

LAFCO MEMORANDUM

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

105 East Anapamu Street • Santa Barbara CA 93101 • (805) 568-3391 + Fax (805) 568-2249

May 2, 2024 (Agenda)

TO: Each Member of the Commission

FROM: Mike Prater
Executive Officer

SUBJECT: REPORT ON MOA PROGRAM

This is an Informational Report. No Action is Necessary

DISCUSSION

This status report is to bring the Commission and public up-to-date with regard to the Memorandum of Agreement Program (MOA) being prepared between interested Cities and the County. LAFCO is required by the Cortese-Knox-Hertzberg Act to give any agreement “great weight” when updating the Sphere of Influence for that City.

The Commission adopted its Work Plan in January to seek interest in implementing an agreement between Cities and County to help ensure orderly & logical development utilizing programs and provisions as a framework for completing updates to respective General Plans and standards, while permanently preserving agricultural and open space lands. Additional LAFCO is continuing to build a trusting relationship with its members.

BACKGROUND

Over the next two years LAFCO will be updating the Spheres of Influence (SOI) for all Cities in the County. The guiding legislation for LAFCO (Cortese-Knox-Hertzberg Act) provides the opportunity for a City and County to agree upon the Sphere of Influence Boundary and the development process for this area. Under Section 56425 of the Act, a City and a County may enter into an agreement that establishes the boundaries of the Sphere of Influence, as well as the development standards and zoning requirements for the area.

Provisions could include but are not limited to directing development toward existing incorporated areas, creating walkable and transit friendly neighborhoods, providing for various modes of transportation and housing choices that connect to the City, consideration of compact building design, improving the regional or sub-regional jobs/housing balance, identifying service strengths and areas of improvement or limitations along with issues to be addressed, and ensuring all parties are on the same page in developing a framework for working together.

A Kick-Off meeting was held with all eight Cities on February 13, 2024 to discuss the MOA Program and provide an overview/outline of the process (**Attachment A**). From this initial meeting seven (7) of the eight Cities were interested in exploring the agreement process further. The City of Guadalupe opted out of developing an MOA. Initial individual one-on-one City and County meetings were held in April to discuss the program further. Discussions included going over the current MSR/SOI reporting, outlining potential applicable General Plan Policies from both sides, and having early talks about growth needs, identifying Study Areas, areas of interest, and topics to address throughout the process. Follow-up meetings are planned for May through August. LAFCO Executive Officer will also meet on May 1, 2024 during the City Managers monthly meeting to discuss the program and answer any questions.

Attachments

Attachment A – MOA Program Process Outline

Please contact the LAFCO office if you have any questions.

The Local Agency Formation Commission (LAFCO) is updating the Spheres of Influence (SOI) for all Cities in the County. The guiding legislation for LAFCO (Cortese-Knox-Hertzberg Act) provides the opportunity for a City and County to agree upon the Sphere of Influence Boundary and the development process for this area. The Commission is required by the Cortese-Knox-Hertzberg Act to give the agreement “great weight” when updating the Sphere of Influence for that City. The CKH Act requires LAFCO to update the SOI for all applicable jurisdictions in the County. A Sphere of Influence is defined by Government Code 56425 as “...a plan for the probable physical boundary and service area of a local agency or municipality...”. An SOI is generally considered to be a 20-year growth boundary for a jurisdiction. The CKH Act further requires that a Municipal Service Review (MSR) be conducted prior to, or in conjunction with, the update of a Sphere of Influence. SBLAFCO has conducted and approved three MSR’s covering the following services: fire, police, EMS, water, wastewater, stormwater, transportation, parking, street sweeping & beautification, lighting, transit and airport services. LAFCO is currently, underway with preparing a new Municipal Service Review covering these additional services (Parks & Recreation, Open Space, Library and Facility Rental).

Under Section 56425 of the Act, a City and a County may enter into an agreement that establishes the boundaries of the Sphere of Influence, as well as the development standards and zoning requirements for the area. A MOA between the County and the City provides for the agreed upon area to be included in the Sphere of Influence, outlines the Development Standards and indicates the process for zoning the area. The MOA should clarify the intent of the City and the County with regard to the development of an area and provide a structure for continued discussion and dialogue. The MOA does not take away the City’s authority and will not inhibit the City’s capabilities to perform their legislative functions. Rather, it serves to enhance and improve the communication between the City and the County.

A Sphere of Influence Update generally focuses on the more commonplace issues of service capability and future land uses in the area. It can be an excellent opportunity for the County and the City to clarify roles and intentions regarding the City’s Sphere of Influence. The intended goal is to develop provisions that clearly state what the Sphere of Influence means to each jurisdiction and how they plan to communicate in the future while working cooperatively toward the goals of preserving and protecting the rural character. The update identifies areas of potential urban and suburban growth using the existing respective General, Area, and Community Plans. It allows for development of City and County annexation policies and procedures to be implemented, and to plan for future resource and service needs. Provisions could include but are not limited to directing development toward existing incorporated areas, creating walkable and transit friendly neighborhoods, providing for various modes of transportation and housing choices that connect to the City, consideration of compact building design, improving the regional or sub-regional jobs/housing balance, identifying service strengths and areas of improvement or limitations along with issues to be addressed, and ensuring all parties are on the same page in developing a framework for working together. These provisions shall not supersede or terminate other methods of commenting or providing feedback regarding a proposal or project, but is rather meant to enhance and increase interagency cooperation and communication.

Generally, developing a Memorandum of Agreement is a process that involves numerous meetings with City, County and LAFCO Staff to draft and re-draft the provisions of the MOA for eventual approval by the governing bodies. The following steps are taken to encourage such discussion and to develop a Memorandum of Agreement:

- a) Prepare agendas and facilitate initial meetings between representatives of the City, and the County to identify potential Sphere of Influence areas and possible land use development

standards. The County Agriculture Commissioner's Office and property owners should be included in these discussions as appropriate.

- b) Preliminary discussion should take place prior to adoption of the MOA by respective City Councils and Board of Supervisors.
- c) Prepare a draft Memorandum of Agreement that includes a map of the proposed Sphere of Influence along with Development Standards and Zoning Requirements.
- d) Conduct a series of meetings to discuss issues and agree to specific language and provisions, if possible.
- e) Provide the City and County with a final Memorandum of Agreement for a public hearing and consideration by the City Council and the Board of Supervisors.
- f) If approved by the City and the County, the Commission is required to give the agreement "great weight" in making a decision regarding the Sphere of Influence.
- g) If the Sphere of Influence approved by the Commission is consistent with the agreement, the City and County shall implement the provisions of the agreement by amending their respective General Plans, then any development approved by the County within the Sphere shall be consistent with the terms of the agreement.
- h) If the Commission changes the Sphere of Influence agreed upon by the City and County, the agreement shall not be implemented; however, it may be re-negotiated, if both parties agree to further discussions.

Santa Barbara LAFCO Staff will prepare agendas, facilitate and coordinate the meetings, and draft and re-draft individual MOAs for review by the Cities and County staffs. The City and County staffs should willingly provide edits and input that are to be discussed at meetings where the language can be conversed and clarified.

Developing an MOA will clearly articulate the commitments of both the County and Cities and identify the process for evaluating future development. It should be the intentions of both jurisdictions that the respective General Plans be implemented as they currently exist and with neither jurisdiction intending for an increase in density to be caused by the Sphere of Influence. Generally, agreement from all parties in the following areas is desired; protection and management of the groundwater resources in the area, protection of prime farmland, reasonable development within the Sphere of Influence, consultation through project referrals on land use applications, Land Use approvals and CEQA documentation that are approved and certified by appropriate agency, appropriate Annexation application that are submitted by the property owner or City for consideration and approval by LAFCO.

Several benefits and outcomes are intended from this unique way of bringing together a City and the County including: routinely referring projects back and forth in order to request input and feedback on various issues and proposals, increase coordination between the City and County in order to provide more solution based decision making processes that proactively address issues, clarify the intentions of each jurisdiction with regard to approving future development and providing services to the Sphere of Influence, increase the level of trust between the City and County, improve the working relationship that will result in a more coordinated and informed decision making process for both the City and County, and ultimately a Sphere of Influence that is more meaningful in terms of what annexations may entail and when those annexations might occur.

If agencies can sit down and better understand each other's point of view, solutions to problems become more apparent. This type of solution-oriented relationship can help change the way jurisdictions approach each other and provide an opportunity for better decisions, less adversity and improved service to the public.