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November 29, 2018

Local Agency Formation Commission of Santa Clara County (LAFCO) 777 North First Street, Suite 410 San Jose, CA 95112

RE: Morgan Hill Urban Service Area Expansion Proposal, 2018

Dear LAFCO Commissioners:

On behalf of SPUR, I urge you to deny the City of Morgan Hill's request to expand its urban service area and enlarge its city boundaries.

The proposal before you is nearly identical to one of the Urban Service Area (USA) amendment options the Commission considered and denied at LAFCO's March 11, 2016 hearing as part of the City of Morgan Hill's larger USA amendment application. The Commission also chose not to reconsider this USA amendment option in June of 2016. At the time, LAFCO staff noted that the proposal to annex 60 acres into the city for a private high school and additional uses, "would result in unnecessary conversion of prime agricultural lands, and that the proposed development would create further land use conflicts with the surrounding agricultural lands and encourage development of additional lands." As we did two years ago, SPUR continues to share those concerns.

As a member-supported non-profit organization committed to good planning and good government in the Bay Area since 1910, SPUR has observed that local land use decisions have both local and regional impacts. Local land use decisions affect how well we preserve agricultural land and open space, maintain the region's agricultural economy and working lands, reduce urban sprawl and traffic, and eliminate greenhouse gas emissions to fight climate change. Jobs, housing and other important destinations should be located inside existing cities and ideally within walking distance of transit - rather than on farmland at the edge of the region or in other places where people will be irrevocably car-dependent.²

Morgan Hill's proposal runs counter to SPUR and LAFCO's shared goals of curbing sprawl and preserving agricultural land. The proposal runs contrary to the regional goal of directing growth into higher density in-fill development within existing city boundaries as outlined in Plan Bay

¹ LAFCO Staff Memo, "Request For Reconsideration Of March 11, 2016 LAFCO Action To Deny City Of Morgan Hill Urban Service Area Amendment 2015," June 1, 2016, pg. 7.

² SPUR, Agenda for Change, 7: www.spur.org/agendaforchange

Area.³ And it would lead to the development of dozens of acres of the county's remaining farmland

Loss of significant areas of contiguous agricultural land, as we highlighted in our 2012 report *Locally Nourished*, threatens the continued viability of a local food economy. According to Morgan Hill's analysis, fifty of the acres proposed for annexation qualify as prime or unique agricultural land, and fourteen qualify as grazing land. We acknowledge that Morgan Hill has secured commitments to preserve an equal number of acres through agricultural conservation easements on nearby properties. While this aspect of the proposal adheres to LAFCO's minimum standards and Morgan Hill's own mitigation policy – which is an area where Morgan Hill has made significant investments recently – it does not address the broader impact that expanding the urban edge has on agriculture.

In addition to the loss of this agricultural land, the annexation that would ensue from this proposal would threaten the viability of agriculture on adjacent or nearby parcels. The proposed construction of a new high school serving 1,600 students will increase development pressure at the urban edge by signaling to other landowners with property just outside the urban service area that existing limits to development are flexible and negotiable. That pressure would increase the value of adjacent parcels, making it more difficult for both new farmers to afford agricultural land in the county and for groups to purchase conservation easements. And, for those farmers who already have land near the proposed school, conflict around farming activities could increase, making it more difficult to farm. As LAFCO staff noted in 2016:

"the proposed land uses, many of which are anticipated to be used by large numbers of school-age children, are not compatible with the existing agricultural uses adjacent to and within the surrounding area or with the City' stated long-term vision of preserving lands in the surrounding area for agricultural use. Agricultural operations often involve dust, noise, spraying of chemicals, and smells, all of which are typically not welcomed by the public. And even though these issues in actuality may not be a threat to public health and safety, the public may still perceive them in this way. Such conflicts often lead to farmers feeling that they need to curtail their operations or deciding that they cannot continue operating in an area."

If Morgan Hill's proposal were to be approved, it would not only undermine LAFCO's goal of preserving agricultural land, but would also hinder the county's efforts to conserve farmland and ranchland as outlined in the Santa Clara Valley Agricultural Plan.⁵

³ Metropolitan Planning Commission and Association of Bay Area Governments, *Plan Bay Area 2040*, July 2017, 29.

⁴ Morgan Hill City Council Staff Report, "Approve Urban Service Area Amendment USA 2018-0001: Tennant-South County Catholic High School," September 5, 2018.

⁵ County of Santa Clara and Santa Clara Valley Open Space Authority, *Santa Clara Valley Agricultural Plan: Investing in Our Working Lands for Regional Resilience*, January 2018.

We urge LAFCO to uphold the principle of focusing the county's growth into existing urban areas and demonstrate its commitment to preserving the county's remaining agricultural land by denying this USA amendment request. We've seen the negative result of decades of sprawl development in the Bay Area and, from a county and regional perspective, we need to make sure we chart a future of growth that doesn't mirror the past.

We appreciate your consideration of SPUR's comments. If we can answer any questions or provide any additional information about our position, please let me know.

Sincerely,

Eli Zigas

Food and Agriculture Policy Director

CC: Neelima Palacherla, LAFCO Executive Officer

Emmanuel Abello, LAFCO Clerk