

SAN MATEO

**LOCAL AGENCY FORMATION COMMISSION**

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

September 13, 2006

TO: Members, Formation Commission

FROM: Martha Poyatos, Executive Officer

SUBJECT: LAFCo File No. 06-04--Proposed Annexation of 2825 Sand Hill Road (Stanford Hotel) to the West Bay Sanitary District and waiver of conducting authority proceedings (24.21 acres)

Summary

This proposal, submitted by landowner petition by Stanford Management Company, requests annexation of 24.21 acres to West Bay Sanitary District and waiver of conducting authority proceedings. The proposal has 100% landowner consent and the annexing territory is within the boundaries of the City of Menlo Park at 2825 Sand Hill Road. Annexation is requested to provide sewer service to a proposed hotel and office complex that has been approved by the City of Menlo Park. Commission approval is recommended, modified to include in the annexation a nearby strip of Sand Hill Road, which was left out of District boundaries by previous annexations.

Departmental Reports

County Assessor: The net assessed valuation shown in the records of the County Assessor is \$1,971,063. The boundaries of the annexation as proposed conform to lines of assessment and ownership.

County Clerk: The territory has no registered voters. Annexation would not conflict with any political subdivision boundaries.

Public Works: The territory proposed for annexation consists of 24.21 acres. The map and legal description required by the State Board of Equalization is required prior to recordation of certificate of completion. The proposal would not necessitate removal from any other special districts. Natural boundaries, drainage basins or other topographical features would not affect and would not be affected by this proposal.

Environmental Health: The California Water Service Company and West Bay Sanitary District provide the available water and sewer service in the area. The proposal has no adverse environmental health significance.

City of Menlo Park: Annexation of the project site is a component of the Stanford Hotel and Office Project approved by the City of Menlo Park and is an important project for the City. The proposed development was reviewed over the course of a year-long process, and concluded with the Council's approval of a comprehensive package, including an Environmental Impact Report, General Plan Amendment, rezoning and conditional development permit. The City Council approved the project on June 13, 2006. The City requests approval of the annexation.

Recommendation: Approval

West Bay Sanitary District: Applicant will sewer to existing main gravity sewer line located in the back of the adjacent parcel at 2725 Sand Hill Road. Due to topography of the property, a pump facility will be required. The main line sewer may need to be extended to meet the existing line and the final flow determination for the parcel's use may require upsizing of the main line by the applicant. The applicant will be required to construct sewer line according to District permit regulations and pay all permit fees, deposits and connection fees.

Recommendation: Approval

Report and Recommendation:

This proposal has been submitted by petition of Stanford Land Management and requests annexation of 24.2 acres proposed for development as hotel and office complex. The territory proposed for annexation is located in the City of Menlo Park on Sand Hill Road near Interstate 280 and is the site of a proposed 170,000 square foot hotel facility and 100,000 square foot office complex approved by the City of Menlo Park. Annexation to West Bay Sanitary District is a condition of City approval of the project.

Government Code Section 56375(a) authorizes the Commission to amend the boundaries of an annexation proposal. As noted above, there is a section of Sand Hill Road east of the annexation area that was omitted from District boundaries by previous annexations and staff recommends that this segment be annexed to the District as part of this annexation. West Bay Sanitary District and the applicant agree to this amendment.

The subject area is within the sphere of influence of the West Bay Sanitary District adopted by the Commission in 1984 and is consistent with the District's plans for extending service.

On June 13, 2006 the City of Menlo Park, adopted findings in accordance with the California Environmental Quality Act (CEQA), certified the Environmental Impact Report (EIR), adopted statements of overriding considerations, and approved the project.

California Environmental Quality Act (CEQA)

In the case of projects initiated by a land use authority, such as a city or county where annexations are required as a condition of approval, LAFCO is the responsible agency under CEQA. As a responsible agency LAFCO considers the lead agency's environmental documents before making its own project decisions. In this case, the application requests annexation of the project site in order to provide sewer to the proposed hotel and office complex. The EIR prepared by the City identified significant and unavoidable impacts in regard to traffic and circulation and significant impacts that could be avoided or mitigated to less than a significant level related to aesthetics, air quality, biological resources, sensitive species, wetlands, heritage trees, cultural resources, hydrology and water quality, noise, traffic and circulation, transit service, congestion management. The attached certification details the identified impacts and mitigation measures adopted by the City of Menlo Park.

Sewer service is discussed in the EIR on pages 3.14-2 and 3.14-8. In summary, West Bay Sanitary District is the regional wastewater agency serving Menlo Park, Atherton, Portola Valley and portions of Woodside, East Palo Alto and unincorporated San Mateo County. Along with San Mateo County, San Carlos, Redwood City and Belmont, the District is a member of the South Bayside System Authority (SBSA), a joint power authority operating a regional sewage treatment plant. As a member of SBSA, the District currently uses approximately 77% of its average daily dry weather capacity and it is estimated that the project will contribute a total of 0.0675 mgd to the District or approximately five percent of the remaining District capacity. The EIR indicates that the project would result in a less than significant impact on the environment because it would not: exceed waste water treatment requirements, require construction of new wastewater treatment facilities or exceed treatment capacity.

Based on the foregoing, staff recommends that the Commission make the following CEQA findings in considering the annexation:

Pursuant to Sections 15096(g)(2) and 15096(h) of the State CEQA Guidelines, the Commission has considered the EIR for the Sand Hill Road Office and Hotel Development Project prepared by the City of Menlo Park and finds as follows:

The Commission has considered findings made by the City of Menlo Park for the EIR for the Sand Hill Road Office and Hotel Development Project pursuant to Sections 15091 and 15093 and the Mitigation Monitoring Program prepared by the City of Menlo Park, and finds that such changes or alterations are within the responsibility and jurisdiction of the City of Menlo Park and not LAFCo and such changes have been or should be adopted by the City of Menlo Park. (CEQA Guidelines, § 15091, subd. (a)(2).)

Waiver of Conducting Authority Proceedings

Paragraph [c] of Section 56663 specifies that the Commission may waive conducting authority proceedings for annexations of uninhabited territory with 100% landowner consent provided there is written consent from all gaining agencies. The purpose of the conducting authority proceeding is to measure landowner or voter protest within the affected territory. Paragraph [c] was added to Section 56837 to streamline annexation proceedings in which landowners have already given consent to uninhabited annexation proceedings. Staff recommends that the Commission waive the conducting authority proceedings if the proposal is approved.

Recommended Commission Action, by Motion:

Certify that the Commission:

- a) Pursuant to Sections 15096(g)(2) and 15096(h) of the State CEQA Guidelines, the Commission has considered the EIR for the Sand Hill Road Office and Hotel Development Project prepared by the City of Menlo Park,

- b) The Commission has considered findings made by the City of Menlo Park for the EIR for the Sand Hill Road Office and Hotel Development Project pursuant to Sections 15091 and 15093 and the Mitigation Monitoring Program prepared by the City of Menlo Park, and finds that such changes or alterations are within the responsibility and jurisdiction of the City of Menlo Park and not LAFCo and such changes have been or should be adopted by the City of Menlo Park. (CEQA Guidelines, § 15091, subd. (a)(2).)

Recommended Commission Action, by Resolution:

Approve LAFCo File No.06-04--Proposed Annexation of 2825 Sand Hill Road, amended to include the segment of Sand Hill Road previously omitted from District boundaries, to West Bay Sanitary District and waive conducting authority proceedings with the following condition:

- a. That the map and legal description be modified to meet the State Board of Equalization requirements and be submitted to LAFCo prior to filing of final of certificate of completion.

Respectfully submitted,



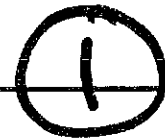
Martha Poyatos
Executive Officer

/mp



MAPS FOR SAND HILL HOTEL & OFFICE
ANNEXATION TO WBSD

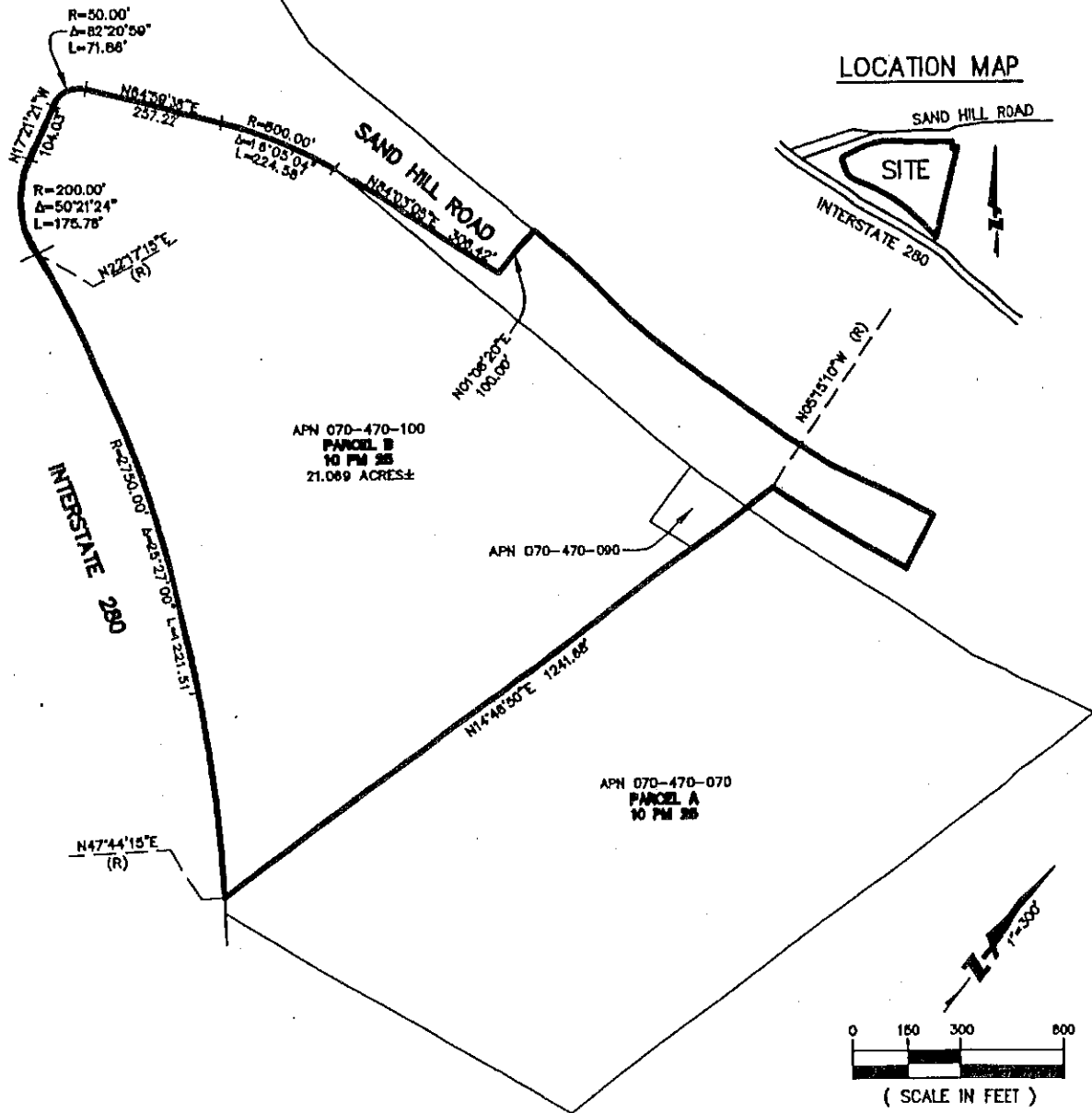
- 1) PROJECT MAP
- 2) INCLUSION OF SAND HILL SEGMENT
PREVIOUSLY EXCLUDED FROM
DISTRICT BOUNDARIES
- 3) COMBINED MAP SHOWING LOCATION
OF SAND HILL SEGMENT IN RELATION
TO PROPOSED HOTEL & OFFICE PROJECT

Project Site Proposed for Annexation



LEGEND

-  BOUNDARY LINE OF PROPOSED ANNEXATION
-  PROPERTY LINE



ENGINEERS / SURVEYORS / PLANNERS

1650 TECHNOLOGY DRIVE, SUITE 650
SAN JOSE, CA 95110

K:/SU05/056060/DWG/
SHANNEX.dwg

BKF NO. 20056060-14

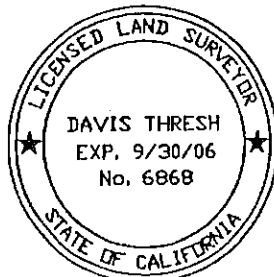
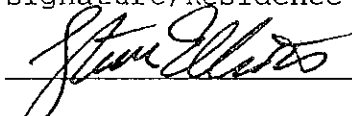


EXHIBIT "B"
PROPOSED ANNEXATION
TO THE WEST BAY SANITARY DISTRICT

07/20/2006, SCALE 1"=300'
SHEET 1 OF 1

Wherefore, petitioner(s) request(s) that proceedings be taken in accordance with the provisions of Section 56000, et seq. Of the Government Code and herewith affix signatures as follows:

Chief Petitioners (not to exceed three):

Date:	Printed Name:	Signature/Residence address	APN*
_____	<u>Steve Elliott</u> Director, Development Projects	 _____ Stanford Management Company 2770 Sand Hill Road, Menlo Park, CA 94025	

*Assessor's Parcel Number of parcel(s) proposed for annexation.

074-470-100 and 074-470-090

**APPLICATION FOR A CHANGE OF ORGANIZATION OR REORGANIZATION
TO THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION**

A. GENERAL INFORMATION

1. Briefly describe the nature of the proposed change of organization or reorganization.

Annexation of 2825 Sand Hill Road, Menlo Park, to the West Bay Sanitary District.

2. An application for a change of organization or reorganization may be submitted by individuals in the form of a petition or by an affected public agency in the form of a certified resolution. This application is submitted by (check one):

Landowners or registered voters, by petition
 An affected public agency, by resolution

(If this application is submitted by petition of landowners or registered voters in the affected territory, complete the petition form.)

3. What are the reasons for the proposal?

2825 Sand Hill Road is currently a vacant site and not serviced by any sanitary district. The approved development on the site requires sanitary sewer service.

4. Does this application have 100% consent of landowners in the affected area?

Yes No

5. Estimated acreage: 24.206

B. SERVICES

1. List the name or names of all existing cities and special districts whose service area or service responsibility would be altered by the proposed change of organization or reorganization.

West Bay Sanitary District

2. List all changes to the pattern of delivery of local services to the affected area. For each service affected by the proposed change(s) of organization, list the present source of service (state "none" if service is not now provided), the proposed source of service and the source of funding for

construction of necessary facilities (if any) and operation. Example is given on the first two lines of the space provided for your response.

SERVICE	PRESENT SOURCE	PROPOSED SOURCE	FUNDING SOURCE	
			CONSTRUCTION	OPERATING
<i>Police (example)</i>	<i>Co. Sheriff</i>	<i>City Police</i>	<i>N/A</i>	<i>Taxes</i>
<i>Sewer (example)</i>	<i>None</i>	<i>City of . . .</i>	<i>Proponent</i>	<i>Fees</i>
Sewer	None	West Bay Sanitary District	Proponent	Fees

C. PROJECT PROPOSAL INFORMATION

1. Please describe the general location of the territory which is the subject of this proposal. Refer to major highways, roads and topographical features.

The site is an undeveloped grassland at the southeast corner of the intersection of Sand Hill Road and I-280, along with a portion of a driveway and of Sand Hill Road adjacent to the hotel/office project site.

2. Describe the present land use(s) in the subject territory.

None on the hotel/office site; driveway on APN 070-470-090; roadway on Sand Hill Road.

3. How are adjacent lands used?

North: Administrative office complexes

South: I-280 and Stanford Linear Accelerator Center

East: Administrative office complex

West: I-280 and open space

4. Will the proposed change of organization result in additional development? If so, how is the subject territory to be developed?

The approved project is a 120-room hotel consisting of approximately 20 low-rise buildings plus a 100,000 square foot office complex consisting of 4 two-story buildings.

5. What is the general plan designation of the subject territory?

Retail / Commercial

6. What is the existing zoning designation of the subject territory?

C-4-X (General Commercial-Conditional Development Permit)

7. What rezoning, environmental review or development approvals have already been obtained for development in the subject territory?

FEIR certified, General Plan amended, and Conditional Development Permit, Below Market Rate Housing Agreement and Heritage Tree Removal Permit approved, by Menlo Park City Council on 6/13/06.

Rezoning granted by Menlo Park City Council on 6/20/06
Streambed Alteration Agreement issued by California DFG.

8. What additional approvals will be required to proceed?

U. S. Army Corps of Engineers section 404/section 10 permit; Regional Water Quality Control Board section 401 water quality certification.

9. Does any portion of the subject territory contain any of the following --agricultural preserves, sewer or other service moratorium or wetlands subject to the State Lands Commission jurisdiction?

No.

10. If no specific development projects are associated with this proposal, will the proposal increase the potential for development of the property? If so, how?

N/A

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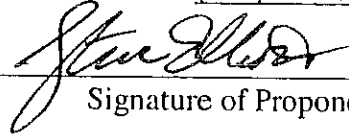
LAFCo will consider the person signing this application as the proponent of the proposed action(s). Notice and other communications regarding this application (including fee payment) will be directed to the proponent at:

NAME: Stanford Management Company

ADDRESS: 2770 Sand Hill Road
Menlo Park, CA 94025

ATTN: Steve Elliott, Director, Development Projects

TELEPHONE: (650) 926-0284



Signature of Proponent

Applica_blk.doc
(10/6/2000)

NICHOLAS JELLINS
MAYOR

KELLY FERGUSSON
MAYOR PRO TEM

ANDREW COHEN
COUNCIL MEMBER

LEE DUBOC
COUNCIL MEMBER

MICKIE WINKLER
COUNCIL MEMBER



701 LAUREL STREET, MENLO PARK, CA 94025-3483
www.menlopark.org

August 9, 2006

Building
TEL 650.330.6704
FAX 650.327.5403

City Clerk
TEL 650.330.6620
FAX 650.328.7935

City Council
TEL 650.330.6630
FAX 650.328.7935

City Manager's Office
TEL 650.330.6610
FAX 650.328.7935

Community Services
TEL 650.330.2200
FAX 650.324.1721

Engineering
TEL 650.330.6740
FAX 650.327.5497

Environmental
TEL 650.330.6763
FAX 650.327.5497

Finance
TEL 650.330.6640
FAX 650.327.5391

**Housing &
Redevelopment**
TEL 650.330.6706
FAX 650.327.1759

Library
TEL 650.330.2500
FAX 650.327.7030

Maintenance
TEL 650.330.6780
FAX 650.327.1953

Personnel
TEL 650.330.6670
FAX 650.327.5382

Planning
TEL 650.330.6702
FAX 650.327.5403

Police
TEL 650.330.6300
FAX 650.327.4314

Transportation
TEL 650.330.6770
FAX 650.327.5497

Ms. Martha Poyatos, Executive Officer
San Mateo Local Agency Formation Commission
455 County Center, 2nd Floor
Redwood City, CA 94063-1663

**RE: Application #06-04, Proposed Annexation of 2825 Sand Hill Road
(Stanford University Hotel and Office) to West Bay Sanitary District**

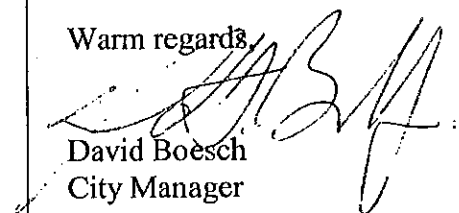
Dear Ms. Poyatos:

I received notice that the San Mateo Local Agency Formation Commission will be considering the annexation of the Stanford Hotel and Office project into the jurisdiction of the West Bay Sanitary District. The City of Menlo Park approved the planned hotel and office project at the June 13, 2006 meeting of the City Council. On behalf of the City, I write to request the Commission's favorable consideration of the annexation.

The Stanford hotel and office project is an important project for the City of Menlo Park. The proposed development was reviewed over the course of a year-long process, and concluded with Council's approval of a comprehensive package, including an Environmental Impact Report, General Plan Amendment, rezoning and conditional development permit. Should this information be helpful to you or your Commissioners, it is available on the City's website or copies can be provided.

Should you have any questions or require additional information, please do not hesitate to contact Arlinda Heineck, Director of Community Development, at (650) 330-6715.

Warm regards,


David Boesch
City Manager

cc: Arlinda Heineck
Steve Elliott, Stanford Management Company

