ATTACHMENT 3

HILLSIDE AREA PLAN

UNION CITY CALIFORNIA

• • •

JULY 25, 1995

BRADY AND ASSOCIATES, INC. PLANNERS AND LANDSCAPE ARCHITECTS

City Council Resolutions 8628-95 and 8629-95

Hillside Area Plan TABLE OF CONTENTS

ΡΡΡ

I.	INTRODUCTION			
	A.	Background and Purpose1		
	B.	Area Plan Contents		
	C.	Planning Process		
	D.	Relationship to Measure B, the Union City		
		General Plan and Future Specific Plans		
II.	HILI	SIDE AREA DESCRIPTION		
	A.	Hillside Area Location and Setting		
	B.	Study Area Characteristics		
III.	PLA	N GOALS9		
IV.	DEVELOPMENT POLICIES			
	A.	Land Use		
	B.	Municipal Services		
	C.	Geology and Seismicity		
	D.	Hydrology		
	E.	Vegetation and Wildlife		
	F.	Visual Resources		
	G.	Cultural Resources		
	H.	Traffic and Circulation		
	I.	Air Quality		
	J.	Energy and Resource Conservation		
	K.	Fremont Area Reorganization		
	L.	Specific Plan		
	M.	Development Densities		
	N.	Extent of Development		

V.	DEVELOPMENT AREAS AND DENSITIES		
	A.	Development Areas	
		Allowable Development Density	
VI.	IMF	PLEMENTATION	
	A.	Specific Plan Preparation	
	B.	Project Financing	
	C.	City Reorganization	
CIT	Y CO	UNCIL RESOLUTIONS	after page 45

Figures

1.	Regional Location	.5
2.	Union City and Fremont Hillside Areas	.6
3.	Hillside Area Policies	14
4.	Potential Development Areas	37

Chapter I INTRODUCTION

ΡΡΡ

A. Background and Purpose

The Hillside Area consists of roughly 6,100 acres to the north and east of Mission Boulevard in Union City, and approximately 1,000 acres in an adjacent area in Fremont. Most of the area is undeveloped, and it is located at the edge of existing urban development in Union City and Fremont. The area includes the East Bay Regional Park District's Dry Creek Pioneer Regional Park. The Plan area within Union City was the subject of the City's Measure B, which required the preparation of this Area Plan to guide future development in the area.

The overall goal of the *Hillside Area Plan* is to recognize the unique character of the study area and to guide and regulate development in a manner which protects and enhances the area's natural resources, while also allowing for an appropriate level of development in the area.

The planning process for the Hillside Area is iterative, which means that several phases of planning will occur before development occurs in the Area. After this Area Plan is adopted, a Specific Plan will be created to define more exactly the nature of the development to occur. At that time, some of the policies in this Area Plan may need to be re-evaluated in accordance with the additional level of detail that the Specific Plan process will include.

B. Area Plan Contents

This Area Plan is primarily a policy document, with a total of 50 policies that will guide land use, circulation, municipal service provision and resource preservation in the Hillside Area.

The Area Plan includes the following chapters:

- **\$** Chapter 1 is this introduction.
- \$ Chapter 2 contains a description of the planning area.
- \$ Chapter 3 contains the plan's goals, which are taken from Measure B.
- \$ Chapter 4 lists the plan's development policies, with necessary background discussion to support each policy.

- \$ Chapter 5 contains a development area map showing areas suitable for development according to the policies of the Plan, and specifies that the overall average density in development areas is expected to be three units per acre or less.
- \$ Chapter 6 contains a brief listing of implementation measures that will be necessary to put the plan into effect, including preparation of a Specific Plan for development areas, changes to the zoning code, and a financing program.

The required environmental impact documentation allowing adoption of this plan is contained in a separate document, the *Hillside Area Plan Environmental Impact Report*. The EIR includes recommended mitigation measures for the Draft Area Plan, as well as an analysis of plan alternatives.

C. Planning Process

1. The Process To Date

The Union City Planning Commission and City Council oversaw the planning process for the Hillside Area, which began in November 1989. As the first steps in the planning process, the land use and environmental conditions present in the study area were documented in *Baseline Data Reports Number 1, 2 and 3*. Opportunities and constraints to development, conservation and public access were identified. These findings were presented to the public at public meetings in May, June and July 1990.

Once the Baseline Data were documented, the consultant team developed a series of alternative policies for the area, which were presented to the Planning Commission and the City Council beginning in November 1990. Both bodies gave the alternative policies extensive review, and a preferred set of policies was selected by the City Council in March 1992. Based on the preferred policies, the City Council then studied densities and development areas that could occur in the planning area. Plan and EIR preparation based on the preferred policies and the probable development areas began in November 1992, and have resulted in this Plan and the accompanying EIR.

2. Public Participation

Through March 1993, the City of Union City had held over 30 public meetings during the Area Plan preparation process. Each meeting was attended by land owners, agency representatives and members of the public. Additional public meetings and hearings will be held during the EIR certification and Area Plan adoption process.

3. Future Planning Steps

This Draft Area Plan will be reviewed in public hearings by the Union City Planning Commission and City Council. The *Hillside Area Plan Draft Environmental Impact Report* will also be reviewed in public hearings before these decision-making bodies.

In response to comments on the Draft Plan and EIR, a Final EIR will be prepared, which may include revisions to the Draft Plan. When the Final EIR is certified by the City, the Area Plan may be adopted. Once it is adopted, a Final Area Plan with any changes made during the adoption process will be published.

D. Relationship to Measure B, the Union City General Plan and Future Specific Plans

Preparation of the Hillside Area Plan is required by Measure B, which was passed by Union City voters in November 1989. Measure B requires that an Area Plan be prepared to meet the 16 goals stated in the measure, which are incorporated as the goals of this Plan.

This Area Plan will be incorporated into the Union City General Plan as the development policies for the Hillside Area. Thus the Area Plan supersedes existing Union City plan policy for the area. However, the Area Plan has been prepared to be consistent with the overall goals, policies and objectives for the area and for the City as already contained in the City General Plan.

Measure B requires that a Specific Plan be prepared subsequent to this Area Plan for any development that takes place in portions of the Hillside Area that were designated for agriculture at the time the Measure was adopted. For this reason, the Area Plan does not set specific densities for development in the development areas, and the environmental review for the Area Plan does not include site specific analysis of environmental factors. These steps will be accomplished during the future Specific Plan process, which will be pursued when a qualified developer or landowner is interested in funding the Specific Plan.

Chapter II HILLSIDE AREA DESCRIPTION

ΡΡΡ

This chapter describes the Hillside Area, which is the subject of this plan.

A. Hillside Area Location and Setting

As shown in Figure 1, the Hillside Area is located in the City of Union City in west-central Alameda County. The Hillside Area lies approximately 2 miles northeast of Union City City Hall, 10 miles south of downtown San Leandro and 30 miles from San Francisco. The Hillside Area lies in the northeastern part of Union City in the largely undeveloped hill areas.

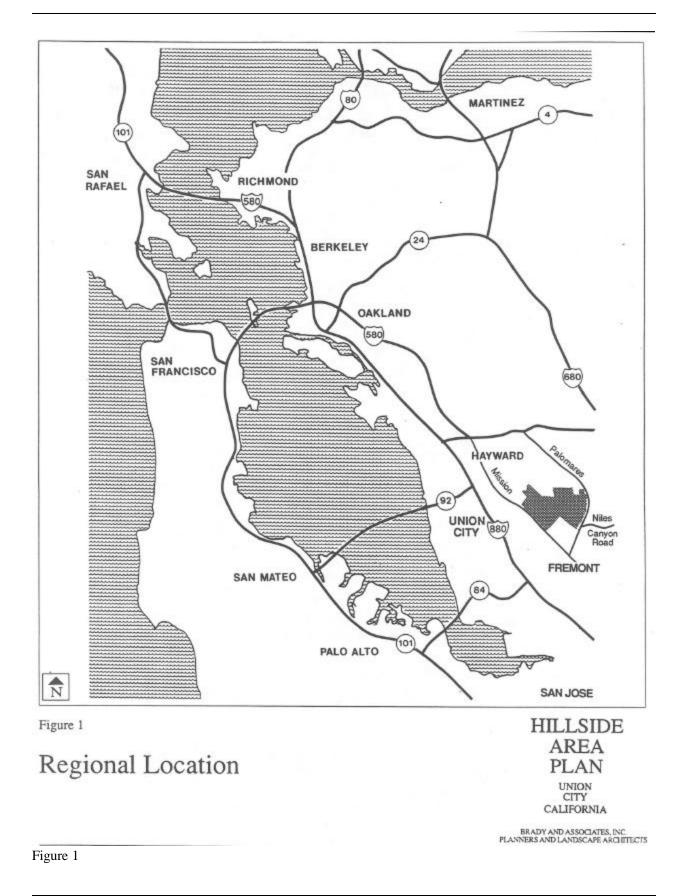
Interstate 880 runs through Union City, providing access between Oakland and San Jose. Interstate 580 lies to the north of Union City, providing access between San Leandro and areas to the east such as Pleasanton, Livermore and Stockton. Mission Boulevard (Highway 238) runs through Union City in a north-south direction along the western base of the Hillside Area.

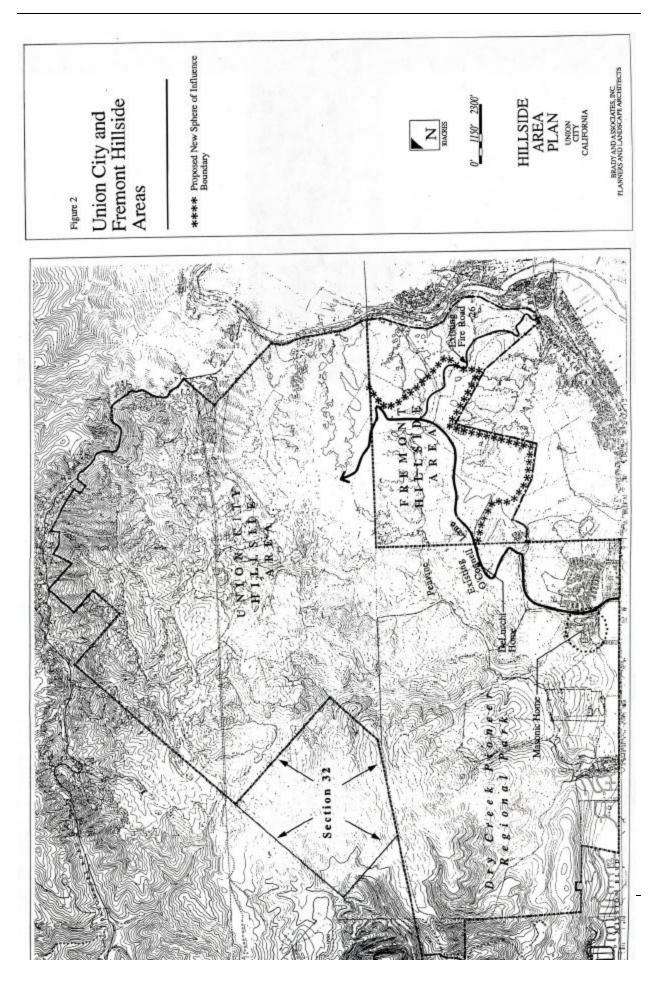
As shown in Figure 2, the Hillside Area includes the entire incorporated area of Union City to the north and east of Mission Boulevard, as well as a portion of the part of Fremont located north of Niles Canyon Road and east of Mission Boulevard. About 85 percent of the Hillside Area is within Union City's city limits, while the other 15 percent is within the City of Fremont's city limits.

B. Study Area Characteristics

1. Union City Hillside Area

The Union City Hillside Area consists of approximately nine square miles (6,150 acres) and is composed of largely undeveloped hill slopes. Almost two-thirds of the area is privately owned undeveloped grazing land. Most of the other third of the area is in the East Bay Regional Park District's Dry Creek Pioneer Regional Park. The Union City Hillside Area also includes the Tamarack and Seven Hills residential neighborhoods, the Mission Villages townhomes, the Masonic Home, the Chapel of the Chimes cemetery, a City park, and some gladiola fields along Mission Boulevard.





Existing roadway access to the Hillside Area is limited by the area's steep terrain. Appian Way is the most significant street in the Hillside Area. This is a two-lane non-through road serving the Seven Hills Neighborhood. Tamarack Drive is a local street in the Hillside Area which serves the Tamarack neighborhood. It dead-ends at Dry Creek Regional Park. O'Connell Lane is a local street in the Hillside Area which provides access to the Mission Village condominiums. It also provides the only major access in Union City (via dirt road) to the upland portions of the Hillside Area. From here, a series of dirt roads run along the Hillside Area ridges. All roads beyond the Seven Hills and Tamarack neighborhoods are unpaved.

2. Fremont Hillside Area

The Fremont Hillside Area, as it is referred to in this report, consists of approximately 1,000 acres also owned by Rancho Arroyo de la Alameda and Geldermann Enterprises. These lands, which are north of and east of Mission Boulevard and Niles Canyon Road are topographically continuous with the Union City Hillside Area, and they share much of the Hillside Area's geology, hydrology, vegetation, wildlife and visual character. The Fremont Hillside Area also provides the most reasonable land access into the upper Union City Hillside Area. The Fremont Hillside Area is included in the Hillside Area Plan and EIR to provide the data necessary for decision-makers to consider the best planning approach to the Fremont Hillside Area.

3. Area Character

The majority of the Hillside Area is characterized by largely undeveloped ravines and open meadows on a series of steep slopes leading up to narrow but relatively flat ridges collectively known as Walpert Ridge. North and east of Walpert Ridge are a series of narrower ridges that extend like "fingers" towards Stony Brook and Niles Canyons. A large portion of the area has slopes over 40 percent. Flatter areas are generally covered in annual grassland, but many of the steeper areas contain woodlands and chaparral. Over 80 percent of the total study area is undeveloped and lacks all urban services. Currently, almost all of the privately-owned portions of the upper Hillside Area are designated for agricultural use. Existing agricultural uses in the Hillside Area are generally non-intensive and focused on grazing of livestock, as well as boarding and grazing horses. Some low-lying portions of the area along Mission Boulevard are used for the production of gladiolas. About one-third of the Hillside Area is in the East Bay Regional Park District's Dry Creek Pioneer Regional Park, and is currently designated for open space use.

4. Land Ownership

There are approximately nine major land owners in the area. The East Bay Regional Park District owns most of the northwestern portion of the area, which is part of Dry Creek Pioneer Regional Park. Geldermann Enterprises and Rancho Arroyo de la Alameda, a California general partnership, own about 3,600 acres within Union City and about 1,000 acres in the Fremont Hillside Area. The ownership in these areas is interlocking, so both holdings are treated as an entity in this report and referred to as the "Rancho Arroyo de la Alameda/Geldermann" property.

In addition to these major land holders, there are approximately six moderately sized land holdings in the Union City Hillside Area, including: the Masonic Homes of California; Olund; Meyers; the City of Union City, at Seven Hills Park; Lincoln Properties, which owns the 152-unit Mission Sierra Apartment complex; and Chapel of the Chimes Cemetery. Additionally, there are approximately 300 private homes on lots ranging from approximately 3,600 to 7,000 square feet in the Tamarack and Seven Hills neighborhoods at the foot of the hills along Mission Boulevard, and 290 units at the Mission Village condominiums.

Chapter III PLAN GOALS

ΡΡΡ

The Hillside Area Plan has been prepared under the mandate of Measure B, which was passed by Union City Voters in November 1989. The following is a list of the 16 planning goals set forth by Measure B. These goals provide a framework for the specific policies found in the Plan, which deal with land use, public policy, public services, geology and seismicity, hydrology, vegetation and wildlife, visual and cultural resources, traffic and circulation, air quality, and energy conservation as they relate to any future Hillside Area development.

- 1. To establish a density limit for development which is based on a systematic study of all relevant hillside factors, as identified in these goal statements, in relation to all goals for the hillside area contained in this Hillside Area Plan and the balance of the General Plan.
- 2. To preserve the natural appearance of the hillside area to the maximum extent possible by locating new development in areas not highly visible from other locations within the city.
- 3. To encourage the continuation of agricultural uses in the short run and also in the longer term to the extent compatible with future development.
- 4. To preserve the critical natural ecological systems so that plants and animals, including endangered species, can continue to exist in abundance.
- 5. To protect the vast watershed against erosion and for purposes of groundwater recharge.
- 6. To identify and preserve as feasible any archaeological, historical and cultural resources.
- 7. To provide for the safety of new development by preventing construction on geologically unstable ground, in areas subject to flooding and areas of extreme fire hazard.
- 8. To provide for a continuous flow of open space which will provide vast open areas, places for wildlife and an attendant public trail system.
- 9. To cluster development in those areas which are visually unobtrusive, do not have steep slopes, can be reached by roads and utilities, and which will result in development which is harmonious with the natural environment.
- 10. To provide for high quality residential development and other uses necessary to support such development.

- 11. To allow only development which can be economically serviced by the City in terms of fire, police and other city services.
- 12. To take into account the need for services not provided by the City including schools, flood control, water supply and sewage treatment.
- 13. To provide general guidelines and standards for reviewing any development which modify the natural environment, including, but not limited to grading, roads, buildings and landscaping, so as to help ensure that new development is compatible with the natural setting.
- 14. To require that all development will pay for its fair share of on-site and off-site costs in developing and serving development.
- 15. To ensure that traffic generated by any development will not overburden streets used to reach the area.
- 16. To require the preparation of a detailed specific plan prior to any hillside development in areas presently designated as Agriculture in the General Plan as of July 17, 1989.

Chapter IV DEVELOPMENT POLICIES

P P P

This section contains development policies for the Hillside Area to which any development proposed in the area must conform. The policies are arranged according to environmental topics, and are explained with background information that follows each policy. Each topical section is introduced with information on the City's overall concerns regarding the topic.

A. Land Use

Major land uses in the Hillside Area are open space and agriculture, which generally involves grazing. The 1,300-acre Dry Creek Pioneer Regional Park is publicly owned and accessible. Almost all of the privately-owned portions of the upper Hillside Area are designated for agricultural use. Existing agricultural uses in the Hillside Area are generally non-intensive and focused on grazing of livestock. The Rancho Arroyo De La Alameda/Geldermann properties are jointly leased to a single cattle rancher who raises beef cattle on the premises. There are currently approximately 600 pairs of cattle (cows and calves) on the 4,600 acre property, including the 1,000 acres in the City of Fremont. The Olund property is used for the boarding and grazing of horses. There are approximately 75 horses on the property. The low-lying portions of the Meyers and Masonic Homes properties along Mission Boulevard are used for the production of gladiolas. The Hillside Area is an open space resource, since it can be seen from developed portions of Union City and surrounding communities, and since it provides habitat for plants and wildlife.

The number of cows on the land allows the Hillside Area to be judged as "Prime Agricultural Land" under the Cortese-Knox criteria. However, there are no prime soils in the upper Hillside Area, there is no recent history of intensive agricultural use, and the land does not meet the definitions for prime agricultural land used by the State Department of Conservation Farmland Mapping and Monitoring Program or the US Soil Conservation Service. There are currently no parcels in the Hillside Area under Williamson Act Agricultural Preserve Contracts.

Given these considerations, the City has concluded that it there is little need to conserve privately held agricultural lands in the Hillside Area, and that the area could be better utilized for residential and publicly accessible open space use. Development of a portion of the Hillside Area for residential use will provide needed higher-end housing in Union City, while also allowing for preservation and access of the remainder of the area as publicly-accessible open space.

Policy 1. Land use policy and agricultural preservation

Existing Agricultural land use designations in the Hillside area shall be changed to designations intended for residential development to the extent that such changes are consistent with the Hillside Area Plan. Areas in which development is not to occur shall be retained with Agricultural designations, or redesignated as Open Space.

The City desires to see residential development in the Hillside Area to the extent that such development can be consistent with the preservation policies in this Plan. Development will create needed housing in Union City, while also preserving undeveloped areas as open space or agricultural lands.

Policy 2. Open space preservation

Open space shall be preserved in the Hillside Area by requiring developers to dedicate undeveloped open space areas to a public entity as a condition for project approval, and by encouraging expansion of East Bay Regional Park District lands. Each open space area is intended to serve at least one of the following purposes:

- **\$** To provide usable, contiguous portions of flat or moderately sloping grasslands with the potential to serve as active and/or passive recreation areas.
- **\$** To preserve riparian corridors, scrublands, woodlands and rock outcroppings that provide significant habitat or that can be improved to provide habitat.
- **\$** To preserve cultural resources.
- **\$** To preserve corridors or open space blocks that create an inter-connected extension of the existing Dry Creek Pioneer Regional Park or of a new subregional park.
- **\$** To create trail corridors and vista points.
- **\$** To provide for landslide protection, wildland fire control or other public safety needs.

As a condition for development, undeveloped areas will be preserved in the Hillside Area as a publicly accessible amenity. Open space areas will help to meet the preservation and recreation goals listed in this policy and may also be used for grazing.

Policy 3. Open space configuration

All open space areas in the Hillside Area shall meet the criteria of one of the following two categories:

Major open space shall have a minimum size of 200 acres or be substantially contiguous with existing East Bay Regional Park District lands. It shall be contiguous, without "fingers." However, finger-like connections between adjacent major open space areas shall be

encouraged, provided the areas connected meet the minimum size criteria above and the fingers meet the criteria of Policy 19 or 32.

\$ *Minor open space* may be of any size and configuration, provided it is created to achieve at least one of the purposes cited in Policy 2.

No residual open space which does not meet the above requirements shall be allowed.

Open space parcel size and configuration are important considerations in determining the viability of the open space to be preserved. Generally speaking, the East Bay Regional Park District (EBRPD) has found that parcels with a minimum size of 200 acres are necessary to allow for cost-effective maintenance, and this parcel size can also help to ensure the viability of the open space as habitat for wildlife. Similarly, the configuration of open space in cohesive areas without "fingers" is important for both maintenance and habitat viability. The City desires that all parcels meet these criteria, and that open space not simply be residual areas that are not subject to development.

Policy 4. Open space ownership and maintenance responsibility

Open space in the Hillside Area that remains after development shall be dedicated, donated, or in some other manner conveyed to the East Bay Regional Park District or, if necessary, to the City of Union City.

- **\$** EBRPD cooperation shall be sought in the design of the area's open space.
- \$ Lands that come under City jurisdiction may be maintained through a special landscaping and lighting district, and there shall be no financial impacts of open space maintenance on existing residents or businesses of the City not included in the Hillside Area.
- **\$** Open space maintenance through homeowners associations or individual landowners shall be discouraged.

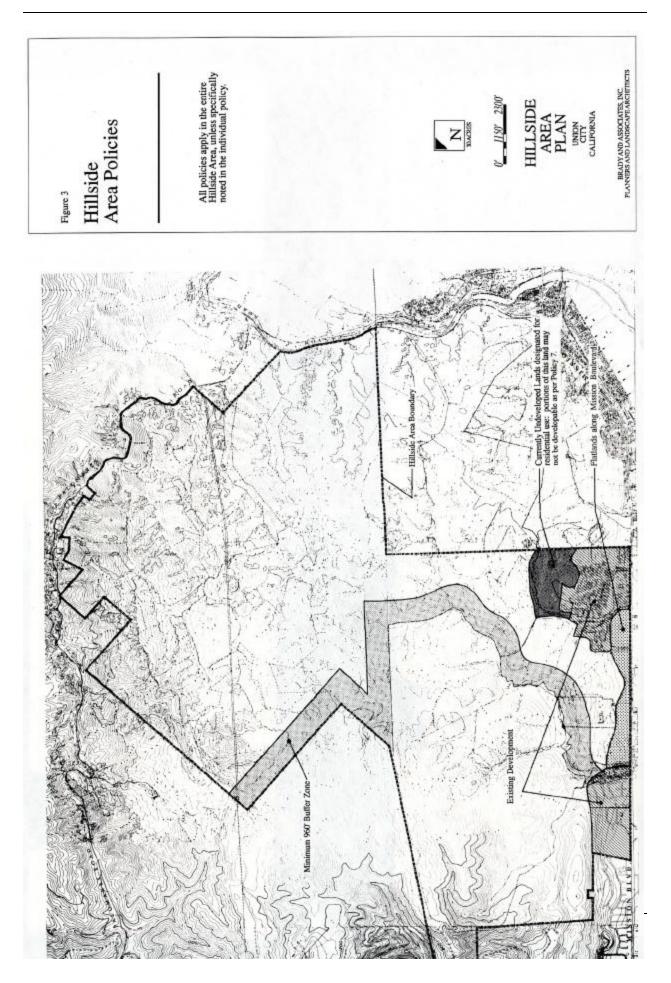
Responsibility for open space maintenance is also an important consideration if development occurs in the Hillside Area. The City prefers that open space be dedicated to regional or local agencies such as the East Bay Regional Park District or the City itself, since homeowners associations and developers have been ineffective at maintaining open space in some other communities.

Policy 5. Parkland buffering

A buffer without development shall be maintained in areas adjacent to Dry Creek Pioneer Regional Park and the Hayward portion of Walpert Ridge. The separation between existing open space and development shall rely on distance and existing topography for its effectiveness, with a minimum width of 960 feet measured in plan view.

The minimum buffer area is shown on Figure 3. Development in the Hillside Area could have visual and environmental impacts on existing parklands in Dry Creek Pioneer Regional Park, and on lands in

Section 32 adjacent to the park. In the past, Section 32 was proposed for dedication to the Park District as a part of development in the Hayward 1900 project. This policy will preserve the visual amenity for the Park and any future park in Section 32.



Policy 6. Housing type

Residential development in the Hillside Area shall consist of 85 percent up-scale housing. The remainder shall consist of very-low-income units, low-income units, and moderate income housing, which shall be scattered throughout the development areas.

Historically, the City has viewed the Hillside Area as an appropriate location for "up-scale housing," and the City General Plan already states that at least 85 percent of housing built in the Hillside Area should be upscale. The City Housing Element also identifies a need for very-low and low-income housing units. This policy provides the Hillside Area with high-quality, up-scale residential development to meet markets currently not served in the City, while also providing for needed low-income housing.

Including affordable housing in the Hillside Area will make for a more heterogeneous community. Affordable housing will ensure that a mixture of income groups will move to the area.

Policy 7. Land use above the Seven Hills neighborhood

Undeveloped lands about the Seven Hills neighborhood that are currently designated for residential development are shown in Figure 3. These lands shall be maintained with their existing residential land use designation, which allows three to six units per acre, but only where development on these lands would not be visible from those portions of Union City outlined in Policy 35. Any development on these lands shall conform to all provisions of the Hillside Combining District. These lands shall be developed with a secondary emergency access separate from Appian Way. Visible portions of these lands shall be redesignated for Agriculture or Open Space.

Currently, approximately 64 acres above the Seven Hills neighborhood are designated for residential use. This land has natural slopes of up to 40 percent, but a portion of it has been graded with pads for residential construction. Existing City General Plan Land use designations allow construction of residences at a density of three to six units per acre, with reductions for slope as specified under the Hillside Combining District.

This policy retains the residential zoning designation in the area. However, development must be consistent with the Hillside Combining District and Plan Policies 35 through 38, which will ensure that new development is sensitive to slopes and is not visible from any residentially developed portion of Union City.

Policy 8. Development clustering

Development clusters shall be encourage in the Hillside Area. Development clusters shall be surrounded by major open space, and shall be visually unobtrusive and harmonious with the natural environment.

Development clusters are concentrated areas of development surrounded by open space buffers. They are intended to preserve open space while still allowing for relatively large amounts of development. Clustering can be used to avoid development on steep slopes, where it is visually obtrusive, or in areas with important biological or cultural resources. The Union City General Plan Open Space Element already mandates clustered development in the Hillside Area to conserve open space, and states that ridgelines and wildlife habitat should be protected to the greatest extent possible.

Policy 9. Land use in flat lands along Mission Boulevard

Undeveloped flat lands in the Hillside Area along Mission Boulevard shall be retained in agricultural or open space use, or shall be used for recreation.

The flat lands along Mission Boulevard, which are shown in Figure 3, are currently used largely for gladiola production and represent the only viable agricultural land in the area. According to the Cortese-Knox Local Government Reorganization Act criteria, this land is considered "prime agricultural land" due to its gladiola farming activity. In addition, Mission Boulevard is a visual corridor in Union City, and it also follows the alignment of the Hayward Fault, which requires geotechnical consideration. This policy allows the area to be left as visually open, agriculturally viable open space area. It also eliminates geotechnical hazards by not allowing any development.

Policy 10. Provision of a community sports facility

The construction of a community sports facility in the Hillside Area along Mission Boulevard shall be encouraged.

The City has been pursuing construction of a community sports facility for some time. This facility would include large playing fields and indoor facilities such as a swimming pool and gymnasium to serve the entire Union City community. This policy encourages the construction of this much needed facility. Partial funding for a community sports facility might be required as a condition of approval for Hillside Area development based on a community-wide benefit.

Policy 11. Retail development

The Hillside Area shall include whatever retail, commercial and ancillary office development the market requires to support the residences built in the area. A limited amount of small scale destination retail uses may also be included in the area, such as restaurants, provided that they are not visible from developed portions of Union City and respect all policies of the Hillside Area Plan.

The provision of retail services in the area is advisable for several reasons. Retail stores would be a convenience for local residents, they would help to capture sales tax dollars, and, if properly located, they could help to discourage unnecessary automobile trips for convenience shopping. However, extensive retail development in the area would not be appropriate since it would encourage traffic.

This policy allows for construction of some neighborhood serving retail stores, but only in limited amounts.

Policy 12. Manufacturing, office and research and development facilities

No manufacturing, research and development, or major office facilities shall be constructed in the Hillside Area.

The City's primary goal in considering development of the Hillside Area is to provide sites for housing, not for manufacturing, office or R&D facilities. Manufacturing, office and research and development uses in the Hillside Area would be problematic, since they generally require large, flat sites and large parking lots, which would require considerable grading and pose questions regarding environmental and visual impacts. If manufacturing, office or research and development uses were built in the Hillside Area, they could also compete with development proposed for the Decoto Industrial Park Study Area (DIPSA). Moreover, the Bay Area is currently heavily overbuilt with commercial space, and regional planning trends indicate that this situation will continue into the 21st century.

Policy 13. Aggregate resource development and conservation

Although the City has considered the State designation, lands in the Hillside Area designated by the State as regionally significant aggregate resources shall not be mined and shall be treated in accordance with the other policies of the Hillside Area Plan.

A portion of the Hillside Area between the Seven Hills neighborhood and the Peavine has been designated by the California Division of Mining and Geology (CDMG) as a regionally significant aggregate resource. The City is required to consider this designation in its land use planning, but is not required to permit mining in the area. Although part of the Hillside Area has been identified as an aggregate resource, mining resources would have serious visual and environmental impacts due to the extensive grading required in the mining process.

B. Municipal Services

There are currently no municipal services provided to most of the undeveloped portions of the Hillside Area.

When development occurs, the City has concluded that it should be provided with full urban levels of all municipal services, similar to those that already exist in developed portions of Union City. The City has also concluded that development in the Hillside Area should bear both on- and off-site costs of infrastructure necessitated by the development, which may include fair share participation in infrastructure improvements in the Decoto Park Study Area (DIPSA). All needed infrastructure should be provided in a timely manner.

Policy 14. Level of police service provision

Police service in the Hillside Area shall be at full urban levels with patrols and response times similar to those for existing developed areas of Union City. A satellite police station shall be constructed, if warranted. All costs of establishing and maintaining this level of service shall be borne by Hillside Area development.

The Union City Police Department, which has about 98 staff persons of which 64 are sworn officers, provides service to the Hillside Area. However, the Department is not properly staffed or equipped to provide service for the entire Hillside Area. While the Seven Hills neighborhood has response times averaging 4.48 minutes, most of the higher portions of the Hillside Area are outside of the five minute response time of the nearest existing sector. Development beyond existing sectors would require additional staff and equipment. The Department's existing radio equipment was developed for flatland topography and would be inadequate to handle Hillside Area topography.

The City desires an urban level of police service in the area, with regular patrols and short response times. A new police sub-station would probably be necessary, but could be developed as part of a joint public safety facility or multi-use facility. Development impact fees paid by area developers would off-set the costs of constructing and maintaining a new police facility in the Hillside Area.

Policy 15. Level of fire protection provision

Fire and paramedic service in the Hillside Area shall be at full urban levels, with response times similar to those for existing developed areas of Union City, and with the possible provision of fire stations in the area. The Fire Department shall also develop a program of wildfire control measures to limit risks of wildfire in the area, including grass mowing, greenbelts, fire-resistant construction material, fire-retardant vegetation and special construction regulations. Adequate emergency water supply in the area shall also be provided through a redundant water system, lakes, reservoirs or other water systems. All costs of establishing and maintaining these levels of service shall be borne by Hillside Area development.

Fire service has been consolidated with the City of Fremont and is being provided by the Fremont Fire Department. The Fremont Fire Department (FFD) has a fire suppression staff of 162 at thirteen stations. The Department tries to maintain a 5 minute response times for 95 percent of the calls in the City. All of the undeveloped Hillside Area above Seven Hills, however, is outside the existing 5 minute response time area. In order to keep response times down, any development in the upper area would require additional fire facilities.

The Fire Department has indicated preliminarily that development in the Hillside Area would probably require a new fire station in the area, as well as additional staff and vehicles. Due to the fact that the Hillside Area will be developed at suburban densities, more extensive fire service, including a new fire station would probably be needed. This policy recognizes the potential need for increased fire protection and is consistent with the level of development which would occur in the Hillside Area.

This policy is also consistent with the City's policy to always provide urban levels of service in development area, as indicated in the Union City General Plan Circulation Element, policies 8 and 12. Hillside Area developers would bear the cost of maintaining adequate levels of fire service.

Policy 16. Level of sewer and water service provision

Development in the Hillside Area shall rely on connection to the Union Sanitary District and the Alameda County Water District for sewer and water service. The area may also use well water and/or reclaimed water for irrigation of public landscaping to conserve treated drinking water.

The Alameda County Water District and the Union Sanitary District currently provides water and sewer services for Union City residents. The upper portions of the Hillside Area are outside the District's boundaries, and annexation will be necessary before water and sewer service could be provided in this area. Water supply is not expected to be a problem in the Hillside Area, but further studies will be needed. The Union Sanitary District has a permitted plant capacity of 35 mgd, which includes enough capacity to serve up to 4,500 units in the Hillside Area and additional plant capacity is planned to accommodate other new development within the sphere of influence of the district. However, sewer lines in Union City would probably have to be expanded to serve the Hillside Area.

This policy will ensure that urban levels of sewer and water service are provided in the Hillside Area. It also allows for water conservation through the use of well water and reclaimed water.

Policy 17. Level of public school development

Development in the Hillside Area shall include public schools to at least match the level of educational facilities currently provided in developed portions of Union City. The City shall take precautions to ensure that school facilities are provided in the area in a timely manner.

School services in the area would be provided by New Haven Unified School District (NHUSD). The NHUSD has stated that it is in favor of development in the Hillside Area, provided that this development would include elementary and middle schools to meet the District's needs. NHUSD prefers to continue to operate Logan High School as a single campus serving the entire district, and it would serve the Hillside Area with this campus as well.

Residential development in the Hillside Area would probably necessitate construction of additional school facilities and extension of busing for high school students.

This policy will ensure that adequate public school facilities are in place to serve Hillside Area residents when new homes are occupied. The City may become involved in collecting and dispersing school construction funds in order to ensure that schools are built in a timely manner.

Policy 18. Parks

Development in the Hillside Area shall include at least one completed neighborhood park, as well as additional neighborhood parks if warranted by the intensity of the development. All Union City parks shall conform to the sizes and contain the elements described by City regulations. At least one community park shall be encouraged.

Union City's Leisure Services Department operates 17 parks and facilities which total approximately 90 acres of developed area. The East Bay Regional Park District operates the Dry Creek Pioneer Park, located within the Hillside Area's boundaries.

The Union City Parks Dedication Ordinance requires three acres of neighborhood parks for every 1,000 residents. The City desires to see that development in the Hillside Area meet this ordinance.

Policy 19. Provision of a public trail system

The Hillside Area shall include a public trail system to be developed on a cooperative basis by the developers, the City, the East Bay Regional Park District, the Bay Area Ridge Trail Council and other managing agencies. While the trail system will not dictate the form of development, it shall have the following attributes:

- Major trails, including the Bay Area Ridge Trial, along ridgelines or other scenic corridors shall connect Walpert Ridge in Hayward and Dry Creek Pioneer Park with Niles Canyon, and Walpert Ridge with Mission Boulevard and Palomares Canyon Road.
- Minor trails shall connect development areas with major trails with adequate buffering between trails and private development.
- Major trails shall run along ridgelines or other scenic corridors within open space areas.
- Major trails shall not run in transmission line corridors.
- Trail planning shall be an integral part of the planning process.

The City has recognized the recreational potential of the Hillside Area, and provision of a trail system would be an important component of any development there. The East Bay Regional Park District and the Bay Area Ridge Trail Council have suggested that major trails through the area could connect Dry Creek Pioneer Park to Mission Peak, and Walpert Ridge with San Francisco Bay and Pleasanton Ridge. This policy is consistent with the policies of EBRPD and the desire to provide public trails in the Hillside Area.

Policy 20. Provision of vista points

Hillside Area development shall include a network of vista points that afford a view of the Bay Area and the East Bay Hills. Vista points may be accessible by car, foot or both.

The Hillside Area offers many panoramic views of the Bay Area, and many people have suggested that development in the area should include vista points from which to view the surroundings. Vista points could be an integral part of the proposed trail corridors.

In large developed areas, most vista points will probably be accessible by car, which will provide access for all types of people, including seniors and handicapped. It will also be important to provide some vista points in more undeveloped areas accessible by foot trails to maintain the undeveloped character of the area. In general, this policy would provide for vista points for both motorists and pedestrians.

Policy 21. Extent to which development will offset the costs of municipal facility construction

Development in the Hillside Area shall provide all municipal facilities that it requires, but shall not be required to pay for those portions of improvements that benefit development outside the Area.

Since the passing of Proposition 13, it has become common practice for cities to require that developers pay the costs of construction of municipal facilities that are needed for their projects. This practice helps to offset the costs that cities might not otherwise be able to afford.

In order to afford the costs of municipal facility construction, the City will only allow development which provides for its fair share of all necessary infrastructure to both service that development and mitigate impacts. The City would not, however, require developers to pay for improvements that would exclusively benefit an area outside of the Hillside Area.

Policy 22. Extent to which development will offset the costs of municipal facility maintenance and operation

Development in the Hillside Area shall pay for all on-going municipal services that it requires through taxes, assessments, developers' in-kind contributions or other fees. As part of the Specific Plan process, a study shall be required to show that the costs of municipal services required by the development will be offset by the revenues that development generates for a period of time that is acceptable for economic analysis purposes. The study shall include secondary costs and revenues such as increased City road maintenance on existing City streets and sales taxes paid by new residents.

New developments, which increase the assessed value of land when they are construct, tend to raise property tax income at the time they are built. For this reason, residential developments generally generate tax revenues that pay for the services they require when they are first built. However, Proposition 13 does not allow significant raising of taxes or assessed values unless a property is sold, while costs of services rise with inflation. Services to residential developments gradually become more expensive with inflation, without corresponding increases in tax revenue generation, so developments can become cash flow liabilities over time. To address this issue, the City will require that Hillside Area development provide an on-going positive cash flow for a reasonable period of time.

In order to assess Hillside Area development's fiscal impact on the City, the Specific Plan will include a fiscal analysis that assesses impacts over time. A static fiscal analysis for Plan development at buildout is included in the EIR on the Area Plan.

Policy 23. Extent to which development will provide infrastructure on-site

Development in the Hillside Area shall pay for all necessary on-site infrastructure and provide it in a timely manner so that adequate facilities are available to new residents when they move in.

This policy ensures that any development in the Hillside Area will pay for all necessary on-site infrastructure and not be an economic burden on the City. The provision of adequate facilities at the time that new residents move in is a necessity for any new development so that demand for services does not exceed supply.

Policy 24. Extent to which development will provide infrastructure off-site

Development in the Hillside Area shall pay the incremental cost of expansion of off-site infrastructure which is necessitated by the development. All such infrastructure shall be provided so that it is available when new residents move in.

Since infrastructure from a new development in the Hillside Area would tie in to or replace existing infrastructure in other party of Union City, the City desires that development pay for the cost of offsite infrastructure expansion or replacement. These payments of costs for off-site infrastructure can help to offset costs that the City might not otherwise be able to afford. Possible examples of off-site improvements that may require partial funding through Hillside Area development include the Highway 84 extension and drainage facilities in the Decoto Industrial Park Study Area (DIPSA).

C. Geology and Seismicity

Geologically, the Hillside Area consists of a northwest tending sequence of ridges and valleys, bounded on the east by Palomares Canyon and on the west by the Hayward fault zone. The Hillside Area is underlain by sedimentary rocks which uplifted to become the Diablo Range we know today, and were slowly eroded to form the existing landscape of peaks and valleys.

Soil scientists classify almost all the soils in the Hillside Area as being of Los Osos-Millsholm complex.¹ These soils are made up of relatively inactive clay minerals that do not produce expansive soil and rock problems such as creep and swelling.

With the exception of lands along Mission Boulevard, little of the Hillside Area has slopes of less than 10 percent. However, there are relatively large areas along the tops of the ridges in the area along the Peavine that has slopes generally between zero and 25 percent. The intervening ridges and valleys have slopes over 25 percent, and a large portion of the area has slopes over 40 percent. Steep slopes can present problems in

¹ SCS 1981, 1966.

terms of structural stability and fire protection. They require significant grading to accommodate flat pad construction, and stepped buildings built on them must be carefully designed. Steep slopes are often inaccessible, which makes them difficult to fight fires on. Slopes can also help to fan wild fires, since fires tend to burn in an upward direction and can become hotter and more difficult to fight as they approach the ridgeline.

Terrain which has been involved in past landsliding is often prone to further sliding and may be unsuitable for development because of ground stability problems. Existing landslides are therefore strong indicators of development suitability in an area. There are some deep landslides with depths of 15 feet or more and areas of 5 acres or more which occur in the Hillside Area. These slides are found on the steep slopes of Niles Canyon, and in a limited area along the Peavine Canyon portion of the Dry Creek drainage. Landslides occur almost exclusively on slopes greater than 40 percent in the upland portion of the area.

The Hillside Area is subject to threats from earthquakes that are similar to those in hillside areas adjacent to active faults throughout the Bay Area. The Hillside Area lies within the southern Diablo Range which is bounded on the east by the Calaveras fault and on the west by the Hayward fault, both part of the larger San Andreas fault system. The Calaveras fault is approximately four miles east of the Hillside Area. The Hayward fault runs through the Union City Hillside Area near Mission Boulevard, and about 1,000 feet west of the portion of the Fremont Hillside Area owned by the Rancho Arroyo de la Alameda/Geldermann property owners. This fault is geologically active and could pose a serious hazard in the event of a major earthquake. Specialized earthquake risks such as amplification of groundshaking could occur along Hillside Area ridgelines.

Given these geologic considerations, the City desires to utilize geotechnical safety procedures for Hillside Area development. In order to accomplish this end, the City would require geologic planning during the Specific Plan process.

Policy 25. Geotechnical review for proposed development

Any Specific Plan for development proposed in the Hillside Area shall include a "Geotechnical Quality Plan" which identifies hazard zones and proposes specific performance criteria and geotechnical safety measures.

The City desires to include site specific seismic and landslide hazard mitigation measures in the Specific Plan to address steep slopes and seismic hazards such as groundshaking during an earthquake. Such hazards must be considered through site specific geotechnical review. Development in the Hillside Area could also involve grading, removal of identified landslides, and exposure to specialized earthquake risks such as amplification of groundshaking on ridgelines. For these reasons, the City has chosen to require additional geotechnical review as part of the planning program.

Policy 26. Standards for seismic safety

The "Geotechnical Quality Plan" prepared for Hillside Area development shall include special seismic safety measures for construction, such as the Applied Technology Council (ATC) standards.

Existing regulations in the Uniform Building Code (UBC) are designed to mitigate against expected groundshaking in the Bay Area as a whole, but they do not include measures to mitigate site specific seismic dangers such as amplified groundshaking which could occur along Hillside Area ridgelines. For this reason, the City wants to implement additional design and construction standards, so the City would require special seismic safety standards for construction. Special standards have been developed by the Applied Technology Council (ATC), and might serve as a model. These standards rely on more up-to-date seismic data and construction methods that the Uniform Building Code, which governs construction in other areas.

Policy 27. Mission/Chabot fault zone

The "Geotechnical Quality Plan" prepared for the Hillside Area development shall include a "thirdparty review" of known data regarding the Mission/Chabot Fault to determine if it is a special seismic hazard, and what, if any, special precautions it requires.

The Chabot Fault is not generally considered to be a special seismic hazard in the Hillside Area. This fault was placed in an Alquist-Priolo Special Studies Zone in 1974, but this status was taken away as the result of additional research in 1981. The EIR for the Fremont General Plan suggests that the Chabot Fault zone should receive special treatment and that no development should occur within it. Given the potential geologic hazards in the Hillside Area and the fact that the Chabot Fault was in a special studies zone, the City desires to ensure the utmost possible seismic safety in the Hillside Area.

To meet this goal, the City would require a third party investigation of the Chabot Fault. The City would contract with a qualified geologist to review data on the fault already compiled by the U. S. Geologic Survey, the State of California, the City of Fremont, and landowners in the study area.

D. Hydrology

The hydrology of any undeveloped area such as Hillside Area is generally balanced between the flood flows that are generated by storms in the area and the carrying capacity of local creeks. Development can upset this balance by increasing flood flows and altering stream channels. The major issue facing the City in regard to hydrology is how to attenuate these increased flows. Flood control can occur on- or off-site, and it can be accomplished through naturalistic or engineering-oriented techniques. The City desires to avoid all off-site hydrological impacts from Hillside Area development and to mitigate impacts on-site through naturalistic flood control techniques.

Policy 28. Levels of off-site runoff attenuation

Hillside Area development shall not increase calculated off-site peak flood flows above predevelopment levels unless they can be accommodated safely with improvements to off-site flood control facilities.

Existing flood control facilities below the Hillside Area, particularly at Mission Boulevard's crossing of Dry Creek and in the Decoto Industrial Park Study Area (DIPSA), are currently full or prone to flooding during large storms. Stonybrook Creek is currently at capacity, and it is not anticipated that flood conveyance would be improved due to severe terrain and other environmental constraints. Alameda Creek floods Highway 84 during many significant flow events. The M Line is designed only to contain a 15-year storm, and is inadequate to contain a 100-year storm, which is the County's current design criteria.

This policy recognizes the off-site flooding potential and, if found necessary, allows downstream improvements to flood control facilities to accommodate development. This would help attenuate any off-site flooding brought about by Hillside Area development. Drainage improvements in the DIPSA are expected to be necessary, and Hillside Area development will have to help pay for these improvement in compliance with Policy 24.

Policy 29. Methods of flood, erosion, and sedimentation control

Development in the Hillside Area shall rely primarily on naturalistic flood and erosion control facilities and sensitive modifications to the natural environment, including storage within drainage utilities, detention/retention ponds of varying sizes designed to serve as aesthetic or biotic resources, large landscaped areas, biotechnical slope protection and minor changes in stream channels. Major creek reconfigurations and open concrete channels shall be used only as a last resort.

Since runoff attenuation will be necessary to some degree as part of any development in the Hillside Area, an important issue will be how runoff and erosion control should occur. The City desires that naturalistic flood and erosion control facilities be used, which would be the most environmentally sound solution. It would be most consistent with preservation of considerable open space and low levels of grading.

E. Vegetation and Wildlife

The Hillside Area is characterized by several vegetation and habitat types, including annual grassland, scrubland, oak woodland, riparian zones and rock outcroppings. The most valuable of these are the riparian corridors, which support a diversity of species, and scrubland, since it might provide habitat for the Alameda whipsnake, which is listed as "threatened" by the State of California. Woodlands and rock outcroppings also provide important habitat and visual amenities.

Policy 30. Level of preservation of on-site natural ecological systems

Development areas in the Hillside Area shall generally be limited to annual grasslands. Development may occur in small areas of riparian corridors, rock outcroppings, scrubland and oak woodlands only if absolutely necessary to meet planning or circulation criteria, and only if all impacts in these areas can be mitigated. The most significant habitat types in the Hillside Area are riparian corridors, which occur along stream channels, and scrubland, which may provide habitat for the threatened Alameda whipsnake. Other significant habitat types include rock outcroppings, which provide nesting and perching areas for a number of species, and oak woodland, which has large trees and many of the characteristics of riparian land. From a biological standpoint, annual grasslands are of the lowest priority for preservation since they feature mostly non-native grasses. The City recognizes the need to preserve the Area's most ecologically valuable habitats and this policy offers protection for those habitat types.

Policy 31. Level of protection for sensitive species

Habitat known to be used by any federally- or State-identified endangered or threatened species, or other sensitive species, shall be preserved in the Hillside Area in accordance with the rules and regulations of the U.S. Fish and Wildlife Service and the California Department of Fish and Game. In identifying sensitive habitats, federal and State agencies shall be consulted early in the process.

Species identified as being of special concern to State or federal authorities must generally have their habitat either maintained or replaced as a part of any development proposal. As part of the Specific Plan process, early consultation with responsible agencies will be sought.

The only species that is currently listed by either the State or federal government as threatened or endangered that is likely to be encountered in the Hillside Area is the Alameda whipsnake. However, a number of other species with potential to occur in the area are also of concern to the Stated and federal governments, and would be affected by this policy.

Policy 32. Habitat corridors

Areas in the Hillside Area that serve as habitat shall be identified in the Specific Plan and shall be connected by undeveloped, natural corridors of a width appropriate to the species in question. These corridors shall not have any trails or facilities that would encourage human intervention in them.

With Hillside Area development, it will be important to continue to allow movement of wildlife between open spaces in and adjoining the area along natural habitat corridors. Corridors without human intrusion are the most preferred from a biological point of view. This policy would provide for various types of habitat corridors to support local species, and would limit human intrusion.

Policy 33. Wetland preservation

Development in the Hillside Area shall avoid impacts to wetland areas including stream beds, ponds and springs as much as possible, and mitigate those impacts which are unavoidable.

Federal and State regulations require the preservation or mitigation of impacts to identified wetland areas. Wetlands in the Hillside Area include streams and stream channels, some of which will meet the criteria for permit authority by the California Department of Fish and Game and the U. S. Army Corps

of Engineers. Ponds and springs in the area might not meet the legal definition of wetlands, but the City still desires to preserve or mitigate impacts on these resources as well.

Policy 34. Tree preservation requirements

The City's Tree Preservation Ordinance shall be enforced in the Hillside Area, and the City shall discourage the removal of trees as a general policy. An appropriate formula for replacement of trees shall be provided for all trees removed.

Union City has an existing Tree Preservation Ordinance that requires that no tree may be removed without a permit if it has a trunk circumference of 35 inches or more, or 12 inches or more in case of a subdivision. This ordinance would require extensive identification of trees in many development areas, although it allows for removal of trees identified if approved by the City. The City has indicated that it wants to preserve as many trees as possible in the Hillside area and to replace those trees removed by development.

F. Visual Resources

The Hillside Area is characterized by steep slopes facing San Francisco Bay and Niles Canyon that are topped by a series of rolling ridges. The area serves as an important visual backdrop for the developed flatland portions of Union City and the region. There are also several County and State-designated scenic roadways in the Hillside region, including Interstates 880 and 680, Niles Canyon Road and Palomares Road.

Within the Hillside Area, topography and natural features such as trees and rock outcroppings create the visual character of the area, which includes grass covered slopes and ridges interspersed with steep vegetated ravines.

The City's visual goals for the area are to maintain it as a visual backdrop for the flatland portions of Union City, and to preserve the key visual features inside the area to the extent possible.

Policy 35. Allowable visibility of new development

New development in the Hillside Area shall be limited to areas that are not visible from any residentially developed portion of Union City. Existing development areas are exempt from this policy since they are already generally built-out.

Portions of the Hillside Area are visible from developed areas in Union City, as shown in Figure 3. Nearby viewpoints such as Mission Boulevard offer close range views of the Hillside Area. From more distant points, more of the Hillside Area is visible, although little detail can be seen in distant views. The City desires to limit development to areas which are not visible from any residentially developed portion of Union City, which would leave the Hillside Area as a natural visual backdrop for Union City and the Bay Area.

Policy 36. Ridgeline preservation

Hillside Area development may occur on ridgelines if consistent with Policy 35, but development areas must be designed to follow the contours of the ridge.

Ridgelines are an important visual element in the Hillside Area, since they provide enclosure for views throughout the area. Some of the ridgelines are not visible from outside the Hillside Area. The City recognizes that ridgelines provide important areas for potential development, since they represent some of the flattest areas in the upper Hillside Area. However, the City also desires to preserve this visual amenity as much as possible by only allowing development to follow the contours of the ridge.

Policy 37. Allowed grading

Grading for Hillside Area development shall be limited. In most cases, building shall have stepped foundations with minimal grading interventions that follow the existing terrain, and the general outline of natural landforms in the area shall be retained under all circumstances.

The steep slopes and deep ravines in the Hillside Area are an important consideration in any development scheme for the area. Extensive grading could significantly change the visual character of the area, could eliminate large numbers of trees and rock outcroppings, and could alter the course of existing streams. For these reasons, the City has decided to allow only limited grading in the Hillside Area, and have developers build buildings with stepped footings that follow the existing terrain.

Policy 38. Level of preservation of the natural appearance of the Hillside Area

Significant natural features in the Hillside Area such as significant rock outcroppings and specimen trees shall be preserved as part of any development. Significant rock outcroppings are areas of rock coverage greater than 2,500 square feet, or where individual rocks are exposed more than four feet above the ground. Specimen trees are trees growing in groups of no more than four, with an individual truck circumference of 75 inches at four feet height.

The City seeks to preserve the overall visual form of the area by identifying specific features earmarked for preservation.

G. Cultural Resources

Several sites of Native American use have been identified in the Hillside Area. More site would probably be located with more extensive site surveys, which will be necessary as part of the Specific Plan process. None of the resources identified to date would necessarily require preservation, provided that proper site recording took place before development, but archaeologists and preservationists generally recommend that significant historic and prehistoric sites be preserved whenever possible.

Policy 39. Archaeological, historical and other cultural resources

Development occurring on any cultural resource site shall include measures to record the nature and location of the resources and to preserve them in a place wherever possible. If absolutely necessary, resources may be relocated to a central location in the area for public education.

The Hillside Area has several archaeological sites with bedrock mortars and other possible signs of Native American inhabitation and many remnants of rock walls that were probably built by Anglo-American farmers in the early 20th Century. The City desires to record the nature and location of the resources and preserve them in place. However, the City would allow resources to be moved to a central location if absolutely necessary to allow development.

Policy 40. Preservation of the Masonic Home's surroundings

No development may occur on the flat lands immediately in front of the Masonic Home, or on the hill slopes behind the home where this development would have an impact on the visual setting of the home itself.

The Masonic Home is an historic building in the Hillside Area that was sited to take advantage of its views over the Bay plain. Today, it still looks imposing as it sits above Mission Boulevard, with the Hillside Area's undeveloped slopes as its backdrop. Development directly above or below the Masonic Home could affect its existing visual setting. The City desires to preserve the home as an historical resource, and the home's surroundings play an important role in creating its architectural setting.

Policy 41. Preservation of the Meyers home and grounds

The City shall actively pursue acquisition of the Meyers home and grounds for preservation and use as a community facility, to the extent that such acquisition could be cooperatively arranged with the property owners.

The Meyers property in the lower Hillside Area includes the family's home and its estate grounds. If this property became available to the public or for sale at some point in the future, it could serve as a community facility and cultural resource. The City desires to acquire the property in order to preserve it, but only if the property is made available.

H. Traffic and Circulation

The Hillside area is largely undeveloped and has no circulation network of its own. However, it is situated next to Mission Boulevard, which is a major arterial street, and several other important streets end at Mission Boulevard adjacent to the area. These streets are part of the regional automobile circulation network serving the Union City/Fremont/Hayward area, and would also serve any future development in the Hillside Area.

In planning for Hillside Area development, the City must ensure that adequate access is provided to the area, and that adequate levels of service are maintained on existing roadways in Union City and the region. To do

so, some roadway improvements will be necessary, and may include the extension of Highway 84 as an expressway through the Decoto Industrial Park Study Area (DIPSA) to Mission Boulevard. The City also wants to plan for a development pattern which would take advantage of transit and other automobile traffic reduction strategies.

Policy 42. Provision of adequate public and emergency access

Development in the Hillside Area shall include at least two public access routes, and at least one emergency access route. Public access routes shall be as widely spaced as possible, and there shall be interconnections between roads to ensure multiple emergency access routes.

Given the steep terrain in the Hillside Area, and the presence of the Hayward Fault, adequate access to any development in the area will be an important consideration. The City has recognized the following factors which are important for access planning in the area:

- Need for an adequate number of access routes for regular traffic and emergencies.
- Possible ground rupture along the Hayward Fault, which could make one or more roads on the fault impassable.
- Possible interruptions to traffic flow in the upper Hillside Area due to wild fires, sympathetic ground rupture in an earthquake, traffic accidents or other disasters.

This policy addresses these factors and will ensure the provision of adequate public and emergency access.

Policy 43. Construction of bridges across ravines

Access into the Hillside Area without major bridges is preferred. Construction of bridges across major ravines shall be prohibited.

The only access routes into the upper Hillside Area that could be conveniently developed extend across the existing Fremont city limits. Union City will work with the City of Fremont to either reorganize these lands, or to coordinate development in the two cities to provide access to the upper Hillside Area. Since development areas are limited to the area between the Peavine and Mission Boulevard, there is no need to span major ravines with bridges.

Policy 44. Level of service to be maintained in the Hillside Area

All arterial and collector roadways in the Hillside Area, and intersections with them, shall be designed to operate at levels of service typical of adequately served urbanized areas.

The City seeks to provide roadway levels of service in the Hillside Area which keep all traffic moving smoothly and are typical of adequately served urbanized areas. As stated earlier in the Plan, the City desires to maintain urban levels of service in the Hillside Area for all municipal services, as well as roadway networks.

Policy 45. Level of service to be maintained in Union City or the region with consideration of Hillside Area development

Hillside Area development shall include mitigation measures to contribute to the preservation and enhancement of existing roadway and intersection levels of service in Union City, Fremont and Hayward. Development shall pay for any off-site roadway improvements that are necessitated by the development, and shall also contribute to the construction of new transportation facilities that will provide improved access to the area.

Studies have shown that some key intersections in the area already currently at LOS "E" or below, including Mission Boulevard/Niles Canyon Road, two intersections of Mission Boulevard in Fremont, and the I-880/Alvarado-Niles Road interchange. This level of service is generally considered unacceptable, but it is projected to improve in the future with the Mission Boulevard widening project, improvement to I-880 and the extension of Highway 84 as an expressway through the DIPSA.

The City seeks to ensure that traffic generated by Hillside Area development will not overburden existing streets in Union City or the vicinity. Off-site improvements, whose costs would be paid for by Hillside Area developers, would generally mitigate traffic impacts caused by the development.

Policy 46. Public transit

Existing City policy that 90 percent of dwellings in residential areas above the density of three units per acre shall be within one-quarter mile of transit shall be applied in the Hillside Area. Transit service shall also be provided to less dense neighborhoods and open space if deemed feasible and appropriate by Union City Transit and approved by the City Council.

The City desires that the Hillside Area include planning measures which will help to reduce vehicular trips and emissions. Provision of bus transit would be one such measure. The City has recognized that people will use transit most often if transit stops are located within one-quarter mile of their residences, and Union City Transit already provides this level of service in existing development areas of the City.

I. Air Quality

Development in the Hillside Area would serve as an indirect source of air pollution since it would generate additional automobile trips. The City seeks to reduce automobile trips, thereby, commensurately reducing vehicular emissions and air quality impacts.

Policy 47. Urban design measures which would help to reduce vehicular trips and emissions

Development in the Hillside Area shall include pedestrian and bicycle networks to directly connect residential neighborhoods to shops, schools and other public facilities. Design measures to encourage use of public transit shall also be included.

The typical pattern of suburban development, with strict separation of land uses and circuitous street networks, tends to discourage people from walking or bicycling from their homes to local facilities or for short errands. For this reason, suburban subdivisions tend to generate large number of automobile trips, thereby causing congestion and air pollution.

This policy would attempt to mitigate against automobile trips and emissions by requiring the design of integrated neighborhoods with direct connections from residences to public facilities by means of pedestrian and bicycle networks.

Policy 48. Traffic demand strategies to help reduce vehicular trips and emissions

Programs providing transit and ridesharing coordination shall be applied to the Hillside Area.

The City and other public agencies already pursue a number of transportation demand management programs to attempt to limit commuting, automobile traffic and air pollution. This policy would bring these programs, or even stronger ones, to the Hillside Area. Strong traffic demand management programs in the Hillside Area would help to limit off-site traffic congestion caused by Hillside Area development, which could make development more acceptable to existing local residents. This would also help to reduce vehicular trips and emissions in the Hillside Area.

J. Energy and Resource Conservation

Energy and resource conservation lessen our dependence on finite resources such as fossils fuels, while also cutting energy bills. Water conservation is also important throughout California, where droughts are commonplace and water can be in short supply. Energy, resource and water conservation is part of responsible planning and development.

The City is currently involved in a citywide energy conservation program which uses public education to promote energy awareness. In general, the City desires that development in the Hillside Area use the most effective siting and design features to use energy and resources as efficiently as possible.

Policy 49. Siting and Design for Conservation

All Hillside Area homes should be sited and designed to conserve energy and natural resources through measures such as solar orientation, insulation, energy-efficient appliances, water conserving plumbing and drought-tolerant landscaping.

The City desires to see any new development in the City use the most effective methods for conservation. These specific measures will ensure that any development in the Hillside Area will be designed with energy and resource conservation in mind.

K. Fremont Area Reorganization

The Fremont Hillside Area, which comprised approximately 1,000 acres, is topographically and environmentally related to the Union City Hillside Area. The Fremont Hillside Area would also be a likely access route for any development in the upper Union City Hillside Area, and most of it is owned by a single group of landholders. For these reasons, the City will attempt to coordinate development in the Union City and Fremont Hillside Areas, and the City may attempt to reorganize a portion of the Fremont Hillside Area into Union City.

Policy 50. Application of Policies to Reorganized Areas

The policies of the Hillside Area Plan and the requirement for Specific Plan preparation prior to development shall apply to all lands that are reorganized.

The Hillside Area Plan will apply to any development on land currently in the Fremont Hillside Area, shown in Figure 2, which may be reorganized to Union City. This will ensure consistency in the development pattern of the Union City and Fremont Hillside Areas.

L. Specific Plan

Measure B requires the preparation of a Specific Plan before development can be approved on properties designated "Agriculture" as of July 17, 1989. The Specific Plan will establish the detailed planning program for hillside development and preservation.

Policy 51. Scope of Specific Plan

Prior to any development in areas designated Agriculture as of July 17, 1989, a specific plan shall be prepared for the entire Hillside area including Fremont. The Specific Plan shall implement the Hillside Area Plan and shall establish, at a minimum, the precise location of development, agricultural and open space area, development densities and other standards for land use development, agricultural activities, open space and cultural resource preservation and habitat protection, the location, sizing and timing of all necessary infrastructure and public facility improvements, and a financing program which assures the installation of capital improvements and provision of ongoing services.

This policy is intended to clarify that only one, comprehensive specific plan is to be prepared to cover the entire Hillside Area. The policy also indicates the scope of topics to be addressed by the specific plan.

M. Development Densities

Goal 1 of Measure B requires the establishment of a density limit for development in the Hillside Area. To provide guidance for the preparation of the Specific Plan, the Area Plan establishes an overall density objective.

Policy 52. Overall Development Density

The overall residential density for development in the Hillside Area, excluding areas designated residential at the time of adoption of Measure B, shall be no greater that 3 units per acre in developable area.

The Area Plan establishes an overall density in the developable areas of three units per acre. This represents an average maximum density which can be exceeded in any portion of the development areas. This average development density may represent a mixture of rural residential, large lot and suburban development with lot sizes in development areas possibly ranging from 10 acres to 6,000 square feet. This average density level could also accommodate development densities up to 10 to 12 units per acres. The actual densities, lot sizes and their distribution will be determined through the Specific Plan process.

N. Extent of Development

The City finds that there is concern about availability of access through the City of Fremont. Potential safety impacts may result if only one effective roadway is available for emergency ingress and egress. Further, extensive development would result in significant traffic congestion and impacts on schools. Thus, limiting the extent of development to areas located in the western portion of the Hillside Area would limit impacts on existing roadways and services. The Peavine is a well defined geographical boundary and serves as a physical obstacle to gaining access to the upper hillside area.

Policy 53. Extent of Development

Development shall be restricted to the identified development areas located between Mission Boulevard and the area known as the Peavine as shown in Figure 4.

Chapter V DEVELOPMENT AREAS AND DENSITIES

ΡΡΡ

A. Development Areas

1. Restricting Factors

The development policies of the Hillside Area Plan define the portions of the Hillside Area that are subject to development. Some of the most important policies that will determine the physical location of development areas are:

5. Parkland buffering. A buffer without development shall be maintained in areas adjacent to Dry Creek Pioneer Regional Park and the Hayward portion of Walpert Ridge. The separation between existing open space and development shall rely on distance and existing topography for its effectiveness, with a minimum width of 960 feet measured in plan view.

30. Level of preservation of on-site natural ecological systems. Development areas in the Hillside Area shall generally be limited to annual grasslands. Development may occur in small areas of riparian corridors, rock outcroppings, scrubland and oak woodlands only if absolutely necessary to meet planning or circulation criteria, and only if all impacts in these areas can be mitigated.

<u>35. Allowable visibility of new development</u>. New development in the Hillside Area shall be limited to areas that are not visible from any residentially developed portion of Union City. Existing development areas are exempt from this policy since they are already generally built-out.

<u>53. Extent of Development</u>. New development is limited to the area between the Peavine and Mission Boulevard.

<u>Hillside Combining District</u>. The revised Hillside Combining District prohibits development on natural slopes over 40 percent.

2. Potential Development Areas

Figure 4 shows "Potential Development Areas" only in areas in Union City's Hillside Area that meet the following criteria, based on existing information available to the City:

- S No development is shown within 960 feet of Dry Creek Pioneer Regional Park and the Hayward portion of Walpert Ridge.
- S Development areas are generally limited to annual grasslands, except where small pockets of other habitat types exist in otherwise developable areas.
- **\$** No development is shown where it would be visible from residentially developed portions of Union City.
- S No development is shown on slopes in excess of 40 percent, in keeping with the revised Hillside Combining District.

Given these criteria and the restrictions of Policy 53, it appears that the "Potential Development Areas" shown in Figure 4 between the Peavine and Mission Boulevard would be subject to development, provided that it meets all requirements of the Area Plan, and provided that it is preceded by a Specific Plan in areas currently designated for agriculture. This potential development area totals approximately 100 acres. The Specific Plan process will further refine these development areas based on Area Plan policies and on more precise on-site evaluations.

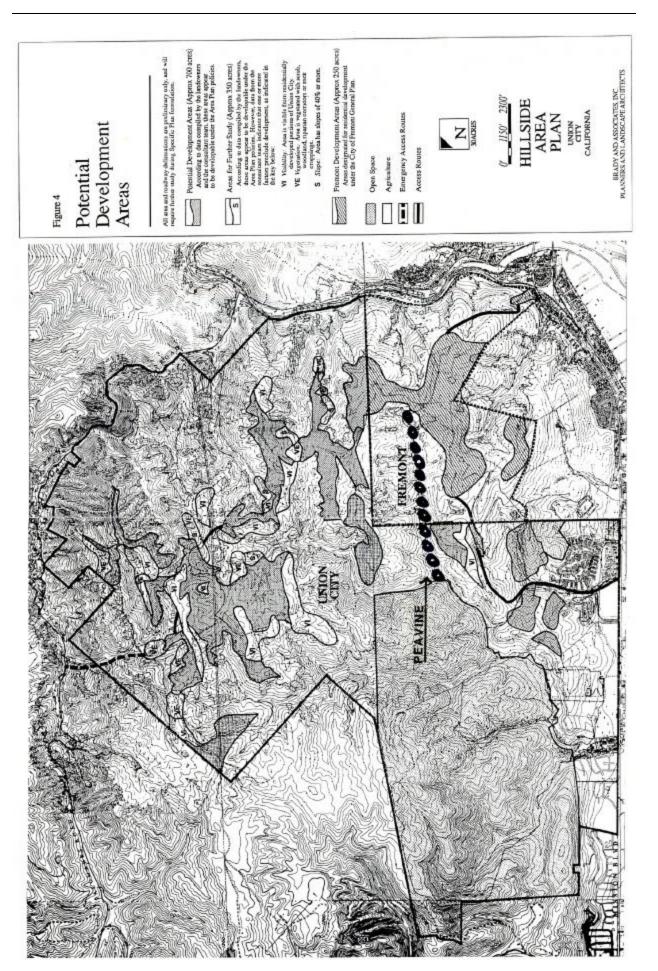
3. Areas for Further Study

For the Union City Hillside Area, Figure 4 also shows approximately 350 acres of "Areas for Further Study" where development *may* be possible, depending on the outcome of further studies of the visibility, biotics and slopes of these areas. These areas, which include a total of 350 acres, are thought by the City to have environmental constraints on them that would preclude development under the Area Plan. However, the landowners in the area have stated that these constraints do not exist. During the Specific Plan process, the landowners or developers will be permitted to complete additional site specific studies to show which of these areas meet the development criteria of the Area Plan. For environmental review purposes, these areas have been assumed to be developable under the Area Plan.

4. Fremont Hillside Area

In the Fremont Hillside Area, the City of Union City would allow development to occur in the areas that are already designated for potential development under the Fremont General Plan. These areas are shown in Figure 4, and total approximately 250 acres.

The areas identified for development in Fremont under the Fremont General Plan do not consistently meet the minimum criteria of Policies 9, 30, 35 and the revised Hillside Combining District. Some areas identified for development in the Fremont General Plan are visible from residentially developed portions of Union City, are vegetated with scrub, woodland, riparian corridors or rock outcroppings,



or have slopes of 40 percent or more. These areas could not be developed under Area Plan policies, so the development area in the Fremont Hillside Area would be reduced.

The Area Plan shows the development areas shown in the Fremont General Plan in order to represent a maximum impact scenario for environmental review purposes. Since development areas would be smaller if they were defined by Area Plan policies, fewer units would be built, which would result in fewer environmental impacts.

B. Allowable Development Density

The Hillside Area Plan assumes an overall density in the Hillside Area of three units per acre in developable areas. This represents an *average maximum* development density, which allows for environmental analysis of the Area Plan and also sets a direction for the Specific Plan.

The maximum density evaluated in this Area Plan and its EIR will be subject to further refinement during the Specific Plan process. It is possible that the overall density will be reduced through further assessment of on-site environmental conditions.

Under the Specific Plan, the average development density in the area will probably not be applied on a "blanket" basis throughout the Hillside Area. Instead, the Specific Plan is expected to include a mixture of development types and densities that will result in an overall average density in the area similar to that specified by the Area Plan.

This average development density is likely to represent a mixture of rural residential, large lot, and suburban development, with lot sizes in individual development areas generally ranging from a maximum of 10 acres to a minimum of 6,000 square feet. There would also be some multi-family housing at densities up to 10 to 12 units per acre, particularly to accommodate affordable units foreseen in the Area Plan policies. The details of this development pattern will be determined during the Specific Plan process.

HILLSIDE AREA PLAN PUBLIC REVIEW PLAN PLAN GOALS

Chapter VI IMPLEMENTATION

ΡΡΡ

This section outlines steps that will be necessary to implement the Area Plan, including preparation of a Specific Plan, financing and potential annexation. Because of the general nature of the Area Plan, the implementation discussion is quite general. Implementation will be refined in detail during the Specific Plan process.

A. Specific Plan Preparation

Measure B requires the preparation of a Specific Plan before development of all portions of the Hillside Area currently designated for agricultural use, and Policy 50 extends this policy to the Fremont Hillside Area as well. This will require a Specific Plan in most of the developable portions of the area. Only the Masonic Home property and a small undeveloped area above the Seven Hills neighborhood are currently undeveloped and designated for other uses, which means that under Measure B only these areas may be developed before completion of the Specific Plan.

The Hillside Area planning process will be iterative, which means that more detailed background information and more detailed plans will be prepared for the Specific Plan.

The Specific Plan will show the exact areas to be developed, the allowed development density, the area circulation system, the design character of development, the types of public improvements to be installed, the costs for public improvements, improvement financing methods, and the on-going fiscal effect of the development on the City.

B. Project Financing

A number of improvements will be necessary to implement development of the Hillside Area, including new roadways and pathways, street tree plantings, water lines and tanks, sewer lines and storm drainage facilities. This section examines the potential financing methods for these improvements.

Financing could occur through any of several mechanisms, including pre-payment by an individual developer with reimbursement by subsequent developers, or establishment of a Mello-Roos Community Service District or similar funding district. The exact funding mechanism will be determined through the Specific Plan process after consultation with individual property owners, and after the scope of the improvements to be funded is more completely understood.

Area Plan policies state clearly that development in the Hillside Area will not be permitted to result in costs for existing Union City residents. For this reason, some funding mechanisms such as municipal bonds will not be possible.

1. Developer Payment

Under this approach, individual developers would be required to pay for and install improvements that are necessary to serve their projects. The City would then oversee the collection of fees from any subsequent developers who benefit from the improvements, and these fees would be returned to developers who paid for improvements to offset the costs they incurred. This type of financing approach is the easiest to set up and requires the least risk or effort on the part of the City, but it can be very expensive for developers who provide improvements at the outset of the project.

2. Mello-Roos Community Facilities District or Similar Mechanism

A community facilities district (CFD) would be formed to pay for improvements in the area, with funding for the district coming from the landowners who would benefit from improvements. Once established, such a district would provide a straight-forward method of funding needed improvements. However, such districts can be difficult to establish, since they require a two-thirds vote of people living in the district. One way to ensure establishment of the District would be to require its establishment before development begins, so that only current landowners would vote, with each acre of land representing one vote.

A Mello-Roos tax can be used to finance the purchase, construction, expansion, improvement or rehabilitation of real property with a useful life of five years or more (Government Code section 53313.5). It can pay for other capital facilities including, but not limited to:

\$	local park, recreation, and open-space facilities;
\$	parkway facilities;
\$	elementary and secondary school sites and structures that meet the building area and cost standards of the State Allocation Board;
\$	fire stations;
\$	highway interchanges;

MAY 1993

\$ water and sewer systems;
\$ libraries;
\$ child care facilities; and
\$ the undergrounding of utilities.

It can also be used to pay for the planning and design work directly related to the above. It may fund the following services on a pay-as-you-go basis:

\$ police protection (including the provision of jails and detention facilities);
\$ fire protection and suppression;
\$ ambulance and paramedics;
\$ flood protection; and
\$ recreation program and library services and additional funds for the operation and maintenance of parks, parkways, open space, museums, and cultural facilities.

3. Improvement Fund

Under this alternative, developers would pay their pro-rated share for a specific improvement to the City, which would hold and invest the funds until it had accumulated sufficient funds to install the improvement. This funding mechanism would work only for improvements that are not essential, such as streetscaping. Essential improvements such as sewer and water service must be installed before a project becomes operational, so their funding must be arranged using one of the other methods outlined above.

4. Special Assessments

Special assessments are not traditional property taxes. Unlike taxes (including special taxes), the sum of a special assessment cannot exceed the cost of providing the benefiting improvement or service. Furthermore, special assessments cannot be levied against those who do not benefit from the improvements being financed. California statutes give local governments the authority to levy a number of special assessments for specific public improvements such as streets, storm drains, sewers, street lights, curbs and gutters, and landscaping.

Each property within the district will be assessed a share of the cost of improvements that is proportional to the benefit it receives from those improvements. Such assessment may even be levied on an ad valorem basis when the proceeds go to the improvements authorized under the assessment district and when the property so assessed receives some benefit from those improvements. For practical purposes, the term "benefit assessment" can be used interchangeable with special assessment.

HILLSIDE AREA PLAN PUBLIC REVIEW PLAN PLAN GOALS

Specific acts that provide for financing through special assessments include the Park and Playground Act of 1909, the Tree Planting Act of 1931, the Landscaping and Lighting Act of 1972, and the Benefit Assessment Act of 1982, among others.

a. <u>Park and Playground Act of 1909 (Government Code section 38000 et seq.)</u>. The Park and Playground Act is a method for cities to finance public park, urban open-space land, playground and library facilities. Pursuant to a 1974 revision, the act incorporates the procedures and powers of the Improvement Act of 1911, the Municipal Improvement Act of 1913, and the Improvement Act of 1915 to finance improvements. In addition to the power to levy assessments and issue bonds, the act provides that the city council may condemn land for improvements.

b. <u>Tree Planting Act of 1931 (Streets and Highways Code section 22000 et seq.)</u>. Pursuant to this act, cities may levy assessments to fund the planting, maintenance or removal of trees and shrubs along city streets and to pay employees to accomplish this work. Assessments for maintenance are limited to a period of five years.

These assessments are apportioned on the basis of street frontage. Establishment procedures are generally similar to the other assessment acts. Work is to be administered by the city parks department or other agency as appointed by the city council.

c. seg.).	Landscaping and Lighting Act of 1972 (Streets and Highway Code section 22500 et The 1972 Act enables assessments to be imposed in order to finance:			
\$	acquisition of land for parks, recreation and open space;			
\$	installation or construction of planting and landscaping, public lighting facilities, ornamental structures and park and recreational improvements (including playground equipment, restrooms and lighting); and			
\$	maintenance and servicing of any of the above.			

d. <u>Benefit Assessment Act of 1982 (Government Code section 45703 et seq.)</u>. This statute provides a uniform procedure for the enactment of benefits assessments to finance the maintenance and operation costs of drainage, flood control and street light services and the cost of installation and improvement of drainage or flood control facilities. Under legislation approved in 1989 (SB 975, Chapter 14499), this authority is expanded to include the maintenance of streets, roads and highways. As with most other assessment acts, it may be used by cities, counties and special districts which are otherwise authorized to provide such services. It does, however, have some differences that set it apart. Essentially, it has the same flexibility as the Mello-Roos Districts.

HILLSIDE AREA PLAN PUBLIC REVIEW PLAN PLAN GOALS

Assessments can be levied on a parcel, a class of property improvements, use of property, or any combination thereof. Assessments for flood control services can be levied on the basis of proportionate stormwater runoff from each parcel rather than a strict evaluation of the flood protection being provided. At the same time, an assessment may be levied wherever the service is available, regardless of whether or not the service is actually used. The amount of assessment must be evaluated and reimposed annually. Assessments are collected in the same manner as property taxes.

e. <u>Integrated Financing District Act (Government Code section 53175 et seq.)</u>. This legislation creates an alternate method for collecting assessments levied under the 1911, 1913, and 1915 Acts, the Landscaping and Lighting Act of 1972, the Vehicle Parking District Law of 1943, the Parking District Law of 1951, the Park and Playground Act of 1909, the Mello-Roos Community Facilities Act of 1982, the Benefit Assessment Act of 1982 and charter cities' facility benefit assessments. The Integrated Financing District Act applies to all local agencies insofar as those agencies have the authority to use any of the above listed financing acts. Assessments levied under this act can be used to pay the cost of planning, designing and constructing capital facilities authorized by the applicable financing act, pay for all or part of the principle and interest on debt incurred pursuant to the applicable financing act, and to reimburse a private investor in the project.

The Integrated Financing District Act has two unique properties:

- \$ It can levy an assessment which is contingent upon *future* land development and payable upon approval of a subdivision map or zone change or the receipt of building permits;
- **\$** It allows the local agency to enter into an agreement with a private investor whereby the investor will be reimbursed for funds advanced to the agency for the project being financed.

Because the assessment is not triggered until development is ready to begin, these features make the act an attractive option when development is to occur in phases. Payment of assessments will be deferred until such time as public improvements are needed.

f. <u>Geologic Hazard Abatement District (Public Resources Code section 26500 et seq.)</u>. This statute authorizes a city or county to create an independent Geologic Hazard Abatement District (GHAD) empowered to finance the prevention, mitigation, abatement or control of actual or potential geologic hazards through the levy and collection of special assessments. The statute broadly defines geologic hazards to include: landslides, land subsidence, soil erosion, earthquakes, or "any other natural or unnatural movement of land or earth."

A district can:

\$

acquire property by purchase, lease, gift or eminent domain;

\$ construct improvements;
\$ maintain, repair or operate any improvements; and
\$ use any of the assessment and bond procedures established in the Improvement Act of
1911, the Municipal Improvement Act of 1913, and the Improvement Bond Act of 1915.

A GHAD has several advantages to recommend it. First, its boundaries need not be contiguous, so it can focus on just those properties subject to hazard. Second, it is an independent district with its own board of directors drawn from the affected property owners. Third, it is not limited to a single city or county; its boundaries can cross jurisdictional lines. Fourth, its formation proceedings are not subject to review by the Local Agency Formation Commission, thereby simplifying the process.

g. <u>Fire Suppression Assessments (Government Code section 50078 et seq.)</u>. Special districts, county service areas, counties, and cities which provide fire suppression services (including those provided by contracting with other agencies) are authorized to levy assessments under this act. The resulting revenues may be used to obtain, furnish, operate and maintain fire fighting equipment and to pay salaries and benefits to fire fighting personnel. This act was set to expire on January 1, 1991, but the sunset clause was removed by SB 254 of 1989 (Chapter 221).

Unlike the other special assessment acts, invocation of fire suppression assessments does not require establishment of an assessment district. Instead, the jurisdiction levying the assessment specifies those parcels or zones within its boundaries that will be subject to assessment.

Assessments are based upon uniform schedules or rates determined by the risk classification of structures and property use. Agricultural, timber and livestock land is assessed at a lower rate on the basis of relative risk to the land and its products. The local agency may establish zones of benefit, restricting the applicability of assessments. In addition, assessments may be levied on parcels, classes of improvement or property use or any combination thereof. Assessments are proportional to the fire protection benefits received by property and improvements, but may be levied whether or not the service is actually used.

5. Leasing Public Facilities

For the most part, public agencies own their public facilities and equipment. However, leasing is becoming a popular alternative to out-right purchase or issuing bonds to finance capital assets over a period of several years. Any agency authorized to acquire or dispose of real or personal property can enter into a lease.

Lease financing is based upon a jurisdiction's authority to acquire and dispose of property rather than on its authority to incur debt. As a result, under state law, a properly constructed lease is not considered a public debt.

MAY 1993

HILLSIDE AREA PLAN PUBLIC REVIEW PLAN PLAN GOALS

"Lease-purchase" agreements (in which the agency leases a facility while purchasing it) and "sale-lease-back" agreements (in which the agency sells a facility to a lessor and then immediately leases it back) offer several advantages over other financing methods. First, an agency can obtain a facility without a large initial investment. Second, the agency can obtain quick cash for a facility (although the cost of repaying the lease will exceed the sale price). Third, a lease can be used to spread the cost of a facility over a long period of time. Fourth, lease agreements do not contribute to a jurisdiction's Gann spending limit. Fifth, voter approval is not a requirement as it would be with special taxes and some types of bonds.

Certificates of participation (COPs) are securities designed to make municipal leases accessible to the small investor by dividing the lease obligation into small parts. Each COP is an undivided share of the total lease obligation. The lessor assigns the lease to a trustee who then sells COPs in the lease. Purchasing a COP entitles the investor to a portion of the jurisdiction's lease payments. COPs are generally available in denominations of \$5,000 and marketed by firms specializing in municipal securities. Investors buy COPs as a source of tax-free interest income.

C. City Annexation

In order to implement the Area Plan and subsequent Specific Plan, Union City may decide to annex the portion of the Fremont Hillside Area behind Fremont's designated "ridgeline" into Union City. The area that would potentially be added to Union City is shown in Figure 2.

Annexation of the Fremont Hillside Area might be of interest to Union City for a number of reasons. The Fremont Hillside Area is topographically related to the Union City Hillside Area, and most drainage from the Fremont area goes into Union City. The two areas also share common issues in terms of biology, geology and cultural resources. The same owners own all of the Fremont Hillside Area, as defined in this Plan, as well as a significant portion of the Union City Hillside Area.

The annexation process could potentially involve two steps. The first of these would be the extension of Union City's Sphere of Influence into Fremont. The second step would be "reorganization," in which the area in question would be detached from Fremont and annexed to Union City. As part of this process, the two cities could consider trading lands, so that the area to be added to Union City would be traded to Fremont for other lands currently in Union City.