



City of Gilroy

STAFF REPORT

Agenda Item Title: **Approval of Final Map and Property Improvement Agreement for Glen Loma Ranch McCutchin Creek/Palomino Development, Tract 10426, Tract 10613, and McCutchin Creek Re-Alignment APN's 808-43-008 and 808-43-010**

Meeting Date: June 5, 2023
From: Jimmy Forbis, City Administrator
Department: Public Works
Submitted By: Daryl Jordan, Public Works Director
Prepared By: Jorge Duran, Development Engineer

STRATEGIC PLAN GOALS

Promote Safe, Affordable Housing for All

RECOMMENDATION

Approve the Final Map and Property Improvement Agreement No. 2023-03 for Glen Loma Ranch McCutchin Creek/Palomino Development, Tract 10426, Tract 10613, and McCutchin Creek Re-Alignment APN's 808-43-008 and 808-43-010.

BACKGROUND

On May 19, 2014, the applicant, Glen Loma Corporation, received Tentative Map approval of a master subdivision of approximately 359 acres, commonly known as the Glen Loma Ranch Specific Plan [Reference: Resolution No. 2014-19, TM 13-08 & Ordinance No. 2014-07, Z 14-01].

The Glen Loma Ranch Specific Plan area consists of approximately 359 acres divided into 13 parcels under four separate ownerships. The land comprises gently sloped terrain with mixed oak/riparian woodlands, coastal scrub, non-native grasslands, and serpentine rock outcrops. Reservoir Canyon Creek and Babbs Creek traverse the site, along with two modified drainage channels that convey stormwater for peak seasonal storm events. A seasonal wetland exists within the northwestern region of the project

site. Ascension Solorsano Middle School and Las Animas Elementary School exist within the Glen Loma Specific Plan area. Roadways constructed to serve those schools also serve the Glen Loma Specific Plan area.

The Glen Loma Specific Plan encompasses 17 distinct residential neighborhoods with up to 1,693 mixed-density residential units, including single-family homes, apartments, low-income units, and senior units. The City has approved the subdivision of 14 neighborhoods (Vista Bella, Petite Syrah, Mataro, Home Ranch, Wild Chestnut, Montonico, McCutchin Creek, Palomino, Nebbiolo, Malvasia, The Glen, Town Center Multi-Family, Town Center Affordable, The Grove and Luchessa), totaling 1,078 units to date. Note that this is subdivision approval, different from building permit issuance for units. Vista Bella, Petite Syrah, Mataro, Home Ranch, Wild Chestnut, Montonico, The Grove, and Luchessa have been built, totaling 566 units.

Ultimate development of the Glen Loma Specific Plan will consist of a Town Center commercial development that includes a City fire station, a potential commercial site on the northern portion of the Specific Plan area ("Northern Commercial Reserve"), two proposed City park sites, and community amenities or focal points within each neighborhood. It will also include approximately 88 acres (24 percent of the project site) of open space and buffer areas with approximately seven miles of trails that link the neighborhoods and connects with Christmas Hill Park. As part of the open space, a rocky knoll area with soils that provide habitat for endangered species (serpentine soils) and an area that currently contains a eucalyptus grove will be maintained.

On February 6, 2017, Council approved Tentative Map TM 16-01, granting Glen Loma Corporation the ability to subdivide in phases approximately 30 acres into 26 duet lots in the McCutchin Creek neighborhood and 33 single-family lots in the Palomino neighborhood for a total of 59 residential lots. In addition, it allowed for one public open space parcel for the construction of the Santa Teresa Trail, one public open space parcel for a future City park, nine private open space parcels that the homeowners' association will maintain, one lot for future development, and associated public and private streets on property located south of Club Dr, between Santa Teresa Boulevard and Grenache Way (APN# 808-43-008, 808-43-010, filed by Glen Loma Group, 7888 Wren Avenue, Suite d-143, Gilroy, CA 95020). [Reference: Resolution No. 2017-05, TM 16-01]

DISCUSSION

As part of this phase of the Glen Loma Ranch Specific Plan development, Filice Family Estate, A California Limited Partnership (Owner), and KB HOME South Bay Inc, a California Corporation (Developer), are requesting approval of Tract 10426 Palomino Final Map, Tract 10613 Palomino II Final Map, McCutchin Creek Improvement Plans, and to enter into a Property Improvement Agreement with the City for the construction of public improvements. These improvements include grading, new streets, paving, curb, gutter, sidewalk, landscape, lighting, storm drain, water, sewer, creek re-

alignment, and necessary utility extension and connection to serve the development. As part of the Property Improvement Agreement, the Developer is required to provide two bonds: a Faithful Performance Bond and a Payment Bond of \$7,959,885 (Seven Million Nine Hundred Fifty-Nine Thousand Eight Hundred Eighty-Five Dollars) each for 100% of the estimated construction cost of the improvements.

The Tract 10426 Final Map and Tract 10613 Final Map are ready for recording with Santa Clara County once Council approves.

ALTERNATIVES

Council may deny the request to approve the Final Map. However, the current use of the property (and the request to subdivide the property) is consistent with the City's General Plan, Zoning, and Land Use Designations for the area. Staff does not recommend this alternative as it will impose unnecessary delay for the site's development.

FISCAL IMPACT

There is no net impact to the General Fund. Plan check and inspection fees have been collected to cover the costs associated with this action. The Developer has submitted bonding and insurance for the above-referenced Property Improvement Agreement and Final Map.

Attachments:

1. Exhibit A - Vicinity Map
2. Exhibit B - PIA
3. Exhibit C - Final Maps