



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT:** SEE BELOW

**DATE:** 11-19-07

Approved

*Deanna Fitch*

Date

*11/26/07*

**COUNCIL DISTRICT:** City-Wide  
**SNI AREA:** N/A

**SUBJECT: THIRD AMENDMENT TO THE AGREEMENT BETWEEN THE CITY AND ENVIRONMENTAL SCIENCE ASSOCIATES, INC. FOR ENVIRONMENTAL SERVICES RELATED TO THE MONTEREY HIGHWAY SOCCER COMPLEX PROJECT**

## RECOMMENDATION

Adoption of a resolution authorizing the City Manager to execute a third amendment to the agreement between the City of San José and Environmental Science Associates, Inc. for environmental services related to the proposed Monterey Highway Soccer Complex project extending the term of the agreement from December 31, 2007 to December 31, 2008, at no additional cost.

## OUTCOME

Approval of the recommendation will allow Environmental Science Associates, Inc. (ESA, Inc.) to further study several environmental issues related to the proposed construction of city-wide sports facilities and provide greater project flexibility with adequate time to prepare the environmental impact report (EIR) for the proposed project. Extending the term of the agreement has no impact to the total cost of delivering the project.

## BACKGROUND

The Monterey Highway Soccer Complex project involves development of an approximately 73-acre land parcel owned by the City of San José into a soccer complex. The project site is located in the Coyote Greenbelt between Monterey Highway and Highway 101, adjacent to Morgan Hill Unified School District's Ann Sobrato High School. The project site development plan currently proposes a maximum project of 15 soccer fields to support soccer leagues city-wide.

On January 25, 2005, City Council approved the consultant agreement with ESA, Inc. to complete an EIR for the project in an amount not to exceed \$295,010. On June 28, 2006, the City Manager approved a First Amendment to the Agreement that extended the term of the agreement for a period of six months to continue progress on the project while the details of the Second Amendment were being discussed. On September 19, 2006, Council approved the Second Amendment to the Agreement including changes to the scope of services, schedule, and compensation for the preparation of technical studies and processing of an EIR to respond to a revised scope for the project. The changes in the scope of services and compensation were associated with the preparation and study of project alternatives and the traffic impacts of each alternative and City staff fees associated with the EIR review. The term of the Agreement was extended to December 31, 2007.

### **ANALYSIS**

The Monterey Highway Soccer project proposes to change the *San José 2020 General Plan Land Use/Transportation Diagram* (General Plan) designation from *Agriculture with Coyote Greenbelt overlay* to *Public Park/Open Space with Coyote Greenbelt overlay* to allow for the development of an active recreation park. To complete this project, a General Plan Amendment must first be approved to permit recreational use of the proposed project site. The recent reduction of the number of General Plan Amendment Hearings from four hearings per year to two to three hearings per year is anticipated to negatively impact the Monterey Highway Soccer project schedule.

Another factor affecting the EIR schedule is the possibility of a Williamson Act Contract encumbering the site that requires further study by the consultant. The California Land Conservation Act of 1965, commonly referred to as the Williamson Act, enables local governments to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space use. In return, landowners receive property tax assessments which are much lower than normal because they are based upon farming and open space uses as opposed to full market value. It appears that the site was acquired with this encumbrance, although ESA, Inc. will confirm this status.

The consultant, Environmental Science Associates, Inc., is vital to the delivery of environmental services necessary to the completion of project's feasibility phase. Staff does not have the expertise to provide these services. Approval of the amendment to the consultant agreement will extend the time of completion for the EIR and provide sufficient time to complete the General Plan Amendment. If the Third Amendment is not approved, the consultant will not fully complete the EIR and staff will discontinue work on the project.

Completion of this EIR will allow the City to be ready to develop the Monterey Highway site once construction funding strategy has been identified. As significant EIR work has been done, staff has determined that it would be beneficial to complete this initial planning effort given the desirability for additional sports fields in the City. This will enable the City to move forward with the development of the sports fields once construction funding has been identified, either from another non-profit organization or from City funds.

## **EVALUATION AND FOLLOW-UP**

Approval of the Third Amendment to the Consultant Agreement for the Monterey Highway Soccer Complex project will enable staff to complete the EIR that will support the General Plan Amendment and the Soccer Complex project. Upon completion of the EIR, staff will seek a funding strategy that may include seeking a private funding partner to construct, operate and maintain the soccer complex. The funding strategy and associated appropriation actions will be presented to the City Council for consideration as part of the annual budget process.

## **POLICY ALTERNATIVES**

*Alternative 1: Discontinue work on the project and dismiss this option for sports fields.*

**Pros:** In the near term, this would save the City up to \$50,000 in unexpended funding.

**Cons:** The construction of sports facilities or other recreational uses at this location would not be possible until the environmental clearance has been completed.

**Reason for not recommending:** Completion of environmental clearance supports the General Plan Amendment to allow for future recreational development of this City-owned parcel, regardless of whether a soccer complex is constructed.

## **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

A Notice of Preparation was filed for the Environmental Impact Report, and a joint Public Scoping Hearing and Community Meeting was held in November 2005. A second community meeting was held on September 21, 2007. Meetings have been advertised in the *San José Mercury News* and flyers were mailed to properties located within 2,000 feet of the project site. This memorandum will also be posted on the City's website for the December 11, 2007 City Council meeting.

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**COORDINATION**

The Third Amendment to the consultant agreement and this memorandum have been coordinated with the City Attorney's Office, the Department of Planning, Building and Code Enforcement, and the City Manager's Budget Office.

**CEQA**

CEQA: Not a project.

A handwritten signature in blue ink, appearing to read "Albert Balagso", is positioned above the printed name.

ALBERT BALAGSO  
Director of Parks, Recreation  
and Neighborhood Services

For questions, please contact MARYBETH CARTER, SENIOR LANDSCAPE ARCHITECT, at  
(408) 793-4183.