

February 6, 2003 (Agenda)

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

Boundary Changes to Implement Developments Approved Pursuant to the Orcutt Community Plan

Dear Members of the Commission:

Unincorporated Orcutt is adjacent to and immediately south of the City of Santa Maria. Two items on the February 6 agenda are the first of several proposals that the staff expects will be submitted by the County related to development in the Orcutt area. They are the Cobblestone and Mesa Verde annexations to the North County Lighting District and County Service Area No. 5.

Orcutt Community Plan

Orcutt grew steadily throughout the twentieth century, first as a farming community, then as a source of oil production and finally as a residential community for workers at Vandenberg Air Force Base and for businesses within the Santa Maria Valley. About 35,000 people live in Orcutt in approximately 11,000 dwelling units.

The Board of Supervisors adopted the Orcutt Community Plan (hereafter "Plan") in 1997. It projects an additional 2,978 dwelling units and 378,850 square feet of non-residential building during the next 20 years or so. The Plan incorporates a number of specific projects referred to in the Plan as "key sites." For example, the Cobblestone project is Key Site #5 and Mesa Verde is Key Site #6.

Since the County adopted the Plan the approval of specific land use changes has been delayed by both litigation and the time needed to construct improvements to the Laguna County Sanitation District, in order for it to serve the additional properties.

City of Santa Maria Sphere of Influence

A sphere of influence is “a plan for the probable physical boundaries and service area of a local agency” as determined by LAFCO, Gov’t Code §56076. (Emphasis added).

For years Orcutt has been within the City of Santa Maria’s sphere of influence. On February 6, 1997 the Commission received the enclosed staff report stating that having Orcutt in the sphere of the City of Santa Maria has no practical effect. The City does not exhibit interest in annexing the territory and the County continues to approve developments, as demonstrated by the items on the Commission’s agenda. The report notes that Orcutt is part of the City sphere “in name only.”

In some locales it would be considered unusual for a county to approve significant growth within a city’s sphere of influence, yet that is what is occurring with the continued development of Orcutt.

The minutes of the February 6 meeting state, “the Commission indicated its intention to retain the Orcutt area within the City’s sphere at this time.” The staff wonders whether, with the urban developments being approved in the unincorporated area, whether it is appropriate to revisit the question of whether the Santa Maria sphere should continue to include Orcutt.

Should the Commission wish to consider excluding Orcutt from the City’s sphere, the staff will schedule this matter for hearing at a future meeting and notify all of the interested parties. Without such direction the staff would propose no change in the City sphere at this time.

Orcutt Community Services District

On October 5, 2000 the Commission approved the formation of the Orcutt Community Services District (LAFCO 99-15). It was proposed to provide a variety of enhanced public services for the community of Orcutt including parks, open space and library services.

The proposed formation and accompanying special tax authorization were defeated by the voters on March 6, 2001.

Placing Orcutt Development Within the City of Santa Maria

The developed portion of the community of Orcutt is immediately adjacent to the City of Santa Maria while much of the area still to be developed is further to the south, separated from the City by the existing developed community. This makes it more difficult to achieve contiguity that is legally required to annex the proposed developments to the City.

Methods to create contiguity that have been discussed include (a) extending the City boundary to the south along the eastern side of Hwy 101 and/or (b) annexing the already developed portion of the community.

The staff on September 24, 2002 met with the Santa Maria staff, County Supervisor-elect Joe Centeno and Tony Wells, a representative of the Orcutt development community. The possibility of annexing Orcutt projects to the City was discussed. Mr. Wells had prepared a report about residential neighborhoods proposed in the Orcutt Community Plan.

A follow-up meeting was held October 11 with Mr. Wells and the City to review his report and identify major issues, including fiscal impacts for the City by annexing the existing community and whether there would be support for annexation by the residents of Orcutt.

The City staff corresponded with Mr. Wells on November 12 indicating that annexations to the City, if they occurred at all, should be phased over a number of year. For example, the projects on the Commission's February 6 agenda – Key Sites 5 and 6 – are shown as being annexed to the City within “10 to 20” years.

On January 8, 2003 - after receiving the Cobblestone and Mesa Verde proposals - the staff met again with representatives of the City, County and Orcutt development community. We discussed the same issues of contiguity, fiscal effects on the City and issues of community support for the possible annexation of these and other projects before they are developed and inhabited.

There is a related question of how the Bradley Ranch development, a mixed use proposal that the City is considering on the eastern side of Hwy 101, relates to developments in Orcutt and how the City sees the expansion of its boundaries occurring in the future.

Based on this series of discussions it appears that despite Orcutt being within the City sphere of influence there is little likelihood of these proposed developments becoming part of the City prior to the time they are developed and occupied. The City staff is concerned with fiscal impacts the City would experience by annexing the existing community of Orcutt, even assuming that sufficient political support could be found in the community for such an annexation.

Condition to Consent to Future Annexation to the City

An option would be for the Commission to condition it approval of the proposals on the current agenda upon the landowners recording a “consent to annex” to the City of Santa Maria, worded in such a way

that the condition inures to future property owners. Thereafter, when individuals buy a parcel being created by these developments, they would be giving their irrevocable consent to annex to the City at some time in the future.

Frequently this type of condition is imposed when properties are in closer proximity to a city boundary and there is a likelihood of annexation occurring within the foreseeable future. This cannot necessarily be said for annexations of Orcutt to the City of Santa Maria. For this reason this option may not be an effective tool for including Orcutt within the City in a reasonable time.

Conclusion

The Cobblestone and Mesa Verde proposals to be heard on February 6 are the first many special district expansions in Orcutt that may be presented to LAFCO for approval.

History and common sense teach that the best opportunity to annex land to cities is prior to the time it is broken into smaller lots and different owners. Inhabited territory seldom supports annexations to nearby cities.

Therefore an issue for the Commission is whether to further solidify the unincorporated status of Orcutt by allowing it to grow larger in size and population without annexation to the City of Santa Maria. Which raises the related issue of whether Orcutt should continue to be encompassed by the City of Santa Maria's sphere of influence.

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN
Executive Officer

cc: Mike Brown, County Administrator
Kirk Lindsey, Planning Director, City of Santa Maria
Dianne Meester, County Planning Director
Tim Ness, City Manager, City of Santa Maria
Tony Wells, Cobblestone Creek LLC