

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

OUT-OF-AGENCY SERVICE AGREEMENT

September 1, 2005 (Agenda)

LAFCO 05 -14: City of Solvang – Seltzer

LOCATION Approximately five acres between Viking Way and the southern terminus of Greenfield Road, contiguous on the south and east to the City of Solvang (APN 137-132-019).

RECOMMENDATION Authorize the City of Solvang to provide sewer service outside of its boundaries for a proposed single family home and second residential unit.

GENERAL ANALYSIS:

1. Present and Future Land Use, District Boundaries and Public Services

The parcel where service is requested is vacant. It is proposed to construct a single family home and possibly a second residential unit.

The site is not within the City sphere of influence. In order to allow the City to extend service to the property it is recommended its sphere of influence be expanded to include this parcel that is contiguous to the City on two sides.

The City Council is aware of the necessity to expand its sphere of influence in order to serve the property. The City staff report for February 2, 2005 notes Government Code §56133 “provides that a city may extend services by contract or agreement outside its jurisdictional boundaries only if it first receives written approval from LAFCO”.

2. LAFCO Approval is Required

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

3. Commission Policy Regarding Out-of-Agency Services vs. Annexations

It is the Commission’s policy that, “Annexations to cities and special districts are generally preferred for providing public services; however, out-of-agency service agreements can be an appropriate alternative.”

The policy states that "While each proposal must be decided on its own merits, the Commission may favorably consider such agreements [if] circumstances are consistent with the statutory purposes and the policies and standards of the Santa Barbara LAFCO.

In the current instance the City General Plan does not include the subject property, nor is the City interested in extending its boundaries by annexation the area.

4. Landowner Consent to Annex in order to Receive Sewer Service

It is the Commission's policy that whenever property may ultimately be annexed to a city or district, approval of an out-of-agency service agreement should require the landowner to agree to annex the territory with a recorded consent to annex. Since the City does not wish to annex the parcel the staff does not think this policy should apply in this situation.

5. Environmental Impact of the Proposal

The Commission's approval is exempt from CEQA based on the criteria of categorical exemption Class 19 - Annexation of Existing Facilities and Lots for Exempt Facilities.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following options:

Option 1 APPROVE the request with specific terms and conditions.

1. Find the out-of-agency service agreement to be categorically exempt.
2. Amend the City of Solvang Sphere of Influence to include this parcel,
3. Authorize the City of Solvang to provide sewer service subject to the following terms and limitations:
 - LAFCO's approval applies to both current and future property owners.
 - Approval to extend services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

Option 2 DENY the request and require continued service by an on-site septic system.

Option 3 CONTINUE the item to obtain additional information.

RECOMMENDED ACTION:

Approve **Option 1.**

BOB BRAITMAN
Executive Officer
LOCAL AGENCY FORMATION COMMISSION