

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION  
EXECUTIVE OFFICER'S REPORT

May 4, 2023 (Agenda)

LAFCO 23-01: City of Santa Barbara to provide water and sewer services to 3.94-acre vacant property located at 4 Sunrise Hill Lane, Santa Barbara, CA 93108. (APN 013-210-049).

PROPONENT: City of Santa Barbara on behalf of Property owners Inken Gerlach with 109 Investors LLC (“Owners”)

ACREAGE & LOCATION The proposed Out of Agency Service Agreement includes 3.94 acres located at 4 Sunrise Hill Lane and contains one parcel (APN 013-210-049). (**Attachment A**).

PURPOSE: The property previously had an approved out of agency service agreement for water and sewer services. The new Owners are seeking a permit from the County for two (2) single family residences and (2) accessory dwelling units on the property with the intent to apply for a lot split pursuant to SB-9. The City of Santa Barbara has water and sewer mains in the area with the capacity to service the property.

HISTORY: The property is in a developed urban area. The property previously had an Out-of-Agency Service Agreement for water and sewer services from the City of Santa Barbara. The City recently approved and recorded an amended Agreement for Provision of Water and Sewer Service to provide service for up to two (2) single family residences and two (2) accessory dwelling units on the property. Municipal water and sewer services are environmentally superior to private services via well water and septic systems. The amended agreement would allow for provision of municipal services.

GENERAL ANALYSIS:

1. Description of Project

The property Owner intends to apply for a lot split pursuant to SB-9. The County requires a Can and Will Serve letter for water and sewer services at the time of application submittal. Ultimately, each of the new lots will be developed with a single-family residence and accessory dwelling unit. The property is currently served by the City of Santa Barbara pursuant to a previous Out-of-Agency Service Agreement. The landowner filed for a new application for services and City recently approved the amended Agreement for Provision of Water and Sewer Service (**Attachment B**) which provides for additional water and sewer service for future development on the property

beyond the scope of the previous service agreement. The City has water and sewer mains in the area with capacity to serve the property with the anticipated future development.

Connection to the public sewer in the future will be by way of Nicholas Lane or Via Alicia, however the point of connection for the future developments has not been determined at this time.

## 2. Requirement for LAFCO Approval

LAFCO regulates boundary changes and extensions of service without boundary changes. Government Code Section 56133 states that “A city or a district may provide new or extended services by contract or agreement outside its boundaries only if it first requests and receives written approval from the commission in the affected county.”

It further provides that LAFCO “may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.”

## 3. Sphere of Influence

The area proposed for the Out-of-Agency Service Agreement is within the City of Santa Barbara's sphere of influence. The property was added September 3, 2020.

## 4. Plan for Services

The City currently provides water and sewer services to other properties in the surrounding area. No other water or sanitary districts operate in the vicinity of the property. An existing City 8” water main is located adjacent to the site, therefore no public main extension is required to serve the property. Multiple sewer lines exist in proximity to the subject property including lines in Nicholas Lane and Via Alicia.

The following plan for service is provided in the amended Agreement for Provision of Water and Sewer Service to Real Property Located outside City Limits (**Attachment B**) which was approved by the Santa Barbara City Council at the December 6, 2022 meeting (**Attachment C**):

1. *City will provide water and sewer service to the Real Property upon the same term, conditions and requirements that apply to similar service to property located within the boundaries of the City.*
2. *Owners are responsible for acquisition of all easements and construction of all pipelines, fixtures, and facilities to connect the Real Property to the City's water and sewer system, except that the City will be responsible for installation of the connection(s) to the City's water main and water meters in accordance with the City's Municipal Code. Owner shall be responsible for the cost of such connections.*

*If extension or expansion of an existing City water or sewer main is required to provide service the Real Property, Owners will pay the cost of the extension of expansion as a condition precedent to development of the Real Property. Owners agree to dedicate to City such easements and pipelines, fixtures, and facilities as may be required by the City.*

3. *Owner will pay water and sewer connection and capacity fees for each connection to the Real Property according to the City's standard fee resolution in effect at the time the connection is made to the City's water or sewer system, respectively.*
4. *Owner agrees to comply with all City laws governing the use, waste, or conservation of water and discharge of sewage. Owner agrees that City's administrative penalties and civil remedies for violation of City laws apply to violations of this paragraph of this Agreement.*
5. *Owner will establish a water and sewer service account upon connection of the Real Property to the City's water and sewer system. Owner agrees that in addition to any other remedy provided by law, City may discontinue water service to the Real Property and terminate this Agreement if Owner is delinquent in the payment of service charges for a period of more than 30 days.*
6. *Further subdivision of the property is prohibited except on the written approval of the City, which approval may be denied unless the Real Property is first annexed to the City.*

5. Landowner Consent to Annex in Order to Receive Services:

Annexation is not possible at this time because the area surrounding the property is not accessed directly from within the City limits. One must travel through areas of the unincorporated County to reach the site. The site also is not served by any other City services such as police, fire, etc. nor is the surrounding area. The Agreement approved by the City and landowner includes Condition 8 wherein Owners consent to and waive the right of protest and all objections to any future annexation of the property to the City. This consent and waiver shall enure to and bind all successors in interest of the property. This condition meets LAFCO's requirement that a service agreement be conditioned on the owner's consent to future annexation and such consent shall bind all successors in interest of the property.

6. Environmental Impact of the Proposal:

A Notice of Exemption has been provided pursuant to Public Resources Code section 21000 et seq. ("CEQA") pursuant to CEQA Guidelines 15303 (construction and location of limited numbers of new, small facilities or structures, including one single-family or a second dwelling unit in a residential zone or in urbanized areas, up to three single family residences may be constructed); Section 15320 change in organization of local agencies; and Section 15061(b)(3) "common sense" exemption. (**Attachment D**)

Conclusion:

The site is located in an area that allows the City to best provide water and sewer services in the future. The City already serves other properties within the area and a previous sphere of influence update has been approved by the Commission and an agreement for water and sewer services had been made with the City and property owner. City infrastructure (water main and wastewater pipes) are located within reasonable distances to the property.

Government Code section 56133(b), which is that services may be extended outside of a city's or district's boundaries only if the property is within the sphere of influence in anticipation of a later change of organization. A condition of approval has been added and implemented in the approved agreement.

ATTACHMENTS

Attachment A – Map of the Proposed Out of Agency Service Area

Attachment B- City of Santa Barbara Agreement for Provision of Water and Sewer Service and OASA Application

Attachment C- City of Santa Barbara Council Agenda Report and Minutes

Attachment D- LAFCO Notice of Exemption

Attachment E- LAFCO Authorization to Provide Out-of-Agency Services

Attachment F- LAFCO Out-of-Agency Service Agreement

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this report and any testimony or material that are presented, the Commission can follow one of the following options:

**OPTION 1 – APPROVE** the request for an Out-of-Agency Service Agreement (**Attachment F**), subject to the following terms and conditions:

- a) Find the proposal to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15303(a), 15320, and 15061(b)(3).
- b) The City's provision of water and sewer services shall be limited to the 3.94 acres located at 4 Sunrise Hill Lane, Santa Barbara, APN 013-210-049;
- c) The landowners shall execute and record an agreement approved by the Executive Officer that consents to any future annexation of the territory, which agreement shall enure to and bind all successors in interest to the property;
- d) Said out-of-agency service agreement is for water and sewer service only shall remain in effect until such time as an annexation is approved by the Commission and becomes final.

**OPTION 2** –Deny the request.

**OPTION 3** – Continue the item to obtain additional information

RECOMMENDED ACTION:

Approve OPTION 1

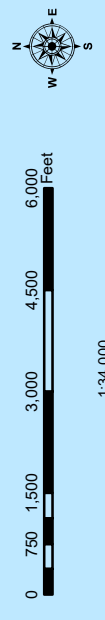


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Mike Prater  
Executive Officer  
LOCAL AGENCY FORMATION COMMISSION

 City Limits  
 Sphere of Influence

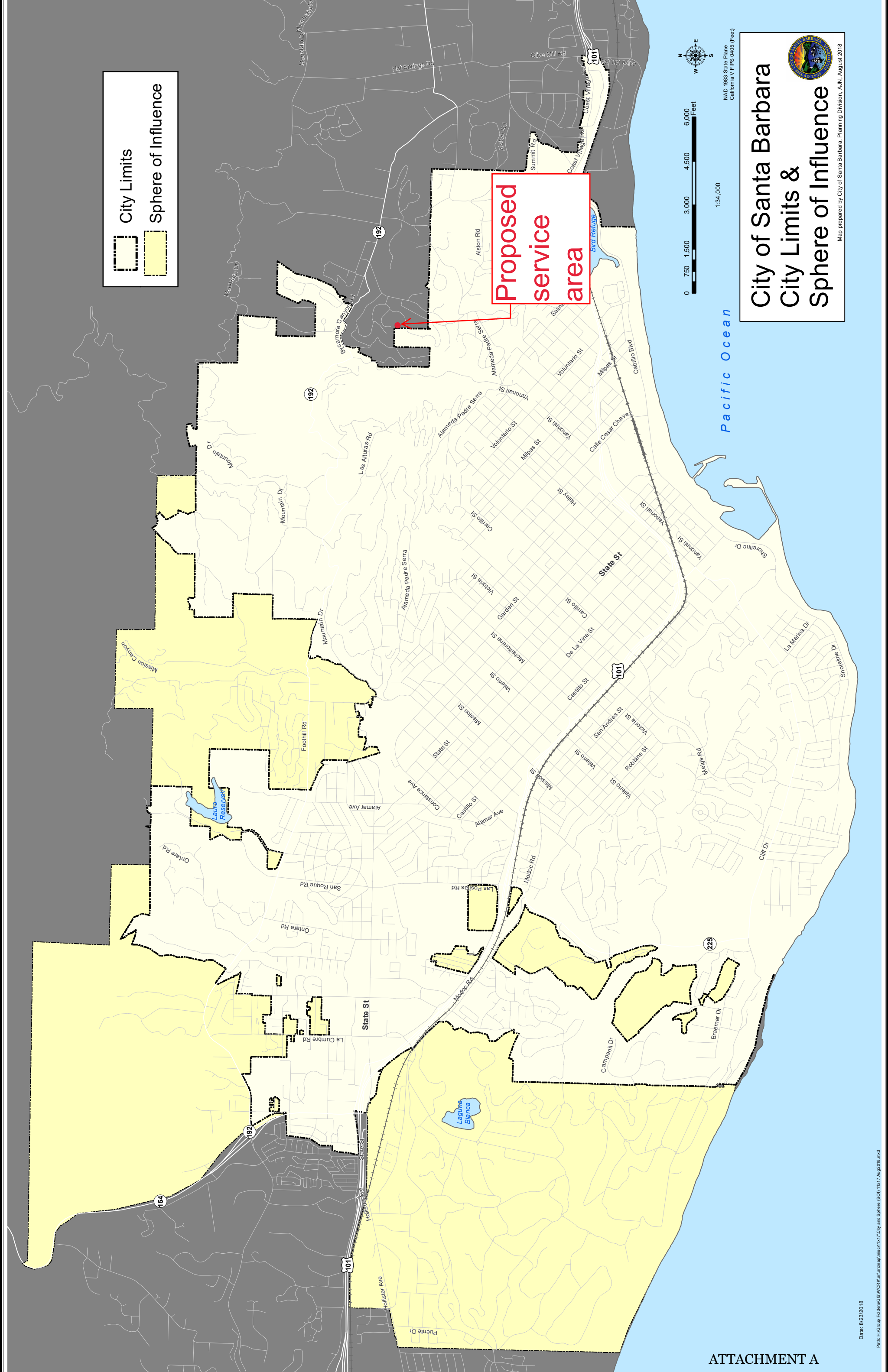
**Proposed  
service  
area**



1:34,000

Pacific Ocean

  
**City of Santa Barbara**  
**City Limits & Sphere of Influence**  
 Map prepared by City of Santa Barbara, Planning Division, A/JN, August 2018



ATTACHMENT A

# Vicinity Map

# Project Data

### Owner

Chuck Rudd & Inken Gerlach  
109 Investors, LLC  
133 East De La Guerra St. #13  
Santa Barbara, CA 93101

### Project Address

4 Sunrise Hill Lane, Montecito CA 93108

### APN Zone

031-210-049  
2-E-1

### Lot Size (from County Assessor's Rolls)

3.97 Acres

### Lot Size

172, 913.57 Square Feet

### Slope (Estimate from City's GIS System)

15%

### General Plan Neighborhood

Montecito Community Plan

### High Fire Area

Yes

### Flood Hazard Area

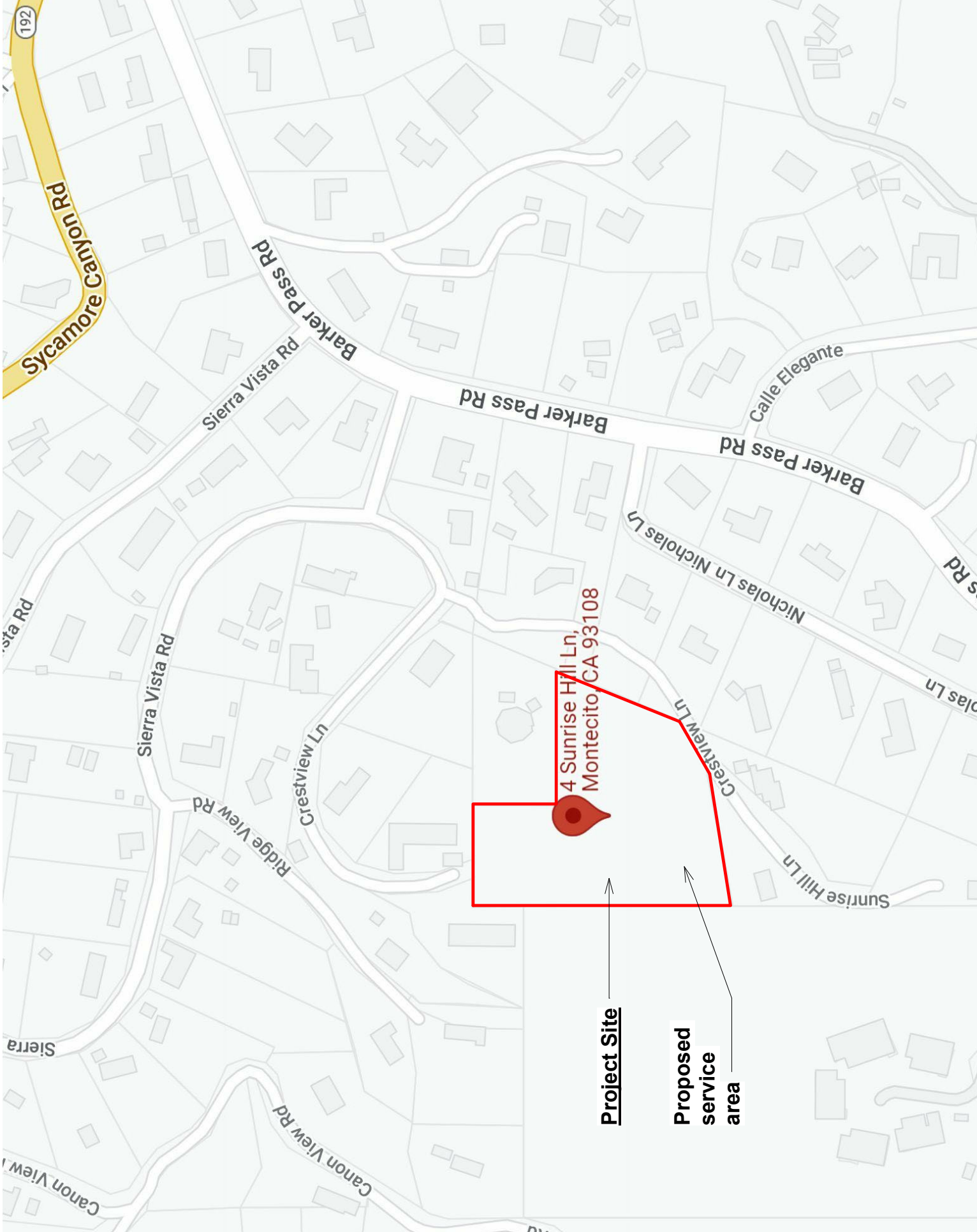
X

### # of Stories

N/A

### Construction Type:

N/A



RECORDING REQUESTED BY )  
AND WHEN RECORDED MAIL TO: )

DOC# 2022-0052344

City of Santa Barbara )  
City Clerk )  
P.O. Box 1990 )  
Santa Barbara, CA 93102-1990 )

12/21/2022 Titles: 1 Pages: 7

03:28 PM

SBC

Fees \$32.00

Taxes \$0.00

E40

CA SB2 Fee \$0.00

Total \$32.00

Agreement No. 28,224  
Location: 4 Sunrise Hill Lane

No fee per GOVT. CODE 6103

APN: 013-210-049

Agreement For Provision of Water and Sewer Service to  
Real Property Located Outside City Limits  
Government Code § 56133

THIS AGREEMENT, made and entered into this 6<sup>th</sup> day of  
December, 2022

by and between

CITY OF SANTA BARBARA, a  
municipal corporation, hereinafter  
referred to as "City",

and

109 INVESTORS LLC, a  
California limited liability  
company, hereinafter referred to  
as "Owner".

A. Owner owns undeveloped real property located in the unincorporated area of the County of Santa Barbara, State of California, immediately adjacent to, but outside the boundary of the City and within the City Sphere of Influence, generally known as 4 Sunrise Hill Lane (APN: 013-210-049) and described in the attached "Exhibit A" [the "Real Property"].

B. Previously the City entered into an agreement to provide water and sewer services for one proposed single family home on the Real Property.

C. Owner now desires to split the property into two lots, and develop each lot with one single family residence, an Accessory Dwelling Unit (ADU), and related accessory structures, and requires water and sewer services. The City has water and sewer mains in the area with capacity sufficient to provide service to the Real Property. The City currently provides water or sewer service to other property outside of the City's



boundary and within the vicinity of the Real Property. However, because of amendments to Government Code § 56133, the City cannot provide new or extended service to the Real Property unless it is either annexed to the City or a service agreement has been approved by LAFCO.

D. Owner agrees to waive any right of protest and all objections to future annexation of the Real Property to the City and to pay the annexation fee required by Chapter 4.04 of the Santa Barbara Municipal Code or any successor law in effect at the time of annexation.

NOW, THEREFORE, the parties hereto agree as follows:

1. City will provide water and sewer service to the Real Property upon the same term, conditions, and requirements that apply to similar service to property located within the boundaries of the City.

2. Owners are responsible for acquisition of all easements and construction of all pipelines, fixtures, and facilities to connect the Real Property to the City's water and sewer system, except that the City will be responsible for installation of the connection(s) to the City's water main and water meters in accordance with the City's Municipal Code. Owner shall be responsible for the cost of such connections. If extension or expansion of an existing City water or sewer main is required to provide service to the Real Property, Owners will pay the cost of the extension or expansion as a condition precedent to development of the Real Property. Owners agree to dedicate to City such easements and pipelines, fixtures, and facilities as may be required by the City.

3. Owner will pay water and sewer connection and capacity fees for each connection to the Real Property according to the City's standard fee resolution in effect at the time the connection is made to the City's water or sewer system, respectively.

4. Owner agrees to comply with all City laws governing the use, waste, or conservation of water and the discharge of sewage. Owner agrees that City's administrative penalties and civil remedies for violation of City laws apply to violations of this paragraph of this Agreement.

5. Owner will establish a water and sewer service account upon connection of the Real Property to the City's water and sewer system. Owner agrees that in addition to any other remedy provided by law, City may discontinue water service to the Real Property and terminate this Agreement if Owner is delinquent in the payment of service charges for a period of more than 30 days.

6. Further subdivision of the property is prohibited except on the written approval of the City, which approval may be denied unless the Real Property is first annexed to the City.

7. The City's obligation under section 1 of this Agreement will become operative upon written confirmation by the Executive Director of Santa Barbara LAFCO that this

agreement has been approved in accordance with Government Code § 56133.

8. Owner waives any right of protest and all objections to future annexation of the Real Property to the City and Owner agrees to pay the annexation fee required by Chapter 4.04 of the Santa Barbara Municipal Code or any successor law in effect at the time of annexation regardless of whether the annexation is initiated by property owner petition or by motion of the City Council. The waiver does not affect Owner's rights to participate in proceedings relating to zoning or other land use regulation of the Real Property.

9. This agreement is an instrument affecting the title and possession of the real Property and shall run with the Real Property and any parcel created as a result of subdivision of the Real Property. All of the provisions herein imposed shall be binding upon and inure to the benefit of the successors in interest of Owners.

10. This Agreement shall be recorded at the Office of the Recorder of the County of Santa Barbara. Owner will pay all fees and charges for recordation if payment of fees is required by the Office of the Recorder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF SANTA BARBARA, a municipal corporation: 109 INVESTORS, LLC

[Signature]  
Cliff Maurer,  
Public Works Director

[Signature]  
Inken Gerlach, Manager

[Signature]  
Charles Rudd, Manager

APPROVED AS TO FORM:  
Sarah Knecht, Acting City Attorney

By [Signature]  
Daniel S. Hentschke  
Assistant City Attorney

133 E DE LA GUERRA ST #13  
Address

SANTA BARBARA, CA  
City, State, Zip Code 93101

805-452-4102  
Phone Number

[SIGNATURES MUST BE NOTARIZED, except for signatures approving as to form.]

**EXHIBIT A****LEGAL PROPERTY DESCRIPTION**

Real property in the unincorporated area of the County of Santa Barbara, State of California, described as follows:

**PARCEL 1:**

PARCEL "A" OF PARCEL MAP NO. 12,759, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 26, PAGES 82 AND 83 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

**PARCEL 2:**

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITIES PURPOSES TO BE USED IN COMMON WITH OTHERS, OVER AND ALONG A STRIP OF LAND 50 FEET IN WIDTH, BEING A PORTION OF PUEBLO LOT 78 OF THE OUTSIDE PUEBLO LANDS OF THE CITY OF SANTA BARBARA, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, THE CENTER LINE OF WHICH STRIP IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE CENTER LINE OF A 50 FOOT PRIVATE ROAD AT ITS INTERSECTION WITH THE SOUTHERLY LINE OF THE TRACT OF LAND DESCRIBED IN DEED TO LORENZO DALL'ARMI, JR., REGISTERED APRIL 18, 1951 AS TORRENS NO. 3228, IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY, AND FROM WHICH THE SOUTHWESTERLY CORNER OF SAID DALL'ARMI TRACT OF LAND BEARS NORTH 79°32' WEST 116.14 FEET, AND FROM WHICH STATION 27 ON THE CENTER LINE OF SAID 50 FOOT ROAD BEARS NORTH 22°48' EAST, 98.39 FEET, AS SAID 50 FOOT ROAD AND STATION 27 ARE SHOWN ON THE MAP OF A SURVEY FILED IN BOOK 30, PAGE 146 OF RECORD OF SURVEYS OF SAID COUNTY; THENCE 1ST, SOUTH 22°48' WEST, 44.53 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, WITH A DELTA OF 27°31', A RADIUS OF 175.00 FEET AND A TANGENT OF 42.85 FEET; THENCE 2ND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 84.05 FEET; THENCE 3RD, SOUTH 50°19' WEST, 95.38 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT WITH A DELTA OF 24°43' A RADIUS OF 175.00 FEET AND A TANGENT OF 38.34 FEET; THENCE 4TH, SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, 75.49 FEET; THENCE 5TH, SOUTH 75°02' WEST, 2.32 FEET, MORE OR LESS, TO A POINT IN THE EASTERLY LINE OF GOVERNMENT LOT SIX (6) OF SECTION 12, TOWNSHIP 4 NORTH, RANGE 27 WEST, SAN BERNARDINO MERIDIAN, SAID POINT BEING DISTANT THEREON SOUTH 22°49' WEST, 244.07 FEET FROM THE SOUTHWESTERLY CORNER OF SAID DALL'ARMI TRACT OF LAND.

**PARCEL 3:**

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES TO BE USED IN COMMON WITH OTHERS, OVER AND ALONG A PORTION OF EUCALYPTUS KNOLL TRACT IN COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON MAP THEREOF FILED IN BOOK 30, PAGE 86 RECORD OF SURVEYS, BEING A STRIP OF LAND 50 FEET IN WIDTH, THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF THE TRACT OF LAND DESCRIBED IN DEED TO LORENZO DALL'ARMI, DATED AUGUST 8, 1950 AND REGISTERED AUGUST 15, 1950 AS DOCUMENT NO. 2947, IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY, DISTANT THEREON SOUTH 82°34' EAST, 28.13 FEET FROM THE MOST NORTHERLY CORNER OF SAID DALL'ARMI TRACT OF LAND; THENCE SOUTHERLY ALONG THE ARC OF A CURVE TO THE LEFT, WITH A RADIUS OF 88.95 FEET AND A DELTA OF 60°09' THE TANGENT TO WHICH AT THE POINT OF BEGINNING BEARS SOUTH 35°21'

**EXHIBIT A**

WEST, 51.51 FEET, A DISTANCE OF 93.38 FEET TO THE END OF SAID CURVE; THENCE SOUTH 24°48' EAST, 33.54 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 107.04 FEET AND A DELTA OF 47°36'; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE 88.93 FEET TO THE END OF SAID CURVE; THENCE SOUTH 22°48' WEST, 51.18 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF THE TRACT OF LAND DESCRIBED IN DEED TO LORENZO DALL'ARMI, DATED MARCH 16, 1951 AND REGISTERED APRIL 17, 1951 AS DOCUMENT NO. 3228, IN THE OFFICE OF THE REGISTRAR OF TITLES OF SAID COUNTY FROM WHICH THE MOST WESTERLY CORNER OF SAID LAST MENTIONED TRACT BEARS NORTH 79°32' WEST, 116.14 FEET.

PARCEL 4:

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES, TO BE USED IN COMMON WITH OTHERS, OVER AND ALONG A PORTION OF EUCALYPTUS KNOLLS TRACT, IN THE COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS SHOWN ON MAP THEREOF FILED IN BOOK 30, PAGE 86 OF RECORD OF SURVEYS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A STRIP OF LAND 50 FEET IN WIDTH, THE CENTER LINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT STATION 23 OF SIERRA VISTA ROAD, AT THE INTERSECTION OF THE CENTER LINE OF BARKER PASS ROAD, AS SAID ROADS ARE SHOWN ON SAID MAP ABOVE REFERRED TO: THENCE 1ST, ALONG SAID CENTER LINE OF SIERRA VISTA ROAD, NORTH 72°09' WEST 217.25 FEET TO THE BEGINNING OF A CURVE TO THE LEFT; THENCE 2ND, WESTERLY AND SOUTHWESTERLY LEAVING THE CENTER LINE OF SIERRA VISTA ROAD AND FOLLOWING ALONG THE CENTER LINE OF A 50 FOOT ROAD AS SHOWN ON SAID MAP, ALONG THE ARC OF SAID CURVE TO THE LEFT, 99.84 FEET, SAID CURVE HAVING A DELTA OF 74°11', A RADIUS OF 77.11 FEET AND TANGENT OF 58.30 FEET; THENCE 3RD, SOUTH 33°40' WEST 63.31 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT; THENCE FOURTH, SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 64.55 FEET, SAID CURVE HAVING A DELTA OF 36°59', A RADIUS OF 100.00 FEET AND A TANGENT OF 33.44 FEET; THENCE 5TH, SOUTH 70°39' WEST, 40.18 FEET TO THE BEGINNING OF A CURVE TO THE LEFT FROM WHICH STATION 25 AT THE INTERSECTION OF THE CENTER LINE OF CREST VIEW LANE BEARS SOUTH 70°39' WEST 41.36 FEET; THENCE 6TH, SOUTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE LEFT, 80.09 FEET, SAID CURVE HAVING A DELTA OF 35°18', A RADIUS OF 130.00 FEET AND A TANGENT OF 41.36 FEET; THENCE 7TH, SOUTH 35°21' WEST, 22.67 FEET TO A POINT ON THE NORTHERLY LINE OF THE TRACT OF LAND DESCRIBED IN DEED TO LORENZO DALL'ARMI, JR., DATED AUGUST 9, 1950 AND REGISTERED WITH THE REGISTRAR OF LAND TITLES ON AUGUST 15, 1950 AS DOCUMENT NO. 2947, FROM WHICH THE NORTHWEST CORNER OF SAID DALL'ARMI TRACT BEARS NORTH 82°34' WEST 28.13 FEET.

APN: 013-210-049

## EXHIBIT A

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Santa Barbara )

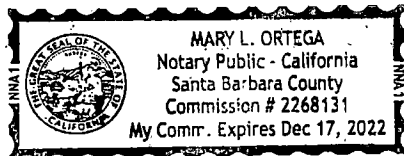
On Nov. 10, 2022 before me, Mary L. Ortega Notary Public

Date Here Insert Name and Title of the Officer  
personally appeared Charles Rudd and Inken Gerlach  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Santa Barbara )

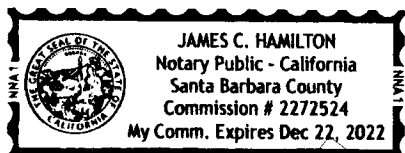
On December 7, 2022 before me, James C. Hamilton, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared Clifford M. Maurer  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature James C. Hamilton  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer -- Title(s): \_\_\_\_\_  
 Partner --  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer -- Title(s): \_\_\_\_\_  
 Partner --  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

**Application for Out-of Agency Service Agreement**

(Attach additional sheets as necessary)

1. City or District City of Santa Barbara

Who should be contacted if there are questions about this application?

Crystal Chan, Associate  
Vanguard Planning Inc.  
735 State Street, Suite 204  
Santa Barbara, CA 93101  
(805) 570-0895  
crystal.chan@vanguardplanning.com

2. Affected Property Owners

109 Investors LLC  
ATTN: Inken Gerlach  
1333 East Mountain Drive  
Montecito, CA 93108

3. Address/location/size of property: Parcel number: 013-210-049

4 Sunrise Hill Lane  
Santa Barbara, CA 93108

3.94 Acres

Complete all relevant questions

4. Is the property within the service agency's sphere of influence? Yes XX No \_\_\_\_\_

5. What types of services are to be provided under contract?

Water and sewer service.

6. Discuss the justification for the service agreement. Is this an emergency health and safety situation? Why is annexation not possible at this time?

Property is in a developed urban area. Property previously had an out of agency service agreement for water and sewer services from the City of Santa Barbara (the "Previous Service Agreement"). The City recently approved and recorded and amended out of agency service agreement (the "Amended Service Agreement") to provide service for up to two (2) single family residences and two (2) accessory dwelling units on the property. Annexation is not possible at

Out-of-Agency Service Questionnaire (10-4-01)

This form can be downloaded from [www.sblafco.org](http://www.sblafco.org)

ATTACHMENT B

this time because the area surrounding the project site is not accessed directly from within the City limits. One must travel through areas of the unincorporated County to reach the site. The site also is not served by any other City services such as police, fire etc. nor is the surrounding area. The City has no plans to annex the property or any other properties in the surrounding area for the foreseeable future. Municipal water and sewer service are environmentally superior to private services via well water and septic systems. The Amended Service Agreement would allow for provision of municipal services.

7. Is annexation of the territory anticipated at some future time? Yes \_\_\_\_\_  
No XX If yes, when? If no, why not?

See answer to question 6 above.

8. What is the existing use of the site? Be specific.

Vacant land.

9. If a change in use is proposed, provide a description of the change.

Owner intends to apply for a lot split pursuant to SB-9. The County requires a Can and Will Serve letter for water and sewer services at the time of application submittal. Ultimately, each of the new lots would be developed with a single family residence and an accessory dwelling unit. The property is currently served by the City of Santa Barbara pursuant to the Previous Service Agreement. The City recently approved the Amended Service Agreement which provides for additional water and sewer service for future development on the property beyond the scope of the Previous Service Agreement. The City has water and sewer mains in the area with capacity sufficient to serve the property and anticipated future development.

10. Describe in detail how services will be extended to the property:

- A. Describe needed improvements including distance for connections.

The City currently provides water and sewer services to other properties in the surrounding area. No other water or sanitary districts operate in the vicinity of the property.

An existing City 8" water main is located adjacent to the site. No public main extension is required to serve the property.

Multiple City sewer lines exist in proximity to the subject property. This includes lines in Nicholas Lane and in Via Alicia. The future point of connection has not been determined at this time.



B. What are the costs of improvements and other start up costs?

Water: no extensions required. No cost. Sewer: connection point not yet determined. Likely cost to connect to any of the potential locations will be between \$200,000 and \$350,000.00.

C. How is financing to occur, both capital costs and ongoing operations?

Private financing by property owner.

11. What environmental review has been conducted for the project? If exempt, please provide a copy of the agency's Notice of Exemption.

No environmental review has been completed for this request to date. The Previous Service Agreement was approved with Categorical Exemptions pursuant to CEQA Guidelines section 15303(a) and 15061(b)(3).

Provide a vicinity map showing the property, the city or district boundary and sphere line and existing and proposed infrastructure as relevant to this agreement.

Attach a copy of the proposed services agreement and any staff reports or supporting documentation related to this application.

This request and a processing fee set forth in LAFCO's fee schedule should be submitted to:

Santa Barbara LAFCO  
105 East Anapamu Street  
Santa Barbara CA 93101  
805/568-3391



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** December 6, 2022

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Water and Wastewater Service Agreement for 4 Sunrise Hill Lane [Agreement]

**RECOMMENDATION:** That Council:

- A. Authorize the Public Works Director to execute an agreement for provision of water and sewer service to real property located outside City of Santa Barbara limits, between the City and 109 Investors LLC, to provide City water and wastewater services to 4 Sunrise Hill Lane (APN 013-210-049); and
- B. Authorize the Public Works Director to submit an application to the Local Agency Formation Commission to approve the water and wastewater service agreement.

### **DISCUSSION:**

The project site is a vacant parcel located in the County of Santa Barbara (County), outside City of Santa Barbara (City) limits. The City already provides water and wastewater service to other properties in the vicinity of 4 Sunrise Hill Lane, and the property is fronted by an existing City water main. No other water or sanitary districts operate in the vicinity of the project site.

The property owner is in the process of obtaining approvals and permits from the County to perform an SB 9 lot split to split the property into two lots and construct a single-family residence and an Accessory Dwelling Unit on each lot. The owner is seeking water and wastewater service from the City for the proposed residences.

Providing new water or wastewater service by agreement to properties outside City limits requires approval by the Local Agency Formation Commission (LAFCO). The property owner is requesting that Council authorize the execution of the service agreement and the submittal of the required applications to LAFCO. The property owner will pay all LAFCO fees.

In 2019, the previous property owners were pursuing the construction of a single-family residence on the property. Council consented to a Sphere of Influence amendment to bring the property within the City's sphere, authorized a water and sewer service

agreement to serve the residence, and authorized the submittal of all required applications to LAFCO in December 2019. LAFCO approved both the Sphere of Influence amendment and the water and sewer service agreement in September 2020. However, because the new owner's project scope is significantly different from the original project scope, a new agreement and LAFCO approval is required.

The recommended agreement has been prepared in conformance with applicable resolutions and requirements of the Municipal Code, including the required waiver of right to protest annexation. Per the proposed agreement, water and wastewater service to the lots resulting from the lot split of 4 Sunrise Hill Lane would be subject to all the same terms, conditions, and requirements that apply to similar service to other properties located within the City boundaries.

A copy of the agreement is available for public review by request to [pwinfo@santabararaca.gov](mailto:pwinfo@santabararaca.gov).

**BUDGET/FINANCIAL INFORMATION:**

The proposed action has no financial impact on the City. The owner will be responsible for all applicable costs associated with connection to the City's water and wastewater systems.

**ENVIRONMENTAL REVIEW:**

The Out-of-Agency Service Agreement is exempt from further environmental review pursuant to California Environmental Quality Act Guidelines Section 15303 (New Construction, utility extensions).

**ATTACHMENT:** 4 Sunrise Hill Lane Map

**PREPARED BY:** Joshua Haggmark, P.E., Water Resources Manager/DH/Im

**SUBMITTED BY:** Clifford M. Maurer, P.E., Public Works Director

**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA  
CITY COUNCIL**

**MINUTE ORDER**

**DATE** December 6, 2022

**ROLL CALL** Mayor Randy Rowse; Councilmembers Eric Friedman, Oscar Gutierrez, Meagan Harmon, Mike Jordan, Kristen W. Sneddon.  
Absent: Councilmember Alejandra Gutierrez

**ITEM** No. 12

Subject: Water and Wastewater Service Agreement for 4 Sunrise Hill Lane [Agreement]

**RECOMMENDATION** Recommendation: That Council:

A. Authorize the Public Works Director to execute an agreement for provision of water and sewer service to real property located outside City of Santa Barbara limits, between the City and 109 Investors LLC, to provide City water and wastewater services to 4 Sunrise Hill Lane (APN 013-210-049); and

B. Authorize the Public Works Director to submit an application to the Local Agency Formation Commission to approve the water and wastewater service agreement.

**ACTION** Motion:  
Councilmembers Jordan / O. Gutierrez to approve the recommended action.  
Vote:  
Unanimous roll call vote. (Councilmember A. Gutierrez Absent)

STATE OF CALIFORNIA        )  
  )  
COUNTY OF SANTA BARBARA )       ss.  
  )  
CITY OF SANTA BARBARA     )

I, Niko Lopez, Deputy City Clerk in and for the City of Santa Barbara, California, DO HEREBY CERTIFY that attached is a full, true and correct copy of a City of Santa Barbara City Council Minute Order pertaining to the Water and Wastewater Service Agreement for 4 Sunrise Hill Lane [Agreement] (Item No. 12 of its December 6, 2022, meeting agenda).

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of said City to be affixed this 22<sup>nd</sup> day of December, 2022.



  
\_\_\_\_\_  
Niko Lopez  
Deputy City Clerk

## **NOTICE OF EXEMPTION**

### **Filing of Notice of Exemption in Compliance with Section 21108 of the Public Resources Code**

**TO:** County Clerk  
County of Santa Barbara  
105 East Anapamu Street  
Santa Barbara CA 93101

**FROM:** Local Agency Formation Commission 105  
East Anapamu Street, Room 407 Santa  
Barbara CA 93101  
805/568-3391

**PROJECT TITLE:** **LAFCO 23-01** Out of Agency Services Agreement for City of Santa Barbara to provide water and sewer services

#### **PROJECT LOCATION AND DESCRIPTION:**

Project Location:

3.94 acres located at 4 Sunrise Hill Lane (APN 013-210-049)

Description of Nature, Purpose, and Beneficiaries of Project:

The property to be included in the City's sphere of influence is located at 4 Sunrise Hill Lane, Montecito, CA., which is a 3.94-acre vacant parcel adjacent to the City boundary. The County's land use designation in the Montecito Community Plan for the Property is SSRR-0.5 (Semi-Rural Residential, 0.5 units per acre, 2-acre minimum parcel size). The Property is zoned 2-E-1 (Single Family Residential, 2-acre minimum lot area). Through an out of agency service agreement, the City will be authorized to provide water and sewer services for the property up to 2 SFR and 2 ADUs. The County of Santa Barbara will still have permit jurisdiction. The proposal is categorically exempt from the California Environmental Quality Act ("CEQA"), Public Resources Code section 21000 et seq., pursuant to CEQA Guidelines Section 15303 (construction and location of limited numbers of new, small facilities or structures, including one single-family or a second dwelling unit in a residential zone or in urbanized areas, up to three single family residences may be constructed); Section 15320 change in organization of local agencies; and Section 15061(b)(3) "common sense" exemption.

Name of Person or Agency Carrying Out the Project:

Santa Barbara Local Agency Formation Commission

**Reasons for Exemption.** LAFCO's approval of the proposed out-of-agency agreement into the City of Santa Barbara would be consistent with a Categorical Exemption Class 3, Class 20 & "Common Sense" rule. The approval does not involve, authorize or permit any type of development or construction activity associated with the subject property. The proposed agreement only provides water and sewer services from the City to the vacant lot for up to 2 SFR and 2 ADUs located at 4 Sunrise Hill Lane. There is no substantial evidence in the record that the project will have a significant effect on the environment. LAFCO's approval is strictly limited to the agreement.

\_\_\_\_\_  
Mike Prater, Executive Officer

\_\_\_\_\_  
March 21, 2023  
Date

ATTACHMENT D

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The "project" is to provide water and sewer services from the City of Santa Barbara to an existing vacant parcel for up to future new SFR and ADUs located at 4 Sunrise Hill Lane, in the unincorporated area of the County. A Categorical Exemption Class 3 construction and location of limited numbers of new, small facilities or structures, Class 20 Changes in Organization of Local Agencies and "Common sense" exemption, No Possibility of Significant Effect, Sec. 15061 (b)(3) would apply.

The Santa Barbara Local Agency Formation Commission will approve the above-referenced project on May 4, 2023 and has determined it to be exempt from further environmental review under the requirements of California Environmental Quality Act (CEQA) of 1970, as defined in the State and local Guidelines for the implementation of CEQA.

Exempt Status:

- Ministerial
- Statutory
- Categorical Exemption:
  - Class 3 – Construction and location of limited numbers of new, small facilities or
  - Class 20 – Changes in Organization of Local Agencies
- Emergency Project
- No Possibility of Significant Effect [Sec. 15061 (b,3)]

By: \_\_\_\_\_  
**Executive Officer**

Date: \_\_\_\_\_

## LAFCO Authorization for Approval of Out of Agency Service Agreements

*Government Code Section 56133 (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.*

*(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.*

*(c) If consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:*

*(1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.*

*(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.*



# STANDARDS FOR OUT-OF-AGENCY SERVICE AGREEMENTS

## **Considerations for Approving Agreements:**

Annexations to cities and special districts are generally preferred for providing public services, however, out-of-agency service agreements can be an appropriate alternative. While each proposal must be decided on its own merits, the Commission may favorably consider such agreements in the following situations:

1. Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors.
2. Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on adopted land use plans or other entitlements for use.
3. Where public agencies have a formal agreement defining service areas, provided LAFCO has formally recognized the boundaries of the agreement area.
4. Emergency or health related conditions mitigate against waiting for annexation.
5. Other circumstances which are consistent with the statutory purposes and the policies and standards of the Santa Barbara LAFCO.

## **Agreements Consenting to Annex:**

Whenever the affected property may ultimately be annexed to the service agency, a standard condition for approval of an out-of-agency service agreement is recordation of an agreement by the landowner consenting to annex the territory, which agreement shall inure to future owners of the property.

LAFCO 23-xx

AUTHORIZATION BY THE LOCAL AGENCY FORMATION COMMISSION FOR THE  
CITY OF SANTA BARBARA TO PROVIDE OUT-OF-AGENCY SERVICES TO  
PROPERTY LOCATED AT 4 SUNRISE HILL LANE

WHEREAS, the City of Santa Barbara, with the consent of the property owner, has filed a proposal with the Executive Officer of the Santa Barbara Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code) for the City to provide services outside of its boundaries to the property located at 4 Sunrise Hill Lane, 93108, in the unincorporated area of Santa Barbara County, APN 013-210-049, LAFCO Application No. 23-01 (the "Property"); and

WHEREAS, pursuant to Government Code section 56133(b), the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.

WHEREAS, the City is already providing water and sewer services to other residential parcels in the neighborhood and the subject parcel is zoned under the Montecito Community Plan land use designation as SRR-0.5 (semi-Rural Residential, 0.5 units per acre, 2-acre minimum parcel size).

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED as follows:

- (1) The proposal is categorically exempt from the California Environmental Quality Act, Public Resources Code section 21000 et seq., ("CEQA") pursuant to CEQA Guidelines Section 15303 (construction and location of limited numbers of new, small facilities or structures, including one single-family or a second dwelling unit in a residential zone or in urbanized areas, up to three single family residences may be constructed); Section 15320 change in organization of local agencies, and Section 15061(b)(3) the "common sense" exemption.
- (3) The Commission finds the out-of-agency service request to be in the best interests of the affected area. The project is found to be consistent with good planning and reasonable extension of water and sewer services to the property.
- (4) This approval is subject to the following terms and conditions:

- a. The City's provision of water and sewer services shall be limited to the 3.94 acres located at 4 Sunrise Hill Lane, Santa Barbara, APN 013-210-049.
- b. This approval shall not authorize connection of the property to the City sewer or water systems until the property owner has executed and recorded a landowner consent approved by the Executive Officer that consents to future annexation of the territory, which consent shall enure to and bind all successors in interest to the property.
- c. Said out-of-agency service agreement is for water and sewer service only and shall remain in effect until such time as an annexation to the City of Santa Barbara is approved by the Commission and becomes final.

PASSED AND ADOPTED this day of May 4, 2023, in Santa Barbara, California by the following vote.

AYES:

NOES:

ABSTAINS:

Dated: \_\_\_\_\_

\_\_\_\_\_  
Chair  
Santa Barbara Local Agency  
Formation Commission

ATTEST

\_\_\_\_\_  
Natasha Carbajal, Clerk/Analyst  
Santa Barbara Local Agency Formation Commission