

LAFCO

Santa Barbara Local Agency Formation Commission
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April 6 2023 (Agenda)

Local Agency Formation Commission 105
East Anapamu Street
Santa Barbara CA 93101

LAFCO File 22-07 Bailey Avenue Properties – SOI Request

Dear Members of the Commission:

RECOMMENDATION:

(Continued from the February 2, 2023 Meeting with direction to staff to return with Resolution for denial) - It is recommended that the Commission review and adopt the attachment Resolution for denial of Bailey Avenue Properties into the City of Lompoc's Sphere of Influence.

DISCUSSION:

At the February 2, 2023 Commission meeting, after consideration of all testimony and materials that were submitted the Commission took a conceptual motion to deny the proposal and have staff return with the item at the April 6, 2023 meeting.

Attachments:

Attachment A: Resolution for denial of File 22-07 Bailey Avenue SOI Amendment

Please contact the LAFCO office if you have any questions.

Sincerely,



Mike Prater
Executive Officer

Commissioners: Cynthia Allen ♦ Jay Freeman, Vice-Chair ♦ Craig Geyer ♦ Joan Hartmann, Chair ♦ James Kyriaco ♦ Bob Nelson
♦ Jenelle Osborne ♦ Alice Patino ♦ Jim Richardson ♦ Shane Stark ♦ Das Williams **Executive Officer:** Mike Prater

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
RESOLUTION XX - 2023

COMMISSION'S DECISION DENYING LAFCO APPLICATION NO. 22-07 THAT
PROPOSED INCLUSION OF THE "BAILEY PROPERTY" AND THE "BODGER
PROPERTY" WITHIN THE CITY OF LOMPOC'S SPHERE OF INFLUENCE

WHEREAS on September 1, 2022, City of Lompoc ("City") filed LAFCO Application No, 22-07 with the Executive Officer of the Commission. The Application proposed an amendment of City's "sphere of influence" to include the above referenced Bailey property (APNs 093-070-084, -065 consisting of 40.6-acres) and Bodger property (APNs 093-111-007, -008, -009, -010, -011, & -012 consisting of 107.7-acres) (hereafter "Bailey Avenue Properties") within City's sphere of influence. The total area of the Bailey Avenue Properties is 148.3 acres.

WHEREAS Application 22-07 amended City's earlier LAFCO Application No. 18-05, dated July 26, 2018, submitted pursuant to City Resolution 6523(22), that requested both a sphere of influence amendment and annexation of the Bailey Avenue Properties. Application 22-07 withdrew and deferred potential consideration of the annexation proposal and proceeded only with the proposed sphere of influence amendment.

WHEREAS Application 18-05 relied on and included prior City Resolution No. 5668, dated October 19, 2010, wherein City adopted its 2030 General Plan Update and certified Final Environmental Impact Report No. 09-01 ("FEIR"), prepared pursuant to the California Environmental Quality Act, Public Resources Code section 21000 et seq. ("CEQA"). The 2030 General Plan Update proposed, among other measures, City's annexation and plan for development of the Bailey Avenue "corridor," an area larger than the Bailey Avenue Properties consisting of 270 acres.

WHEREAS, for compliance with CEQA, City approved Addendum No. 3 to the FEIR as part of submittal of Application No. 18-05. And City approved Addendum No. 7 to the FEIR as part of submittal of Application No. 22-07.

WHEREAS on October 26, 2022, City filed a letter with the Executive Officer to “clarify and amend” Application No. 22-07. The amendment addressed City’s commitment to require agricultural conservation easements at a ratio of 1:1 to provide mitigation of impacts due to the loss of prime agricultural land should the Bailey Avenue Properties be developed.

WHEREAS the proposal for agricultural conservation easements was analyzed in the FEIR, which concluded that development of the Bailey Avenue corridor (including the Bailey Avenue Properties) would result is a “Class I” significant adverse environmental impact due to the loss of prime agricultural land. City’s CEQA findings in support of the adoption of the FEIR concluded buildout of the Bailey Avenue Properties would “result in Class I, significant and unavoidable impacts related to agricultural conversion.” Further, City found “there are no feasible mitigation measures which might avoid or reduce the significant environmental effects of the project . . .” Nevertheless, City determined that “these unavoidable significant effects are considered acceptable when balanced against the benefits of the Project, as set forth in the Statement of Overriding Considerations.”

WHEREAS the Bailey Avenue Properties are designated in County’s General Plan as agriculture. Further, County stated in a letter to City dated November 26, 2019, that the “conversion of a significant amount of prime agricultural land would be inconsistent with agricultural resources protection policies adopted by the County in [its] Comprehensive Plan.”

WHEREAS the Cortese Knox Hertzberg Act, Government Code section 56377, requires the Commission consider the following policies and priorities when considering proposals that would result in the loss of prime agricultural lands.

(a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

(b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing sphere of influence or the local agency.

WHEREAS on December 2, 2022, the Executive Officer filed with the Commission and released to the public a comprehensive staff report regarding the proposed sphere of influence amendment. The Staff Report included a detailed analysis of the application, including criteria for sphere of influence determinations listed in Government Code section 56425(e).

WHEREAS at the times and in the manner required by law, the Executive Officer gave notice of and the Commission's held a hearing for consideration of Application No. 22-07 on December 8, 2022, at which time the Commission granted a request for continuance to February 2, 2023.

WHEREAS on February 2, 2023, the Commission heard, discussed, and considered all oral and written testimony and evidence related to the proposal including, but not limited to, the Executive Officer's report, City's application, City's supplemental

materials submitted after the application, the environmental documents, City's sphere of influence, applicable general and specific plans; and public comment and testimony.

NOW, THEREFORE, THE COMMISSION HEREBY RESOLVES, DETERMINES, AND ORDERS as follows:

1. It has not been shown that urban development of the Bailey Avenue Properties prime agricultural lands would promote the planned, orderly, and efficient development of an area. As such, approval would be inconsistent with Government Code section 56377(a). Further, City has not demonstrated that development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction does not meet City's housing needs, including its regional housing needs assessment.

2. The Commission's written determinations pursuant to Government Code section 56425(e)(1-5) are set forth in Attachment A to this Resolution and are adopted.

3. Loss of such prime agricultural land cannot be mitigated. The City's EIR identified the loss of prime agricultural land to urban development as a Class I significant adverse environmental impact that cannot be mitigated to insignificance. While City proposed to require agricultural conservation easements at a ratio of 1:1 as mitigation, City's EIR and CEQA findings acknowledge the adverse impact would remain significant.

4. Notwithstanding City's statements that expansion of urban development into the Bailey Avenue Properties can help resolve ongoing urban/agricultural land use conflicts, the sphere of influence amendment appears to be a limited approach to a complicated problem that proposes more residential development adjacent to existing agricultural to the west. Further, development of the Bailey Avenue Properties would create pressure to develop the prime agricultural land to the west, almost all of which is now preserved pursuant to Williamson Act agreements.

5. City stated the sphere of influence amendment will help City deal with an imbalance between jobs and housing. While the Commission appreciates City's concerns, the proposal does not clearly state how this issue would be improved or resolved through the sphere of influence amendment and offers no long-term attainable strategy to fix this problem. In particular, County stated in a letter dated September 28, 2018, the proposal appears to be inconsistent with the County's Climate Action Plan and Circulation Element as the "proposed project would add 469 households to the City of Lompoc, but it would not add new long-term employment opportunities. As a result, most new residents would likely commute to jobs in other communities. Consequently, the project would increase [vehicle miles traveled] and not improve the existing jobs-housing imbalance."

6. City stated the potential growth of the Vandenberg Space Force Base could affect the need for additional housing in the Lompoc Valley. While the Commission appreciates this concern, proposals for the Base at this point appear to still be in the very early stages. City's 2030 General Plan, the FEIR and addenda did not identify nor analyze potential growth at the Base. Additionally, if and when additional housing is needed for such growth, a comprehensive strategy would be needed to address where and how such growth should occur. Such planning efforts would include not only LAFCO and City but also County and cities and special districts in north county.

7. The Commission has considered City's FEIR, findings and statements of overriding consideration in support of the sphere of influence proposal. The Commission finds it has grounds to deny the application pursuant to CEQA Guidelines section 15042 that provides "a Responsible Agency may refuse to approve a project in order to avoid direct or indirect environmental effects of that part of the project which the Responsible Agency would be called on to carry out or approve." The Commission finds that the EIR's identification of the Class I significant adverse environmental impact of losing a significant amount

of prime agricultural land is sufficient grounds for denial of the project. Further, the Commission has not identified sufficient grounds to support the Commission's adoption of a statement of overriding consideration, as required by CEQA Guidelines section 15093.

8. The Commission determines that its decision to deny the proposal is exempt from CEQA pursuant to CEQA Guidelines Section 15270 "Projects Which are Disapproved," and see also Section 15061(b)(4).

THEREFORE, IT IS HEREBY ORDERED THAT Application No. 22-07 is denied on the 6th day of April, 2023, and is effective when signed by the Chair.

AYES:

NOES:

ABSTAIN:

Santa Barbara County Local Agency
Formation Commission

By: _____

Joan Hartmann, Chair
Date: April __, 2023

ATTEST:

By: _____
Natasha Carbajal, Clerk/Analyst
Local Agency Formation Commission

ATTACHMENT A

Determinations Pursuant to Government Code section 56425(e)

- 1) Present and planned land uses in the area, including agriculture, and open space lands:

The present and planned uses for this Sphere of Influence Amendment are inconsistent with the County's General Plan which designates the area as agriculture. The proposal also presents potential conflicts with County's Climate Action Plan and Circulation Element as the proposed project would add housing to the City of Lompoc, but it would not add new long-term employment opportunities. As a result, most new residents would likely commute to jobs in other communities. Consequently, the project would increase vehicle miles traveled and not improve the existing jobs-housing imbalance."

- 2) Present and probable need for public facilities and services in the area:

The denial of the application essentially defers or moots analysis of this issue. If any development is proposed upon the Bailey Avenue Properties in the future, infrastructure and public facilities needs will be assessed and satisfied in connection with subsequent CEQA environmental review, compliance with the CKH Act, and public hearings on any annexation proposal for the Bailey Avenue Properties. Previous MSR's indicate the City has or will have adequate capacity to provide needed facilities and services, including by way of conditioning any new development to provide necessary infrastructure improvements and services. LAFCO is currently processing an update to the MSR for the City related to water, wastewater, and stormwater services. The draft analysis is water and wastewater services are adequate to serve City needs. The Bailey Avenue project site will not be evaluated under the draft service review but could be considered in the future. The timing of needed services has not been fully established at this time.

- 3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:

The City's current water supply consists almost entirely of groundwater pumped from 11 City-owned wells serving 9,917 service connections. The City operate and maintain two (2) water treatment plants and one (1) regional wastewater reclamation facility. The City serves existing residences in the Miguelito Canyon area with water from Frick Springs (located on San Miguelito Road, approximately 4.5 miles south of Willow Avenue) and the city water system.

City of Lompoc has a permitted water treatment plant capacity of 10.0 MGD. The Vandenberg Village Community Services District owns a 0.89 mgd capacity right in the LRWRP. The LRWRP permitted capacity is 5.5 MGD. Although the upgrades to the LRWRP will increase its treatment capacity, the City is prevented from discharging treated wastewater in an amount that would exceed its currently permitted flow of 5.0 mgd.

The Lompoc Regional Wastewater Reclamation Plant (LRWRP) could provide water and wastewater collection and treatment for the Bailey Avenue Properties. The LRWRP is located near the intersection of Bailey Avenue and West Central, within a half-mile of the properties. The capacity of the existing plant, based on current average daily flows, is sufficient to provide adequate hydraulic capacity for any potential future development on the Bailey Avenue Properties (note that capital improvement upgrades were made to increase the LRWRP's dry weather design capacity to 5.5 million gallons per day (MGD) and peak wet weather design capacity to 15 MGD and current

utilization of the LRWRP is 3 MGD which is 55% of total flow utilization).

City of Lompoc service area's average annual water demand is 4,235 afy, or 1.38 mgd. Annual wastewater collection demand generated approximately ~2.98 MGD. It also translates to an estimated 65.5 gpcd of water or estimated 117 gallons per day for each resident.

City of Lompoc service area's average annual water demand generated for subsequent treatment and distribution has been approximately 4,235 afy. Of this amount, it is estimated by LAFCO this represents 37% of permitted supplies. Average annual wastewater collection demand generated for subsequent treatment and disposal at the Treatment Plant Facility has been approximately 2.98 million gallons a day. Of this amount, it is estimated by LAFCO this represents 78% of permitted capacity. The City generally has adequate capacity for anticipated future needs.

The City certified FEIR did consider buildout potential that concluded there are adequate water and wastewater capacities for buildout under the 2030 General Plan, including the Bailey Avenue area (FEIR page 4.14-15 & 14.14-22.)

The City's Solid Waste and Sanitation Division could provide trash, recycling, and organics (green waste and food waste) collection services to service any future development on the Bailey Avenue Properties. The City's Police Department provides law enforcement services to the City and operates a police station at 107 Civic Center Plaza, which would provide police protection to the Bailey Avenue Properties. According to the 2021 Public Safety MSR the City of Lompoc has experienced the highest crime rate per 1,000 persons at 35.7. The clearance rates are also the lowest of all agencies reported with 12%. The Police Department has identified several needs and critical issues to enhance public safety and responsiveness to community needs. The needs include; recruitment and retention of personnel, replacement of dated equipment and radios, the replacement of the Computer Aided Dispatch System to include Records Management, the purchase of Body Worn Cameras, and the support personnel needed to fulfill and manage public records act requests. The City's General Plan Land Use Policy 4.2 calls for adequate police and fire services to be available at the time of development. The City has conditioning authority to require adequate services are maintained or achieved through the development review process. The FEIR identified Impact PS-3 which would further exacerbate existing service ratio deficiencies and therefore require new or expanded police facilities. However, payment of impact mitigation fees could reduce impacts to Class III (FEIR page 4.11-17.)

The City's Fire Department provides medical response, rescue services, and fire control to Lompoc residents and businesses. The nearest fire station (Station 1) to the properties is located at the intersection of Ocean Avenue and South "G" St., which would provide services to the Bailey Avenue Properties. The City Fire Department maintains an ISO Public Protection Classification of 3 within 5 road miles of a fire station where there is a credible source of water. The Departments respond to over 4,500 primary response calls per year within the boundaries of the City.

According to the 2021 Public Safety MSR, the safety net for the City's fund balance was on the low end of the range at 2%. The City of Lompoc coordinates fire and policing services with the Vandenberg Space Force Base for services. The operations on their Fire and Police Departments are constantly challenged by increased demands, funding limitations and evolving technology. The backlog of maintenance projects continues to grow as funding sources are not able to keep up with the demand. There are also new capital needs by the community to keep up adequate service levels within the City. Impact Fees will need to be studied and adjusted according to those needs.

Both the Police and Fire Departments have identified the on-going need for modernized and

suitably sized facilities. Estimated at approximately \$50 million, these new facilities are identified as future needs and are currently unfunded. Any future annexation proposal would need to outline and demonstrate if these services can be met through the review process. The FEIR concluded adequate services could be achieved under buildout of the Bailey Avenue area. (FEIR pages 4.11-17 & 4.11-11.)

- 4) Existence of social or economic communities of interest in the area if the Commission determines that they are relevant to the agency:

The Sphere of Influence areas for the City of Lompoc are linked to the City's social and economic communities of interest. Residential development would likely be proposed in the Sphere amendment and the City provides places for shopping and services for the people living in the City. The immediate surrounding area does not have as many opportunities for services. Areas to recreate, schools, places of worship and cultural events would also be available within the broader City limits. Closer to the Sphere of Influence area that might include residential development these services are not known at this time. The City will gain property tax advantages when and if this area is annexed. Although the fiscal impact on residential development generally does not cover the full cost of municipal services from property and local sales taxes that are generated.

- 5) Present and probable need for public facilities and services of Disadvantage Unincorporated Communities:

The City of Lompoc has a variety of economic diversity within the community and surrounding area including within or adjacent to the Sphere of Influence. A Disadvantaged Unincorporated Community is defined as a community with an annual median household income (MHI) that is less than 80 percent of the statewide annual median household income. In 2022, the statewide MHI was \$80,440, 80 percent of that is \$64,352. As it was proposed, the sphere amendment would not qualify as a disadvantage unincorporated community for the present and probable need for public facilities and services. However, the Median Household Income for Lompoc was \$57,071 in 2022, which qualifies the City as a disadvantaged community, but the City is incorporated and, therefore, by definition, not qualify a disadvantaged unincorporated community.