



March 17, 2011

Gary Kennerley, Regional Manager
California High Speed Rail Authority
925 L Street, Suite 1425
Sacramento, CA 95814

RE: LAFCO's Comments Regarding the Proposed Station Location of the High Speed Train: East Gilroy Station

Dear Mr. Kennerley:

It is our understanding that while the California High Speed Rail Authority (CHSRA) will ultimately determine the track alignments and station locations of the High Speed Rail Project; its decisions will be informed / influenced by input provided by the local agencies / community. We have recently been informed that the City of Gilroy will soon begin a visioning process to study two options for station locations – one within the City's downtown area and an alternative location just outside the City of Gilroy to the east of US 101.

The purpose of this letter is to

- Clarify LAFCO's potential role in the implementation of the East Gilroy station location
- Highlight some of the significant areas of conflict between the proposed East Gilroy station location and LAFCO policies
- Encourage the consideration of alternative station locations that are more consistent with LAFCO policies, state law and other local/regional inter-jurisdictional goals, plans and policies

These comments are preliminary, based on our initial review and understanding of the proposed project.

The proposed East Gilroy station, it appears, will be located in the unincorporated area, outside the City of Gilroy – on prime agricultural lands, identified as the Agricultural Preserve Area and designated in the County General Plan for agricultural uses. The development of the High Speed Rail station in this area would require extension of services including sewer, water and other services from the City of Gilroy as the County of Santa Clara does not allow urban development or provide municipal services in unincorporated areas. As the City of Gilroy is aware and as noted in the consultant report attached to its letter dated September 2, 2010 (to the CHSRA), prior to extending services to this area, the City of Gilroy must seek LAFCO approval to include this area within the City's urban service area (USA) and annex the area into the City of Gilroy.

LAFCO Mandate and State Law

LAFCO's mandate is to encourage orderly growth and development by preserving agricultural and open space lands, discouraging urban sprawl and encouraging the efficient provision of services through logical formation and modification of local agency boundaries.

Locating the proposed station in the area to the east of US 101 within the Agricultural Preserve would not only result in the direct conversion of prime agricultural land that is considered to have the greatest long term potential for agriculture in Santa Clara County but would steer additional new development into the remaining agricultural lands in the area. In addition to creating adverse impacts on and converting some of the most valuable farmland in this County, the proposed station location would also become a disincentive to infill development within the City as resources are siphoned off to extend new services to development away from the city core – thus resulting in urban sprawl and an inefficient and expensive service delivery system. Therefore, the proposed location of the Gilroy station within the Agricultural Preserve is contrary to all of LAFCO's key objectives and is in direct conflict with state law which requires that LAFCO guide development away from existing prime agricultural lands.

Furthermore, LAFCO of Santa Clara County has adopted local policies based on its broad objectives to provide guidance in considering boundary change proposals. Of particular significance to this project are LAFCO's policies relating to urban service area (USA) amendments, agricultural mitigation and those relating to the Gilroy Agricultural Lands Area which resulted from the 1996 inter-jurisdictional agreement between the City of Gilroy, the County of Santa Clara and the LAFCO of Santa Clara County. (See attached)

LAFCO's Urban Service Area Policies and Agricultural Mitigation Policies

LAFCO's Urban Service Area Policies discourage USA expansions that include agricultural and open space lands. These Policies also require LAFCO to consider issues such as whether there is availability of adequate water supply, whether there are any adverse impacts to local and regional agencies, or to the regional housing needs plans, the ability of school districts to provide school facilities, whether there are any adverse environmental impacts, ability of the city to provide urban services to the growth areas without detracting from current service levels, whether the conversion of agricultural and open space lands is premature given the availability of vacant land within the current city limits and if there are other non-agricultural lands into which to channel growth, whether there are fiscal impacts on other affected agencies, and whether the proposal is consistent with city and county general plans and specific plans among other considerations. Additionally, if the proposed station location results in impacts to or conversion of agricultural land, appropriate mitigation for the loss of agricultural lands must be provided in accordance with LAFCO's agricultural mitigation policies.

The proposed East Gilroy Station location is currently not designated or planned for urban uses and any new development would require significant expansion of transportation and utility infrastructure. For example, the proposed station location is within the Llagas Creek 100-year flood plain and therefore the development of the area would be possible only after major and costly flood control improvements and facilities are constructed. We understand that in addition to the large regional high speed rail station with parking, the project would likely include a variety of transit oriented development, such as retail, office, hotel, entertainment, and residential uses. The expansion of residential uses alone would require the creation of new schools, parks, fire stations, police stations, and other essential community facilities on this side of the highway despite having existing infrastructure / facilities and vacant or underutilized lands within the current city limits. LAFCO will consider not only the need and the environmental impacts of the proposed development but also whether the city has the financial ability to extend and provide these new services without detracting from current city service levels to residents within the city.

LAFCO's Policies for the Gilroy Agricultural Lands Area

In the fall of 1996, after a three-year process, the "Strategies to Balance Planned Growth and Agricultural Viability" was adopted by the City of Gilroy, County of Santa Clara, and LAFCO. This inter-jurisdictional agreement, intended to strike a balance between accommodating growth and preserving agricultural lands, is unique in that the three agencies were able to develop important strategies that are supportable by each agency, as well as by the Santa Clara County Farm Bureau and Greenbelt Alliance.

In accordance with the agreement, the City of Gilroy amended its General Plan on February 18, 1997 to adopt specific policies to reaffirm its 20-year boundary and on February 12, 1997 LAFCO adopted a set of policies relating specifically to the Gilroy Agricultural Lands Area.

These Gilroy Agricultural Lands Area Policies acknowledge that lands within the City's 20-year boundary are less likely to remain in long-term agricultural use and that a stable 20-year boundary may be considered an effective protection/mitigation for loss of agricultural lands within the boundary. These policies also state that LAFCO supports the City's 20-year boundary as it existed in 1996 and that any revision to the boundary is required to be endorsed by LAFCO before LAFCO can approve any USA expansions in the area. The policies then go on to establish criteria for LAFCO's endorsement of a revised boundary.

On June 13, 2002, the City of Gilroy updated its General Plan. The Revised General Plan included a revised 20-Year Boundary east of Highway 101 with addition of 664 acres of prime agricultural land into the new 20-Year Boundary. Prior to the City's action, LAFCO provided several comment letters to the City stating that the proposed new boundary was not consistent with LAFCO's policies or with the inter-jurisdictional agreement to balance planned growth and agricultural viability.

The proposed East Gilroy Station is located within the Gilroy Agricultural Lands Area and outside the City's 1996 20-year boundary. To date, the City has not sought LAFCO's endorsement of its expanded 20-year boundary and therefore LAFCO cannot consider any USA amendment proposals in the Gilroy Agricultural Lands Area.

Please consider all of the above identified issues carefully prior to moving forward with the selection of alternative sites for the proposed High Speed Train station in Gilroy. LAFCO will continue to follow this project and provide input as necessary. Please feel free to contact me should you have any questions about these comments or if you would like to discuss these issues in further detail. Thank you.

Sincerely,



Neelima Palacherla
LAFCO Executive Officer

Attachments

CC:

LAFCO Members

Thomas Haglund, Gilroy City Administrator

David Bischoff, Gilroy City Planning Director

Jody Hall-Esser, Santa Clara County Planning and Development Director

Jim Lawson, Valley Transportation Authority Government Affairs Manager

Jennifer Williams, Santa Clara County Farm Bureau

Michele Beasley, Greenbelt Alliance

Nadia Naik, CAARD