO THE CITY OF HOLLISTER**

(4) Said territory is found to be uninhabited as there are less than 12 registered voters within the annexation boundary.

(5) The boundaries of the affected territory are found to be definite and certain as approved and set forth in the legal descriptions, with verification from the County Surveyor.

(6) All proceedings in connection with this proposal shall be conducted in compliance with the approved boundaries set forth in the attachments.

(7) The annexation boundary is consistent with the sphere of influence as amended by the Commission as part of their approval of the proposal, and identified in Exhibit C, and the sphere of influence amendment is processed in compliance with the provisions contained in Section 56425 of the Government Code, and the Commission adopts all five determinations as presented on Pages 2 through 4 of the Executive Officer's Report dated January 10, 2019.

(8) Since the boundary of the annexation was expanded by 15.3 acres to include landowners who were not part of the City's application and all affected landowners have not given written consent to the annexation, the staff is directed to notice and conduct a protest hearing prior to completing the conducting authority proceedings in conformance with Government Code section 57050, and return to the Commission with the results.

(9) The territory being annexed shall not be liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the City.

(10) The sphere of influence amendment and Chappell Road Annexation to the City of Hollister are APPROVED as modified under Option 1 to include an additional 15.1 acres, and Staff is directed to conduct the protest proceedings and not to record the annexation until the maps and legal descriptions presented as Exhibit A and B are found by the County Surveyor to be acceptable.

I, Ignacio Valezquez, Chairman of the Local Agency Formation Commission of San Benito County, California, do hereby certify that the foregoing resolution was duly and regularly

adopted by said Commission at a regular meeting thereof held upon the 10th day of January, 2019, by the following vote:

AYES:

NOES:

ABSTAINS:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Ignacio Velazquez., Chair  
San Benito Local Agency Formation Commission

ATTEST

\_\_\_\_\_  
Bill Nicholson, Executive Officer  
San Benito Local Agency Formation Commission

# **BUSINESS ITEMS**

**6. Initiate Dissolution of Inactive Special Districts in Compliance with SB 448 – The Commission is requested to initiate the dissolution of eleven County Service Areas (CSAs) which have been identified by the State Controller’s Office as inactive under the provisions of SB 448 as they have no financial transactions, assets, debts, or other financial activities in the past year (as defined by Gov. Code Section 56042). The State has identified the following CSAs as inactive: 1, 2, 3, 10, 12, 13, 15, 17, 26, 27, and 40. If the process is initiated, the Commission must hold a noticed public hearing within 90 days.**

**7. Consideration of changing the Commission meeting starting time from 3:00 pm to 5:00 pm. The located at the SBC Board of Supervisors Chambers, and the meeting day of the second Thursday of each month is not proposed to change.**





**LOCAL AGENCY FORMATION COMMISSION**  
SAN BENITO COUNTY

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

January 10, 2019 (Agenda)

San Benito County  
Local Agency Formation Commission  
2301 Technology Parkway  
Hollister CA 95023

**Initiation of Dissolution of Inactive County Service Areas (CSA):  
CSA Numbers 1, 2, 3, 10, 12, 13, 15, 17, 26, 27 and 40  
(Agenda Item 6)**

Dear Members of the Commission:

RECOMMENDATION

Staff is recommending the Commission initiate the dissolution of 11 County Service Areas (CSAs) identified by the California State Controller's Office (SCO) as "inactive" pursuant to Government Code section 56879 (See Attachment 1).

LAFCO staff consulted with the San Benito County Resource Management Agency who is responsible for managing CSAs for the County and confirmed that the eleven CSAs identified by the SCO are not operational. Based on Government Code section 56042 and 56879 (presented in Attachment 2), the CSAs (identified as special districts under the Government Code) are inactive and should be dissolved, and the Commission should adopt the attached resolution initiating the dissolution process.

DISCUSSION

In 2017, the State Legislature passed SB 448 which added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, governing LAFCO operations, regarding a new process to identify and dissolve special districts which are defined as "inactive" by the State Controller's Office. To qualify as "inactive" the districts, including County administered CSAs, must have no financial transactions in the previous fiscal year, and have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

The letter from the SCO (presented in Attachment 1) identifies eleven CSAs as fitting this definition. Pursuant to Government Code section 56879, San Benito LAFCO has 90 days from receipt of the SCO notice to initiate dissolution of the identified CSAs by

resolution, or determine that one or more of the CSAs do not meet the State criteria as inactive, and inform the SCO of this determine with evidence to support it.

SB 448 also establishes an expedited process for LAFCOs to dissolve inactive districts (and CSAs) including the ability to dissolve the CSAs without being subject to a protest process of landowners within the CSA boundary. Also, since there are no assets or activities performed by the identified CSAs, LAFCO is not required to identify a successor agency to assume the services that would have been provided by the CSA.

### CSA SUMMARY

The following lists the names of three CSAs which were referenced in the Commission's 2008 Municipal Service Review (MSR) document. Most of the CSAs on the Controller's list were not even identified by San Benito LAFCO in this 2008 MSR document. The few CSAs that are referenced were under the category "Inactive CSAs" with no services identified:

| <u>CSA #</u> | <u>Name</u>                 |
|--------------|-----------------------------|
| CSA 10       | La Colina de Pinos (Aromas) |
| CSA 12       | Rosa Morada Estates         |
| CSA 15       | Hidden Valley Ranch         |

### ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and attachments, and any information presented at the Commission meeting, the Commission should consider taking one of the following actions:

- Option 1      Adopt a resolution initiating dissolution of CSA Numbers 1, 2, 3, 10, 12, 13, 15, 17, 26, 27 and 40.
  
- Option 2      Do not adopt a resolution initiating dissolution of one or more of the identified CSAs based on information supporting their continued operation.
  
- Option 3      If the Commission needs more information, continue this matter to a future meeting.

If you have questions or would like to discuss this matter in advance of the meeting, please contact the LAFCO staff.

Local Agency Formation Commission  
Inactive County Service Areas  
January 10, 2019 (Agenda)  
Page 3

Sincerely,



Bill Nicholson  
Executive Officer

Table 17.04-2

Enclosures:

1. State Controller's Office letter dated November 6, 2018
2. Draft Resolution initiating dissolution





**BETTY T. YEE**  
California State Controller

November 6, 2018

Bill Nicholson  
2301 Technology Parkway  
Hollister, CA, 95023

**SUBJECT: Notification of Inactive Special Districts in County**

Dear Mr. Nicholson:

Chapter 334, Statutes of 2017, also known as Senate Bill (SB) 448, added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. It requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Report (FTR), to publish the list of inactive special districts on its website annually, and to notify the local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" must:

- Meet the definition set forth in GC section 56036;
- Have no financial transactions in the previous fiscal year; and
- Have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

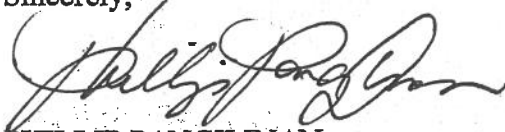
Pursuant to GC 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive special districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. Additionally, the Commission is required to notify the SCO if it determines that district does not meet the dissolution criteria in GC 56042. Once the dissolution process is complete, please inform the SCO using the contact information on the next page.

The enclosure lists the special districts within your jurisdiction that are inactive, based on financial data in each special district's fiscal year 2016-17 FTR. The complete list of inactive California special districts may be found at:  
[https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html).

Name  
November 6, 2018  
Page 2

If you have any questions or need to notify us of a special district's status, please contact Derek Miller by telephone at (916) 322-5579, or by email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,



PHILLIP PANGILINAN  
Manager  
Local Government Reporting Section

Enclosure: 2016-17 County Inactive Districts List

**State Controller's Office  
2016-17 Inactive Districts for San Benito County**

| County Name | District Name                           | District Type | Email Address | Street Address 1   | Street Address 2                | P.O. Box | City      | Zip   |
|-------------|---|---------------|---------------|--------------------|---------------------------------|----------|-----------|-------|
| San Benito  | County Service Area No. 1 (San Benito)  | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 2 (San Benito)  | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 3 (San Benito)  | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 10 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 12 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 13 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 15 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 17 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 26 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |
| San Benito  | County Service Area No. 27 (San Benito) | Dependent     |               | Auditor-Controller | 481 Fourth Street, Second Floor |          | Hollister | 95023 |

**State Controller's Office**

**2016-17 Inactive Districts for San Benito County**

|            |  |           |                    |                                       |           |       |
|------------|--|-----------|--------------------|---------------------------------------|-----------|-------|
| San Benito | County Service Area No.<br>40 (San Benito) | Dependent | Auditor-Controller | 481 Fourth<br>Street, Second<br>Floor | Hollister | 95023 |
|------------|--|-----------|--------------------|---------------------------------------|-----------|-------|

Note: Email Address belongs to the Financial Transactions Report preparer; in some cases this may be an outside consultant.

RESOLUTION OF THE SAN BENITO LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND INITIATING THE DISSOLUTION OF ELEVEN COUNTY  
SERVICE AREAS IDENTIFIED BY THE STATE CONTROLLER'S OFFICE  
RESOLUTION NO. 2019-1

WHEREAS, the Commission desires to initiate a proposal pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), commencing with section 56000 of the California Government Code, for the dissolution of County Service Areas (CSAs) Nos. 1, 2, 3, 10, 12, 13, 15, 17, 26, 27 and 40; and

WHEREAS, in accordance with Government Code section 56375(a)(2)(G), LAFCO may initiate a dissolution of an inactive district pursuant to section 56879; and

WHEREAS, in November 2018, San Benito LAFCO received a letter from the State Controller's Office (SCO) informing the LAFCO that eleven CSAs appear to be inactive districts and should be dissolved; and

WHEREAS, Government Code section 56042 defines "inactive" district and these eleven CSAs meet the criteria in section 56042; and

WHEREAS, these eleven CSAs have no assets, liabilities, outstanding debts, judgments, contracts, or claims and can be dissolved through an expedited process pursuant to Government Code section 56879; and

WHEREAS, the LAFCO Executive Officer shall be designated as the contact person for this proposal; and

WHEREAS, the Commission determined, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the proposed dissolutions are exempt under section 15320 of the CEQA Guidelines, and directs staff to file a Notice of Exemption.

NOW THEREFORE, this resolution is hereby adopted by the San Benito LAFCO to initiate proceedings for dissolution of CSA Numbers 1, 2, 3, 10, 12, 13, 15, 17, 26, 27 and 40 in the manner provided by the CKH Act.

PASSED AND ADOPTED at a regular meeting of the San Benito Local Agency Formation Commission held on the 10<sup>th</sup> day of January, 2019, by the following vote:

AYES:

NOES:

ABSTAINS:

Dated: \_\_\_\_\_  
Chair  
San Benito Local Agency Formation Commission

ATTEST:

\_\_\_\_\_  
William Nicholson, Executive Officer  
San Benito Local Agency Formation Commission

# LOCAL AGENCY FORMATION COMMISSION

SAN BENITO COUNTY

2301 Technology Parkway

Hollister, CA 95023

Phone: (831) 637-5313 Fax: (805) 647-7647

January 10, 2019 (Agenda)

San Benito Local Agency Formation Commission  
2301 Technology Parkway  
Hollister, CA 95203

**RE: Consideration of Changing Meeting Time for Commission Meetings from 3:00 PM to Approximately 5:00 PM, For Regular Meetings Held on the Second Thursday of the Month (Agenda Item 7)**

Dear Members of the Commission:

## RECOMMENDATION

It is recommended the Commission make a decision whether to change the time of day for the regular Commission meeting to make meetings more accessible to Commissioners and to the public, and give direction to staff to produce a new meeting calendar.

## DISCUSSION

At the December 13, 2018, Commission meeting, Commissioner Dan DeVries, stated that the 3:00 pm starting time of regular Commission meetings interrupted his normal work hours and time he has available to meet with clients. Although the 3:00 pm meeting time was set in March of 2018 to reduce the time required for some Commissioners to travel to Hollister to attend the Commission meetings due to the rush hour traffic, this was not a big concern for Commissioner DeVries. At the end of the Commission meeting, under the topic of "Commissioner Announcements and Requests for Future Agenda Items" the Commission unanimously agreed to set this as an item for consideration at the next meeting.

A time a 5:00 pm was proposed as a new starting time, and there did not appear to be any objections during the discussion of this item. No conflicts have been identified for the use of the County Board Chambers later in the day for Commission meetings. Additionally, for other meetings during the day that may cause a conflict in schedules. However, after an initial review of upcoming meetings, no conflict was identified for the regular meeting day on the second Thursday of the month. The Clerk of the Board, or her assistant, who also performs LAFCO Clerk functions, will be required to stay past the normal working hours of 5:00 pm for these meetings, however, previously the Commission meetings were held at 6:00 pm, so accommodations can be made.

Given these considerations, it is up to the Commission's discretion whether to change the meeting time, and to select a time that is most convenient for all Commissioners.

If any additional procedural or logistical questions, please feel free to contact me prior to the meeting.

Sincerely,



Bill Nicholson,  
Executive Officer

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**Commissioners:** Ignacio Velazquez, Chair ♦ Anthony Botelho, Vice Chair ♦ Richard Bettencourt ♦ Jaime DeLaCruz ♦ City - Vacant

**Alternate Commissioners:** Dan DiVries ♦ County - Vacant ♦ Roberta Daniel **Executive Officer:** Bill Nicholson



# **INFORMATIONAL**

**8. Commissioner Announcements and requests for future agenda items.**

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

**10. Adjourn to regular meeting at 3:00 pm on February 14, 2019, unless the meeting is cancelled by the Chair or the meeting time it changed to 5:00 pm as proposed on today's agenda.**

