



Memorandum

Date: MARCH 28, 2006

To: PLANNING COMMISSION

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: URBAN SERVICE AREA APPLICATION USA 05-02, ZONING AMENDMENT APPLICATION ZA 06-01 and ANNEXATION APPLICATION ANX-03-01: EDMUNDSON – OAK MEADOW PLAZA LLC (APN's 767-19-020, 024 & 028 and 767-15-026)

REQUEST

The applicant, Oak Meadow Plaza LLC, is requesting expansion of the Urban Service Area, Pre-Zoning and Annexation of all or parts of four parcels totaling 34 acres. Specifically, 34 acres are proposed to be annexed into the City, 20 acres of which are proposed to be pre-zoned R-1, 12,000 and 14 acres are proposed to be pre-zoned Open Space. The 20 acres proposed to be pre-zoned R-1 12,000 are also proposed to be included in the Urban Service Area. Approval of these actions would trigger the recordation of conservation easements over 84 acres of land and limitations on the number and location of additional houses to be built under County jurisdiction in the general vicinity. Attachment 7 illustrates the proposed actions. The map is from an MOU executed by all the property owners, which was prepared in order to document a collective understanding of the content of the proposed project description evaluated by the CEQA document.

RECOMMENDATION

Environmental Assessment: The Mitigated Negative Declaration for General Plan Amendment Application GPA 05-05 also provides CEQA compliance for these applications. Recommend City Council adoption of the Mitigated Negative Declaration.

Applications USA 05-02, ZA 06-01 and ANX 03-01: Recommend City Council approval of the applications subject to the findings contained within the attached Resolutions.

SITE DESCRIPTION

Location: The project site is located on the west side of Sunset Road and generally includes that land consisting of slopes of 12.5 percent or less.

Site Area: 34 acre

Zoning / General Plan / Land Uses:

Project Area: County Hillside / County Rural / vacant

North: County Hillside / County Rural / vacant

South: County Hillside / County Rural / vacant

East: R-1 7,000 RPD / Single Family Medium / Parkside and Kendall Hill
residential subdivisions

West: County Hillside / County Rural / vacant

The 20 acres proposed for addition to the USA is gently sloping, with maximum slopes of 12.5 percent. Adjacent areas to the north, south and west (including the 14 acres proposed for open space) are generally more steeply sloping. The area is adjacent to the city limits and the Parkside and Kendall Hill subdivisions on the east. Approximately 60 percent of that property boundary is adjacent to Sunset Rd.

BACKGROUND

The public hearing for these items was opened at the Commission's March 14 meeting and continued to this date. Attached are the staff report and supporting documents from that meeting. Insofar as the General Plan amendments proposed for the subject property are being considered as part of GPA 05-05, copies of the correspondence received regarding these applications are included with that agenda item (also on this agenda). Responses to the questions raised in that correspondence are also included as part of the report for GPA 05-05.

CONCLUSION / RECOMMENDATION

The addition of 20 acres on the west side of Sunset for low density residential development represents a logical expansion of the City. Infrastructure is in place or can be easily extended to serve development of this area. The area is close to Community Park and is within or at a five-minute response time from two fire stations. A traffic analysis has determined that development of the property would not result in significant traffic impacts. Also, addition of this area to the City would result in preservation of approximately 84 acres of prominent scenic hills as called for by the General Plan. Should the Planning Commission recommend approval of the General Plan amendment for this property (included in GPA 05-05) and recommend approval of the Desirable

Infill policy, staff recommends approval of the applications in accordance with the Conditions of Approval as identified in the attached resolutions.

Attachments

1. March 14, 2006 Staff Report
2. Resolution Approving Expansion of Urban Service Area
3. Resolution Approving Pre-zoning
4. Resolution Approving Annexation
5. Desirable Infill Policy, as Proposed for Amendment
6. Vicinity Map
7. Letter of Justification
8. Map of Building Locations and Open Space Areas



Memorandum

Date: MARCH 14, 2006

To: PLANNING COMMISSION

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: URBAN SERVICE AREA APPLICATION USA 05-02, ZONING AMENDMENT APPLICATION ZA 06-01 and ANNEXATION APPLICATION ANX-03-01: EDMUNDSON – OAK MEADOW PLAZA LLC (APN's 767-19-020, 024 & 028 and 767-15-026)

REQUEST

The applicant, Oak Meadow Plaza LLC, is requesting expansion of the Urban Service Area, Pre-Zoning and Annexation of all or parts of four parcels totaling 34 acres. Specifically, 34 acres are proposed to be annexed into the City, 20 acres of which are proposed to be pre-zoned R-1, 12,000 and 14 acres are proposed to be pre-zoned Open Space. The 20 acres proposed to be pre-zoned R-1 12,000 are also proposed to be included in the Urban Service Area. Approval of these actions would trigger the recordation of conservation easements over 84 acres of land and limitations on the number and location of additional houses to be built under County jurisdiction in the general vicinity. Attachment 7 illustrates the proposed actions. The map is from an MOU executed by all the property owners, which was prepared in order to document a collective understanding of the content of the proposed project description evaluated by the CEQA document.

RECOMMENDATION

Environmental Assessment: The Mitigated Negative Declaration for General Plan Amendment Application GPA 05-05 also provides CEQA compliance for these applications. Recommend City Council adoption of the Mitigated Negative Declaration.

Applications USA 05-02, ZA 06-01 and ANX 03-01: Recommend City Council approval of the applications subject to the findings contained within the attached Resolutions.

SITE DESCRIPTION

Location: The project site is located on the west side of Sunset Road and generally includes that land consisting of slopes of 12.5 percent or less.

Site Area: 34 acre

Zoning / General Plan / Land Uses:

Project Area: County Hillside / County Rural / vacant

North: County Hillside / County Rural / vacant

South: County Hillside / County Rural / vacant

East: R-1 7,000 RPD / Single Family Medium / Parkside and Kendall Hill
residential subdivisions

West: County Hillside / County Rural / vacant

The 20 acres proposed for addition to the USA is gently sloping, with maximum slopes of 12.5 percent. Adjacent areas to the north, south and west (including the 14 acres proposed for open space) are generally more steeply sloping. The area is adjacent to the city limits and the Parkside and Kendall Hill subdivisions on the east. Approximately 60 percent of that property boundary is adjacent to Sunset Rd.

BACKGROUND

Action 2.12 of the Open Space and Conservation Element of the General Plan required that the Urban Limit Line / Greenbelt Study that was completed last year “include an evaluation of the prominent hillsides bounded by Edmundson Ave., DeWitt Ave, Spring St. and DelMonte/Sunset Drive and properties on the eastern face of El Toro and include strategies for the preservation of these important visual resources.”

Oak Meadow Plaza LLC et. al. own approximately 117 acres located north of Edmundson Ave., west of Sunset Rd., and east of DeWitt Ave. and referenced in Action 2.12. The property consists of approximately 10 separate parcels, each having the potential for development of a house and associated buildings. A house and barn are located on one of the parcels, near Edmundson Ave. The hillsides of the property are currently used for grazing and are visually prominent property from many parts of the City.

Under current County regulation, the property owners may request development approval for each of these ten lots with a single family home and associated structures. All ten lots include prominent hillsides and/or ridgelines. Recent examples of the types and locations of homes that might be expected under County regulations include the house on the knoll at the northeast corner of DeWitt Ave. and Edmundson Ave. and the house under

construction on the hillside on the west side of Sunnyside Ave. just north of Watsonville Rd.

The Advisory Committee for the Urban Limit Line / Greenbelt Study and representative of Oak Meadow Plaza and the prior property owner devoted a significant amount of time to develop a strategy for preserving the hillsides of this area in a manner consistent with the General Plan Action. The Committee's Final Report, as modified by the City Council, allows for five houses and associated structures to be built under County jurisdiction rather than ten. Building envelopes are established for those houses. Three of the building envelopes are in locations where the houses would not be visible from adjacent streets. The two houses that would be constructed in locations visible from adjacent streets would be near Edmundson Ave. in locations close to the existing structures. No homes would be constructed on ridge tops or highly prominent sites. Open space easements would be recorded over approximately 80 percent of each of the five lots, ensuring that the area remains undeveloped. Up to 60 houses would be constructed in a 20-acre lower lying area west of Sunset Rd. These homes would be highly visible to residents of the adjacent subdivisions to the east but would have little visibility to the rest of the community and would appear to be an extension of the existing development pattern in the area. A map illustrating the locations of the proposed housing and open space easements is attached to this report.

The City Council agreed to enter into a non-binding Memorandum of Understanding (MOU) with the owners of this property that details the proposed project description and the obligations and expectations of the City and Oak Meadow Plaza et. al. property owners regarding the Advisory Committee recommendations. A copy of that agreement is attached to General Plan Amendment Application GPS 05-05, also on this agenda. The proposed actions anticipated by the agreement would occur subsequent to Council adoption of the Mitigated Negative Declaration and the subject General Plan Amendment.

PROJECT ASSESSMENT

Urban Service Area Amendment Application, USA 05-02:

The applicant is proposing to include 20 acres within the Urban Service Area (USA). This same area is being proposed to be included within the Urban Growth Boundary and to be designated Single Family Low on the Land Use Diagram of the General Plan as part of General Plan Amendment application GPA 05-05, implementation of the Urban Limit Line / Greenbelt Study. The analysis and recommendations of this report are predicated upon approval of the General Plan amendment for this property. Should that action not occur, inclusion of the property within the USA would be inconsistent with the General Plan and should not be approved.

Expansion of the City's Urban Service Area is regulated by Measure C, as codified in the City's Residential Development Control System (RDCS). In order for the subject

property to be added to the USA, it must meet the requirements of Desirable Infill as defined in Section 18.78.070 B and implemented by City Council Policy.

The subject application is consistent with the requirements of Measure C and the RDCS. However, it is not consistent with the requirements of the City Council policy regarding Desirable Infill. That policy, in its current form, is more restrictive than Measure C and the RDCS. Amendment to the City Council Desirable Infill policy is the subject of another item on this agenda. Following is an evaluation of the applicant's proposal using the Desirable Infill Policy in its current form and as proposed for amendment. A copy of the Policy with proposed modifications is attached for Commission reference.

The Desirable Infill Policy requires all applications for expansion of the USA to adhere to three general criteria which address physical characteristics of the property, provision of services to the property, and benefits to the City from inclusion of the property.

Physical Criteria: There are currently four parts to the Physical Criteria which address partial properties, parcel size, proximity to the city limits, and creation of unincorporated islands. The application is inconsistent with these criteria as the area proposed for inclusion includes portions of properties. It is also inconsistent as it is not within one quarter mile (1320 ft.) of the city limits as they existed on December 7, 1990 on its northern side (It is 1500 ft. from the limits at that date.)

The application would be consistent with the Physical Criteria, as proposed for amendment. The revised criteria would allow for inclusion of partial properties and the subject property is within one quarter mile of the city limits as they currently exist. The application would also be consistent with the proposed additional criteria precluding granting expansion of the USA to an applicant, development or parcel that was previously included within the USA under the terms of Desirable Infill.

Service Criteria: The Service Criteria require an area proposed for addition to the USA to be able to receive a passing score (7.5 points) under Part I of the RDCS. Part I evaluates the City's ability to serve the property with a variety of services including sanitary sewers, storm drainage, water, fire and police services, transportation and recreation. The subject property would score 9 points under these criteria and receive more than the minimum required passing score for fire and police services and transportation. In addition, an analysis of the potential traffic impacts associated with development of the subject property was conducted as part of the environmental assessment for it and the Urban Limit Line / Greenbelt Study General Plan Amendment. That study found that no significant traffic impacts would result from its development.

Beneficial Criteria: The Beneficial Criteria require an area proposed for addition to the USA to be contiguous to the current USA on at least 50 percent of its perimeter and either benefit the welfare of Morgan Hill citizens by facilitating the provision of infrastructure improvements or allowing the establishment of public facilities. The application is not consistent with the requirement for 50 percent adjacency to the current

USA. It would be consistent with the requirement for needed public facilities as including the area within the USA would result in the recordation of open space easements over approximately 84 acres of prominent, scenic hillsides in the immediate area.

The application would be consistent with the Beneficial Criteria, as proposed for amendment. The proposed amendment would eliminate the requirement for 50 percent adjacency to the USA.

As mentioned above, the proposed expansion of the Urban Service Area is consistent with the requirements of Measure C and the RDCS. Staff believes that the proposed expansion also significantly furthers City policy objectives for preservation of open space in this area. Should the Commission approve amendment to the Desirable Infill Policy, staff recommends approval of the USA expansion request.

A copy of the applicant's letter of justification or consistency with the Desirable Infill Policies is attached for Commission review. The letter is formatted to address the criteria in the Desirable Infill policy.

Pre-zone Application ZA 06-01:

The applicant is proposing to pre-zone 20 acres of the property R-1 12,000 and 14 acres of the property Open Space. Both designations would be consistent with their General Plan designations, should the Commission and Council approve the recommendations for the Urban Limit Line / Greenbelt Study General Plan Amendment (GPA 05-05), considered earlier on this agenda. The R-1 12,000 zoning designation would allow for lot sizes of 12,000 square feet or larger. These lots would be larger than those of the two adjacent subdivisions to the east (7,000 sq. ft.). The proposed zoning is appropriate given the slope of the land and would also provide an appropriate transition to the open space areas to the northwest and south west.

The area proposed for Open Space zoning is proposed by the applicant to be encumbered by an open space easement that would prohibit grading, constructions of any structures and allow only private recreational use such as hiking or bird watching. Use of the adjacent 30-acre parcel to the north is currently restricted by a similar open space easement. The 35-acre property to the west is owned by the City and is the site of the Edmundson reservoir.

Should the Planning Commission approve expansion of the Urban Service Area to include the subject property, staff recommends approval of the pre-zoning of the property as requested.

Annexation Application ANX 03-01:

The applicant is proposing annexation of 34 acres into the city limits. This is the same property covered by Zoning Application ZA 06-01. The property is adjacent to urban development on east and areas that would protected by open space easements on all other sides. As discussed in the Urban Service Area portion of this report, the infrastructure necessary to serve development of this property is in place or can be easily extended to serve it. A study has found that no significant traffic impacts would result from its development. The area would represent a logical expansion of the City.

Should the Planning Commission approve expansion of the Urban Service Area to include the subject property and its pre-zoning, staff recommends approval of the annexation request.

ENVIRONMENTAL ASSESSMENT

An expanded initial study was completed which covers the applications evaluated in this memo as well as the Urban Limit Line / Greenbelt Study General Plan amendment. That study was conducted at a "program" level as no specific development projects have been proposed at this time. The study evaluated the basic suitability of the property for low-density residential use. The study identified a number of potentially significant impacts that could result from development of the property. Mitigation measures have been identified that would reduce those potential impacts to a less than significant level. In many instances, the mitigation measures will require more detailed studies at the time a specific development project is proposed. The Draft Mitigated Negative Declaration and Initial Study for these applications is included in this agenda packet.

CORRESPONDANCE

The City has received one letter from a nearby homeowner regarding the proposed applications. The letter expresses concern about the additional traffic that would be generated by development of the subject property. A copy of that letter is attached to this report.

CONCLUSION / RECOMMENDATION

The addition of 20 acres on the west side of Sunset for low density residential development represents a logical expansion of the City. Infrastructure is in place or can be easily extended to serve development of this area. The area is close to Community Park and is within or at a five-minute response time from two fire stations. A traffic analysis has determined that development of the property would not result in significant traffic impacts. Also, addition of this area to the City would result in preservation of approximately 84 acres of prominent scenic hills as called for by the General Plan. Should the Planning Commission recommend approval of the General Plan amendment for this property (included in GPA 05-05) and recommend approval of the Desirable

Infill policy, staff recommends approval of the applications in accordance with the Conditions of Approval as identified in the attached resolutions.

Attachments

1. Resolution Approving Expansion of Urban Service Area
2. Resolution Approving Pre-zoning
3. Resolution Approving Annexation
4. Desirable Infill Policy, as Proposed for Amendment
5. Vicinity Map
6. Letter of Justification
7. Map of Building Locations and Open Space Areas
8. Letter from Leo Michelotti

RESOLUTION NO. __-

**A RESOLUTION OF THE PLANNING
COMMISSION OF THE CITY OF MORGAN HILL
RECOMMENDING APPROVAL OF URBAN SERVICE
AREA APPLICATION USA 05-02 EDMUNDSON – OAK
MEADOW PLAZA LLC**

WHEREAS, such request was considered by the Planning Commission at their regular meetings of March 14 and 28, 2006, at which time the Planning Commission recommended approval of application Urban Service Area Application USA 05-02 Edmundson – Oak Meadow Plaza LLC; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

**NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES
RESOLVE AS FOLLOWS:**

- SECTION 1.** The proposed expansion of the Urban Service Area is consistent with the Zoning Ordinance and the General Plan. The proposed expansion is consistent with the City Council policy titled Criteria for Adjustment of the Urban Service Boundary (Desirable Infill Policy), as recommended for amendment by the Commission.
- SECTION 2.** The proposed expansion of the Urban Service Area would not unduly burden city services as the Public Works Department has found that the water and sanitary sewer system improvements are adequate to serve development of the property, that storm water runoff can be adequately mitigated on the property, that streets in the vicinity are adequate to handle the additional traffic generated by development of the property and that recreational facilities are within one quarter mile of the property. Further, the property is within or at a five minute response time of two fire stations and can be easily patrolled by police personnel.
- SECTION 3.** The proposed expansion will beneficially affect the general welfare of the citizens of the City by preserving the scenic, open space value of approximately 84 acres of hillside and ridgelines. This will be accomplished by recordation of easements over the property that will prohibit their development and limit their use to agriculture and open space uses.

SECTION 4. An environmental initial study has been prepared for this application, and has been found complete, correct and in substantial compliance with the requirements of the California Environmental Quality Act. A mitigated Negative Declaration will be filed.

SECTION 5. The Planning Commission recommends to the City Council that inclusion of the subject 20 acres within the Urban Service Area be approved as shown in attached Exhibit "A". Approval is subject to the City Council's modification of the City Council policy titled Criteria for Adjustment of the Urban Service Area so that the proposal would comply with its provisions.

SECTION 6. Approval of the expansion of the Urban Service Area is conditioned upon the following:

1. Prior to LAFCO approval of expansion of the Urban Service Area, the applicant must enter and record against the property a legally binding agreement with the City committing to the recordation of open space easements over approximately 84 acres of land as described in the Memorandum of Understanding between the applicant and the City, approved by the City Council on February 1, 2006.
2. The open space easements must be recorded within one year of the City Council's approval of inclusion of the subject 20 acres within the Urban Service Area or by the effective date upon which the property is formally included within the Urban Service Area, whichever occurs first.
3. Should the legally binding agreement not be completed or the open space easements not be recorded within the time periods specified above, the City Council will schedule a hearing to consider removal of the subject 20 acres from the Urban Service Area.

**PASSED AND ADOPTED THIS 28th DAY OF MARCH, 2006, AT A REGULAR
MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:**

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

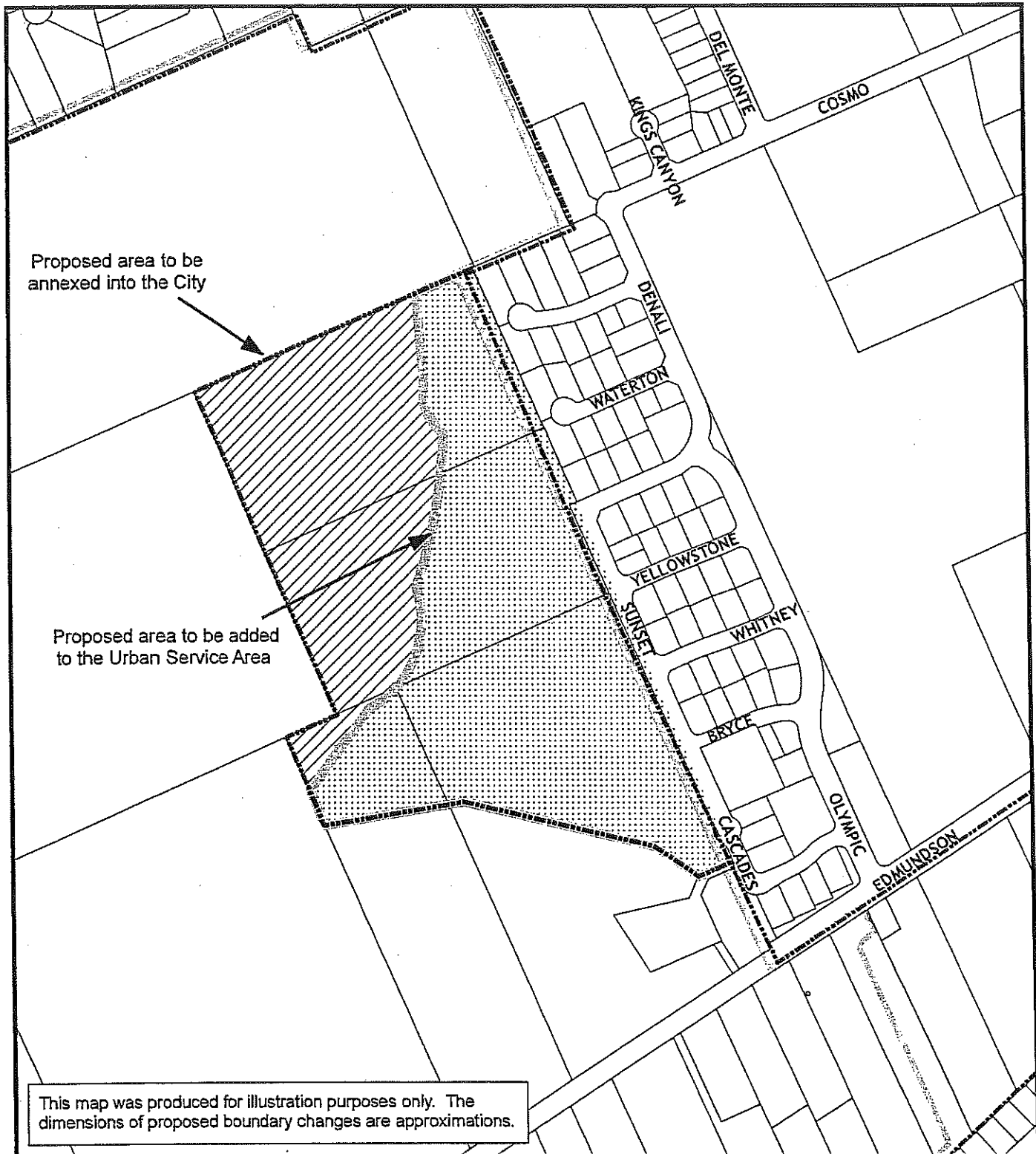
RALPH J. LYLE, Chair

A F F I D A V I T

I, _____, applicant, hereby agree to accept and abide by the terms and
conditions specified in this resolution.

(Type Name) _____, Applicant

Date: _____



0 130 260 520 780 1,040 Feet



City Boundary **Proposed Prezoning**

USA

OS

R1-12,000

ZA-06-01, USA-05-02, ANX-06-01
Sunset - Oak Meadow Plaza

EXHIBIT A



RESOLUTION NO. __-

**A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF MORGAN HILL RECOMMENDING
APPROVAL OF ZONING APPLICATION ZA 06-01,
EDMUNDSON – OAK MEADOW PLAZA LLC**

WHEREAS, such request was considered by the Planning Commission at their regular meetings of March 14 and 28, 2006, at which time the Planning Commission recommended approval of Zoning Application ZA 06-01: Edmundson – Oak Meadow Plaza LLC; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

**NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES
RESOLVE AS FOLLOWS:**

SECTION 1. The proposed zoning amendment is consistent with the Zoning Ordinance and the General Plan.

SECTION 2. The zone change is required in order to serve the public convenience, necessity and general welfare as provided in Section 18.62.050 of the Municipal Code.

SECTION 3. An environmental initial study has been prepared for this application and has been found complete, correct and in substantial compliance with the requirements of California Environmental Quality Act. A Mitigated Negative Declaration will be filed.

SECTION 3. The Planning Commission recommends to the City Council that the zoning amendment be approved as shown in attached Exhibit "A".

**PASSED AND ADOPTED THIS 28th DAY OF MARCH, 2006, AT A REGULAR
MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:**

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

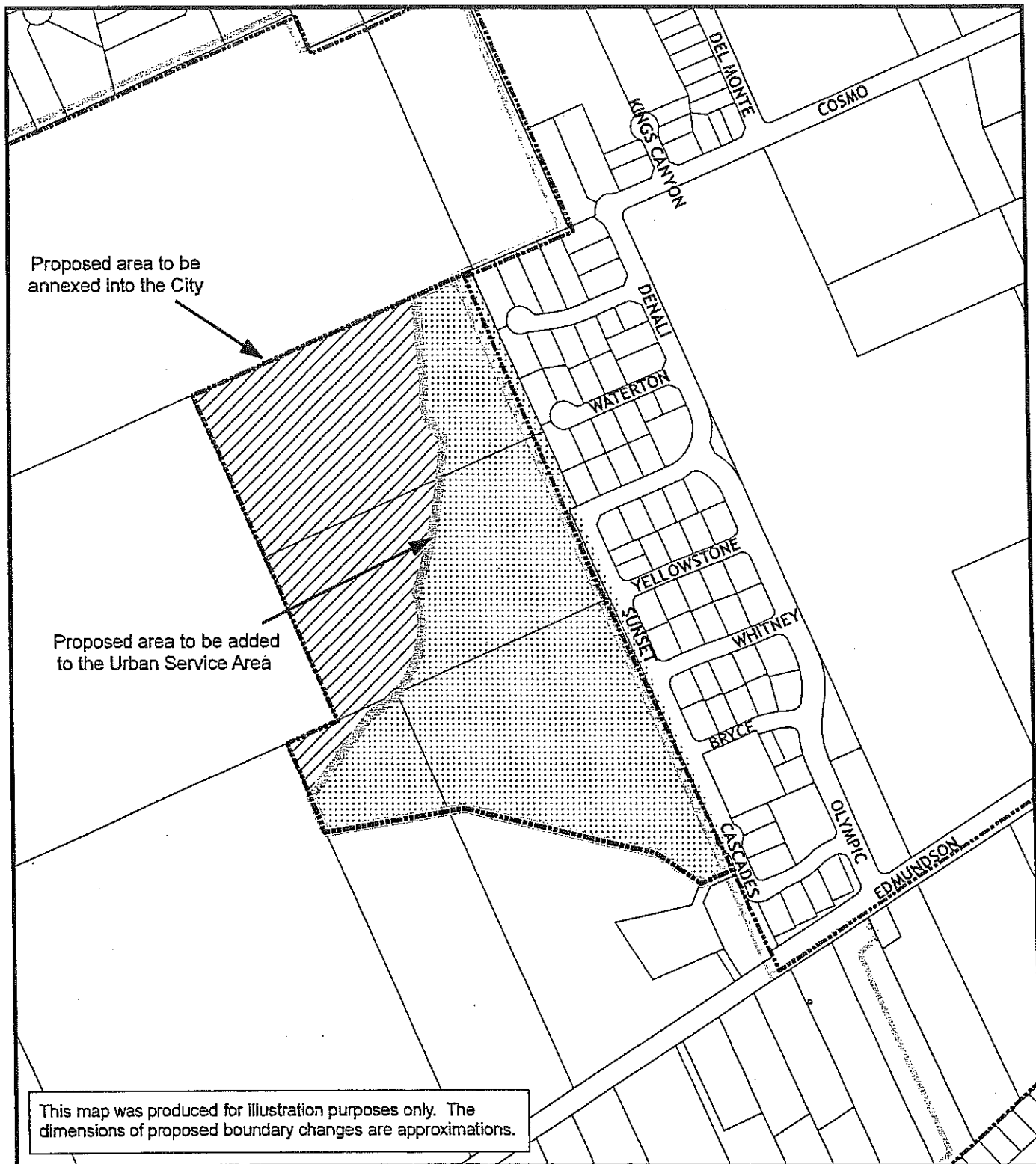
RALPH J. LYLE, Chair

A F F I D A V I T

I, _____, applicant, hereby agree to accept and abide by the terms and
conditions specified in this resolution.

(Type Name) _____, Applicant

Date: _____



0 130 260 520 780 1,040 Feet



City Boundary **Proposed Prezoning**

USA

OS

R1-12,000

ZA-06-01, USA-05-02, ANX-06-01
Sunset - Oak Meadow Plaza

EXHIBIT A



RESOLUTION NO. __-

**A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF MORGAN HILL RECOMMENDING
APPROVAL OF ANNEXATION APPLICATION ANX 06-01
EDMUNDSON – OAK MEADOW PLAZA LLC**

WHEREAS, such request was considered by the Planning Commission at their regular meetings of March 14 and 28, 2006, at which time the Planning Commission recommended approval of Annexation Application ANX 06-01: Edmundson – Oak Meadow Plaza LLC; and

WHEREAS, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process.

**NOW, THEREFORE, THE MORGAN HILL PLANNING COMMISSION DOES
RESOLVE AS FOLLOWS:**

SECTION 1. The approved project is consistent with the Zoning Ordinance and the General Plan.

SECTION 2. An environmental initial study has been prepared for this application, and has been found complete, correct and in substantial compliance with the requirements of the California Environmental Quality Act. A mitigated Negative Declaration will be filed.

SECTION 3. The Planning Commission recommends to the City Council that annexation of the subject 34 acres be approved as shown in attached Exhibit "A", subject to the following conditions:

1. Fulfillment of City of Morgan Hill and Local Agency Formation Commission (LAFCO) requirements.
2. Payment of all appropriate state and local fees for processing of the subject annexation.
3. Prior to recordation of the annexation, copies of all county building permit records for the affected properties shall be provided to the City's Building Division.
4. Prior to recordation of annexation, the applicant shall provide to the City certification from Santa Clara County that no violations of the Uniform Housing Code exist on the property and that County Permits have been issued for all existing improvements on the property.

**PASSED AND ADOPTED THIS 28th DAY OF MARCH, 2006, AT A REGULAR
MEETING OF THE PLANNING COMMISSION BY THE FOLLOWING VOTE:**

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSTAIN: COMMISSIONERS:

ABSENT: COMMISSIONERS:

ATTEST:

APPROVED:

FRANCES O. SMITH, Deputy City Clerk

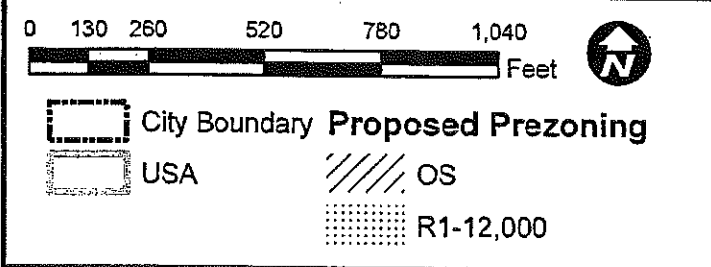
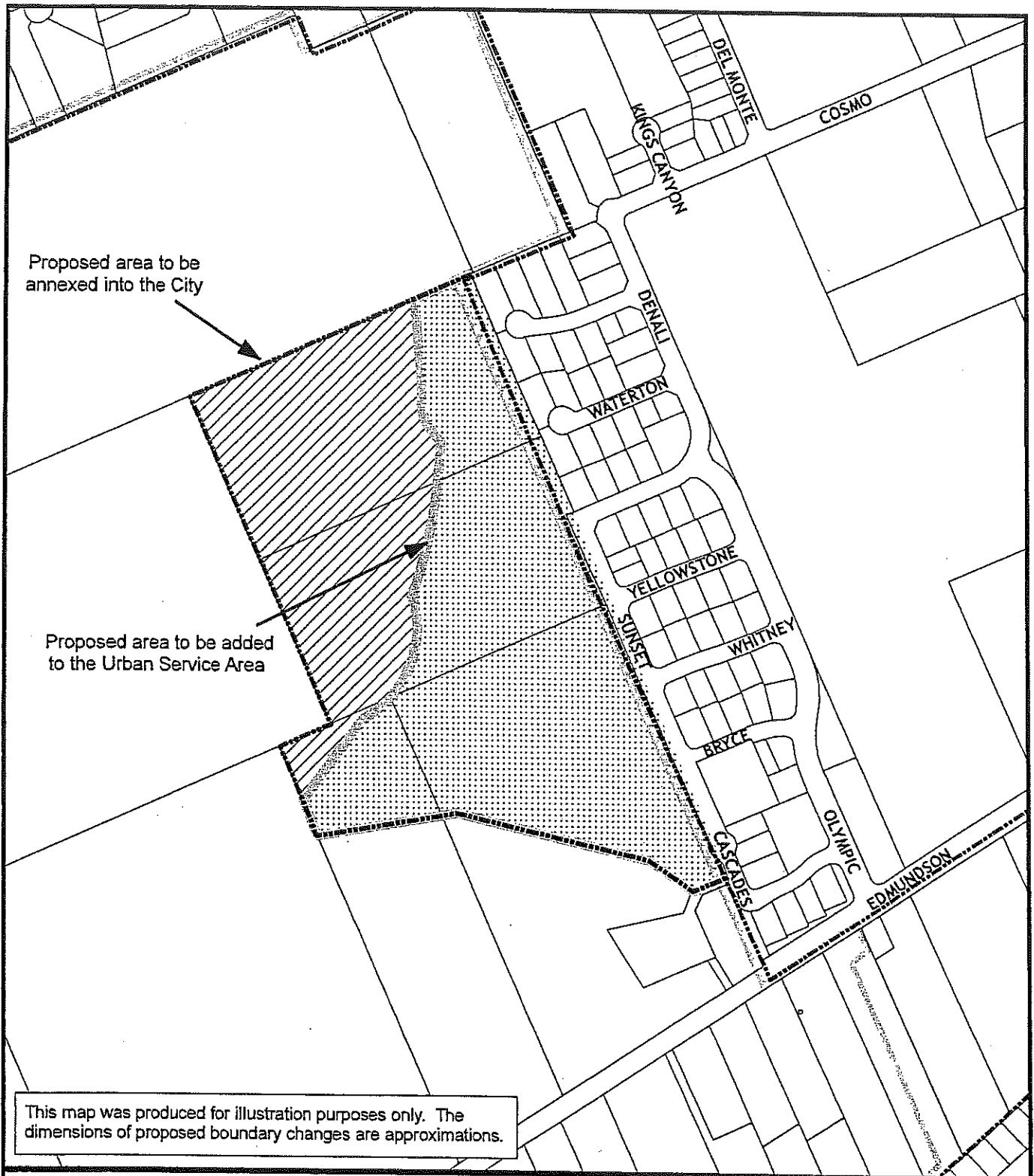
RALPH J. LYLE, Chair

A F F I D A V I T

I, _____, applicant, hereby agree to accept and abide by the terms and
conditions specified in this resolution.

(Type Name) _____, Applicant

Date: _____



ZA-06-01, USA-05-02, ANX-06-01
Sunset - Oak Meadow Plaza

EXHIBIT A



CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP 94-02

SUBJECT: CRITERIA FOR ADJUSTMENT OF THE URBAN SERVICE BOUNDARY

EFFECTIVE DATE: APRIL 7, 1994

REVISION DATE: June 15, 1994, September 21, 2005, April 5, 2006

DESIRABLE INFILL STANDARDS

It shall be the policy of the City of Morgan Hill to utilize the following criteria to evaluate and approve boundary adjustments to forward to the County Local Agency Formation Commission (LAFCO) based on the Desirable Infill exception allowed by Section 18.78.070(B) of the Municipal Code.

Residentially Planned Properties

The City may petition LAFCO for expansion of the Urban Service Area (USA) irrespective of the amount of vacant land available for residential development currently within the Urban Service Area provided that the property subject to the proposed expansion meets the definition of "Desirable Infill". That definition includes criteria which addresses physical characteristics of the property, provision of services to the property, and benefits to the City from inclusion of the property. All three criteria must be met for a property to be added to the Urban Service Area.

Physical Criteria

1. Complete or pPartial properties may shall not be included. Partial properties may only be included subject to the following standards:
 - a. The portions of the properties not proposed for inclusion within the USA must be annexed at the same time as the portion proposed for inclusion; and
 - b. The portions of the properties not proposed for inclusion within the USA must be planned for open space or greenbelt use;
2. The total acreage of land to be added to the USA ~~a parcel~~ shall not exceed 20 acres; and
3. The land to be included ~~Each parcel~~ shall be abutted at least 50% on each of two sides by property within the ascribed boundaries ~~on December 7, 1990~~; or is abutted at least 50% on one side by property within the ascribed boundaries ~~on December 7, 1990~~ and has two other sides within 1320 ft. of the ascribed boundaries ~~on December 7, 1990~~ (as

determined by perpendicular lines drawn from the two other sides of the land to be included property to the ascribed boundaries). For the purpose of this determination, the ascribed boundaries shall be defined as follows:

- a. In instances where the urban service boundary is within the city limits, the ascribed boundary is the urban service boundary.
 - b. In instances where the urban service boundary is coterminous with or extends beyond the city limits, the ascribed boundary is the city limits.
 - c. A parcel which does not touch property within the ascribed boundaries but is on the opposite side of the street from property within the ascribed boundaries will be considered to abut property within those boundaries.
4. Lands Parcels not contiguous to the urban service area may be eligible for inclusion in the urban service area if the lands parcels meet the standards contained in criteria 1 and 2 above and the property's inclusion is necessary to avoid the potential for creation of an unincorporated peninsula or island within the City. Such non-contiguous lands parcels may only be included within the USA if the entire area of consideration in which the lands parcels are contained does not exceed 20 acres.
5. The City Council, prior to approving expansion of the USA, shall make finding(s) documenting that the expansion is not being granted to an applicant, development or parcel that was previously included within the USA under the terms of this policy.

City Service Criteria

The City shall only add lands parcels to the Urban Service Area which would potentially be eligible to receive a passing score under Part 1 of the Residential Development Control System criteria (Section 18.78.200 of the Municipal Code).

For the purposes of this determination, properties will be evaluated against Part I of the RDCS using the following standards:

2 Points assigned if the necessary facility is currently in place and is of adequate capacity to serve the potential development of the parcel (as recommended by the City Engineer).

1 or 1.5 points assigned if the necessary facility could be reasonably installed or improved as a condition of a development of the parcel (as recommended by the City Engineer).

0 points assigned if the necessary facility could not be reasonably installed or improved as a condition of development of the parcel (as recommended by the City Engineer).

Beneficial Criteria

The City shall only add lands parcels to the Urban Service Area which would benefit and affect the general welfare of the citizens of the City.

Lands Parcels which would be considered to beneficially affect the citizens of the City includes those which promote orderly and contiguous development by and allowing for the provision of needed infrastructure or allowing for the establishment of public facilities such as parks, open space and greenbelt lands under conservation easements, schools or other buildings to be owned or operated by the City, School District, Water District or any other public agency.

For the purpose of this determination, the following standards shall apply:

~~Orderly and Contiguous Development:~~ To be considered “orderly and contiguous development” parcels must be adjacent to the Urban Service Boundary on at least 50 percent or more of the property boundary.

Provision of Needed Infrastructure: To allow for the completion of needed infrastructure, lands parcels must be capable of providing for one or more of the following:

- a. The gridding of the existing water system.
- b. The elimination of an existing dead end street(s) or the improvement of an existing substandard street which has been identified as creating a potentially hazardous situation or provision of a new street which substantially improves circulation in an area.
- c. The installation or improvement of a sewer line(s) where the existing line or service levels are determined to be substandard.
- d. The installation or improvement of storm drainage facilities where the existing facilities or service levels are determined to be substandard.
- e. The establishment of water tanks or lift stations in areas where determined necessary by the City.

Establishment of Needed Public Facilities: To allow for the establishment of public facilities, lands a parcel must be identified as a location for the establishment of a public

facility (park, school, public buildings) to be owned or operated by the City, School District, Water District or any other public agency.

The infrastructure improvements that are the basis of the City's findings that the expansion would beneficially affect the general welfare of the City must be installed, or the land needed for public facilities that are the basis of the City's findings that the expansion would beneficially affect the general welfare of the City must be conveyed to the public agency within five years of the date that the area is added to the Urban Service Area or upon its development, whichever occurs first. The commitment by the applicant to install the needed infrastructure improvements on which the City's findings are based, and/or convey the land needed for the public facilities or to record a conservation easement, must be secured prior to official action adding the area to the Urban Service Area, through a development agreement or other legally binding agreement recorded against the property. The City shall not require an applicant to provide infrastructure or land in a quantity exceeding that which is needed to fully offset and mitigate all direct and cumulative impacts on services and infrastructure from new development proposed by the applicant.

The City Council may make exceptions to these requirements for, and support the annexation to the City of, Existing County Subdivisions as defined in section 18.78.030.A, "Development allotments – Determination and distribution" of the Residential Development Code provisions of the Morgan Hill Municipal Code

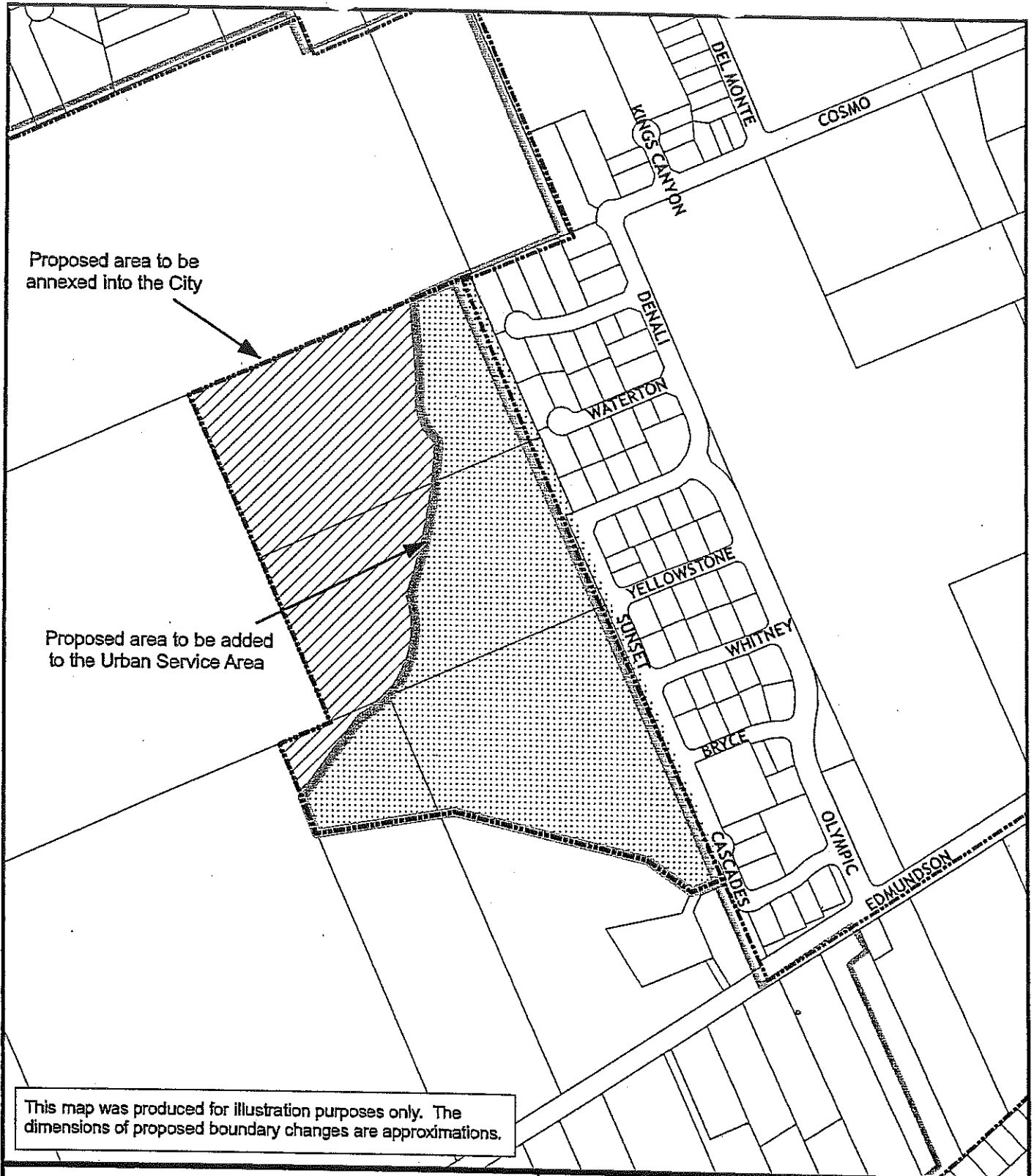
Commercially and Industrially Planned Properties

To encourage economic development, the City may approve expansions of the Urban Service Boundary which include properties which are contiguous to the Urban Service Boundary and as designated in the Land Use Element of the Morgan Hill General Plan for commercial or industrial use. Properties so added to the Urban Service Area shall not be eligible for conversion to residential use except as provided by Section 18.62.070 of the Morgan Hill Municipal Code.

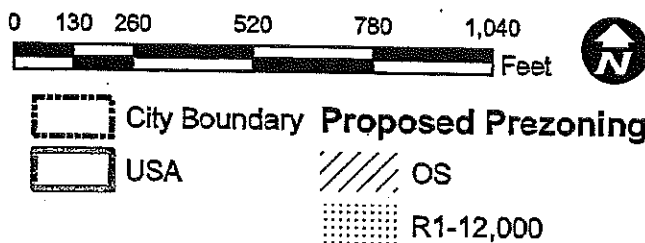
This policy shall remain in effect until modified by the City Council.

APPROVED:

DENNIS KENNEDY, MAYOR



This map was produced for illustration purposes only. The dimensions of proposed boundary changes are approximations.



**ZA-06-01, USA-05-02, ANX-06-01
EDMUNDSON - OAK MEADOW PLAZA**



Statement of Compliance

“Desirable Infill”

PLANNING DEPT.

DEC 02 2005

CITY OF MORGAN HILL

PHYSICAL CRITERIAL

1. WILL THIS APPLICATION CONTAIN A WHOLE OR PARTIAL PROPERTY?

It consists of property totaling 34.68 gross acres.

2. DOES THE TOTAL ACREAGE OF A PARCEL WITHIN THIS APPLICATION EXCEED 20 ACRES?

Yes, however there are only 19.15 acres of developable land, the difference is in an Open Space Easement.

3. DOES THE AREA TO BE CONSIDERED MEET THE ADJACENCY DEFINITION?

Yes, the property abuts the existing Urban Service Area along the eastern and southern property line. It is within 906 feet of the existing Urban Service Area boundaries to the north. These U.S.A. boundaries existed on December 2, 2005.

CITY SERVICE AREA

1. INDICATE THE LOCATION, SIZE AND DISTANCE TO THE NEAREST WATER LINE AVAILABLE TO SERVE THE PROPERTY.

An existing 12” water line exists on site within the “Sunset Road” right-of-way along the easterly boundary.

2. INDICATE THE LOCATION, SIZE AND DISTANCE TO THE NEAREST SEWER LINE AVAILABLE TO SERVE THE PROPERTY.

A 12” sewer line exists at Sunset Road.

3. INDICATE THE LOCATION, SIZE AND DISTANCE TO THE NEAREST STORM DRAIN LINE AVAILABLE TO SERVE THE PROPERTY.

A 30” storm exists at Cascade Court at the east property line.

NOTE: All utilities above will be expanded north along the east property line with the construction of the Warrington R-1 Development.

4. DISTANCE TO THE NEAREST FIRE STATION?

The County Fire Station on Monterey Road is approximately a 1-mile distance from this property. There are 2 other stations within the city, which are approximately 2.5 miles from the property.

5. DISTANCE TO THE NEAREST POLICE STATION?

1.0 Mile

6. LEVEL OF IMPROVEMENTS CURRENTLY AVAILABLE ON THE STREET PROVIDING ACCESS TO THE PROPERTY?

Currently access is provided from Edmundson Ave. to Olympic through "Park Manor" development. Streets within that development are to city standards. A half street exists along the "Sunset" right-of-way as well as a "dead end". Additional access as well as utilities will be provided with the construction of the Warmington R-1 development. Although the Warmington development will also create additional half and dead-end streets.

BENEFICIAL CRITERIA

1. WILL THE DEVELOPEMNT OF THE PARCEL PROVIDE FOR THE GRIDDING OF THE EXISTING WATER SYSTEM?

The water system in this area is currently gridded. It should be noted that additional gridding can take place by gridding the water system provided by the Warmington development. Their development will allow for future extension of street and utilities through this site.

2. WILL THE DEVELOPMENT OF THE PARCEL PROVIDE FOR THE ELIMINATION OF AN EXISTING DEAD END STREET, WHICH HAS BEEN IDENTIFIED AS CREATING A POTENTIALLY HAZARDOUS SITUATION OR PROVISION OF A NEW STREET WHICH SUBSTANTIALLY IMPROVES CIRCULATION IN AN AREA?

As previously stated, a number of dead end and half streets exist or will be constructed east of this property. Half of the "Sunset" right-of-way exists within this properties east boundary. If the property is brought into the U.S.A., the improvements and elimination of the existing half street and city utilities existing within the "Sunset Road" right-of-way can be completed.

3. WILL THE DEVELOPMENT OF THE PARCELS PROVIDE FOR THE INSTALLATION OF A SEWER LINE WHERE THE EXISTING LINE OR SERVICE LEVELS ARE DETERMINED TO BE SUBSTANDARD?

No, service levels are not substandard.

4. WILL THE DEVELOPMENT OF THE PARCELS PROVIDE FOR THE INSTALLATION OR IMPROVEMENT OF STORM DRAINAGE FACILITIES WHERE THE FACILITIES OR SERVICE LEVELS ARE DETERMINED TO BE SUBSTANDARD?

No, facilities in the area are not substandard.

5. WILL THE DEVELOPMENT OF THE PARCELS PROVIDE FOR THE ESTABLISHMENT OF WATER TANKS OR LIFT STATIONS IN AREAS WHERE DETERMINED NECESSARY BY THE CITY?

No (see item #6)

6. WILL THE DEVELOPMENT OF THE PARCELS ALLOW FOR THE ESTABLISHMENT OF PUBLIC FACILITIES?

No.

From: "Leo Michelotti" <leorose1@msn.com>
To: <General@ch.morgan-hill.ca.gov>
Date: 3/6/06 4:58PM
Subject: Edmundson-Oak Meadow Plaza: ANX-06-01, ZA-06-01, USA-05-02

Mr. David Bischoff,

My wife and I own a home on Whitney Way and heard a rumor that homes are to be built on the other side of Sunset Ave. and that Whitney Way would be a main thoroughfare for traffic. This concerns us considerably since our street is used by many children as a play area. My wife and I enjoy children (we had 6 of our own) and do not want for Whitney Way To become a busy street for traffic such that the children could not play on it anymore.

I discussed this with Sheila M. Webster of your Division and she told me that most of the rumor is not true since nothing has been approved yet, not even the re-zoning. However, she suggested I write to you and express our concerns so that they may be taken into consideration as the project moves ahead.

Could one possibility be for the project to have its own street joining Edmundson Ave. in such a way that its home owners would be discouraged from using Whitney Way or any other street in our area?

We are aware of the fact that Morgan Hill always tries to take into consideration the desires of its homeowners. Hopefully some thing can be done regarding our concerns.

Sincerely,
Leo A. Michelotti
375 Whitney Way

Subject: Annexation and future development along Sunset Ave.

Dear members of the City Council and Planning Department,

My husband, Craig, and I live with our two children at 407 Whitney Way, the corner of Whitney and Sunset Ave. Our neighborhood is a quiet, low-trafficked, family neighborhood where the children are safe to ride their bikes and play sports in the street. It is a place where neighbors come out in the evening after work and watch their children play in the street with their friends. Whitney Way houses 14 children - all 12 or under. The residents of Bryce, Yellowstone and Denali can best give you a count of the number of children residing on their streets. I can say that due to the proximity to the park, this neighborhood is a favorite for families with small children.

I have been down to the Planning Department on many occasions over these past few years following-up on rumors of proposed developments on what is referred to as Sully Slopes. Now, we seem to have more than a rumor. We have an 'understanding' (MOU) between the city planning department and a builder that is not in the best interest of the Morgan Hill residents most affected by it.

We have several concerns.

1. Was the MOU done properly?
2. Did it follow all written standards required by the city?
3. Who approached who for this arrangement?
4. What happened to Measures P and C that prohibit annexing and building on land not already in the city limits until we have reach our limits? We have not reached the limits specified by law.
5. What makes this so special that we 'sell-out' to the residents of Parkside and Kendall Hill and jeopardize the safety of their children?
6. Has any study been done to assess mud slide concerns if they build on the hills?
7. Has anyone considered the affects on the wildlife that live in the hills?
8. During the meeting with the builder, he told us they would be building on slopes exceeding city limits. Is the city aware of this? Has anyone discussed this with the builder? They plan to use County slope rules on what they hope to annex into the city limits.
9. The builder told us they could begin, if all goes well, by 2008. According to the city/county rules, this land should not considered for this process until years after 2008. How did this one jump to the head of the line?

The proposed development will house 60 houses on 20 acres exiting on THREE streets. I know that if the math is done without taking into account internal streets and the park they will build, it seems like very large lots for each house. However, do the math yourself. This development is expected to have between 600 and 650 car trips a day (your number) running through Bryce, Whitney and Denali. The Planning Dept rep told me it should have no impact on our lives. I'm not sure what version of reality he is living in. Can anyone actually believe that that many additional car trips down 3 very quiet residential streets can not affect the quality of life of those living there?

If all the T's were crossed and I's were dotted and the City is within the law to annex the land, we propose much fewer houses on that property. Perhaps 10 homes on 10 acres instead. The homes will be desirable to buyers since they will back up to beautiful hills and will be on acreage. The development will result in approximately 100 car trips over the three streets. As far as I'm concerned, this is still too many, but I believe in trying to come to a compromise.

Has anyone considered making the development into cul-de-sacs that do not connect to Sunset. Keep Sunset solely in Parkside and Kendall Hill and have the streets in the new development enter and exit elsewhere.

Please consider the points we have made. Although your MOU may have seemed like a great idea at the time, we believe you forgot to consider the lives of the Morgan Hill residents adjacent to the land.

Sincerely,

Craig and Maria Hodges