LAFCO

Santa Barbara Local Agency Formation Commission

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March 1, 2007 (Agenda)

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

Santa Barbara Sphere of Influence and the Eastern Goleta Valley

Dear Members of the Commission:

RECOMMENDATION

It is recommended the Commission receive this report and, after accepting all public testimony, take one of the following actions:

ALTERNATIVES FOR COMMISSION ACTION

Following review of any testimony and materials that are submitted, the Commission should consider the following options:

Option 1 – Determine to expand the Sphere of Influence with staff's conditions.

- 1. Determine to expand the City of Santa Barbara sphere of influence in the Goleta Valley only in conjunction with concurrent proposals to annex that specific territory to the City.
- 2. Defer extending the City of Santa Barbara sphere of influence over the boundaries of the Goleta Sanitary District until there is an agreement approved by the City and the District defining their respective service areas.
- 3. Defer extending the City of Santa Barbara sphere of influence over the boundaries of the Goleta Water District until there is an agreement approved by the City and the District defining their respective service areas.
- 4. Defer expanding of the City sphere of influence and boundary in a manner that would create one or more unincorporated islands consisting of mobile home parks until there is an agreement between the City and County relative to providing first responses to fire and police emergencies to the area that would become surrounded by the City, the purpose of which is to minimize unnecessary duplication of services and public costs.

Option 2 – Expand the Sphere of Influence as requested.

Option 3 – Deny the request to expand the Sphere of Influence.

Option 4 - Continue this matter to a future meeting for additional information.

DISCUSSION

Introduction and Background

On Saturday, October 7, 2006 the Commission conducted a public meeting in the San Marcos High School auditorium to solicit public input regarding the proposed expansion of the City of Santa Barbara sphere of influence and related issues of local governance

This process was initiated in December 2002 when the Committee for One, a citizen-based organization, submitted an application to expand the City of Santa Barbara's sphere of influence to include the eastern portion of the Goleta Valley, an area that had been excluded from the incorporation of the City of Goleta.

The Commission in March 2003 determined a hearing to consider the proposed Sphere expansion should be held <u>after</u> the requirements for Municipal Service Reviews were met.

The Commission in September 2005, after completing the MSRs for the Goleta Valley, affirmed the current location of the sphere of influence for the City of Santa Barbara and decided the sphere of influence for the City of Goleta will not be approved until the City adopts its initial General Plan.

The Santa Barbara City Council in May 2006, responding to a petition signed by residents within the Eastern Goleta Valley, endorsed expanding the City sphere of influence. In June 2006 the City Council amended its General Plan to include the unincorporated areas within the Eastern Goleta Valley and prezoned the area to reflect the existing County zoning and land use designations.

History of City of Santa Barbara Sphere of Influence

In past years the LAFCO-adopted sphere of influence for the City of Santa Barbara extended from essentially Summerland to what is now the Baccara Resort. The concept was there should be a single city in this entire area and as development occurred it would become a part of the City.

Although the City's sphere included the Goleta Valley, this seems to have had no effect on land use decisions. The County continued to approve developments within the sphere and did not refer applicants to the City. Nor did the City actively seek to annex such properties.

(Note: One exception is Santa Barbara Airport. This public property and some private lands to the north were annexed to the City, having been made contiguous to the rest of the City by means of a "strip" annexation extending through the Pacific Ocean.)

In 1987, an proposal was submitted to LAFCO to incorporate the Goleta Valley. The proposal was submitted by G.O.O.D. (Goletans Organized for Orderly Government). To consider this proposal LAFCO retracted the City of Santa Barbara sphere to essentially its present location. Since Hope Ranch was not included in the G.O.O.D. incorporation proposal that area remained and still remains within the City of Santa Barbara's sphere.

Even though the G.O.O.D. proposal was not successful at the ballot, the City's sphere was not subsequently returned to its original location encompassing the Goleta Valley, nor did the City request such a change.

The City of Goleta was incorporated in 2002, consisting of the western part of the Goleta Valley. Although Isla Vista and the eastern part of the Goleta Valley were studied for possible inclusion in the new city, LAFCO decided to omit these areas from the incorporation.

It should be noted that when the petition initiating the incorporation of the City of Goleta was submitted, the City of Santa Barbara submitting a competing proposal to annex the entire Goleta Valley to the City. That proposal was never heard by LAFCO because the City and County did not reach a property tax exchange agreement, a necessary precursor to a LAFCO hearing.

Sphere of Influence vs. Actual City boundary change

There is an important distinction between a <u>sphere of influence</u> and an <u>actual boundary change</u> such as an annexation to a city. The difference is crucial to understanding the situation in which Commission finds itself.

• A <u>sphere of influence</u> is a plan adopted by LAFCO depicting the probable physical boundaries and service area of a local agency. LAFCO is prohibited from approving boundary changes that are not consistent with the adopted sphere of influence. Often times, though, a sphere change and an annexation are approved at the same LAFCO hearing.

A city does not have extraterritorial authority within its sphere of influence. Zoning and land use regulations, for example, remain with the County even for land LAFCO places within a city's sphere

(Note: Some counties give great deference to cities regarding land within their spheres; for example, not approving land uses that are inconsistent with city plans and referring land use applicants to the city. This has not been the case in Santa Barbara County.)

Although the Goleta Valley was within the City of Santa Barbara's sphere of influence for many years, no particular notice was given to this fact. The City did not pursue annexations in the sphere and the County approved numerous development projects without referring them to the City.

 A <u>actual boundary change</u>, on the other hand, such as an annexation modifies the local agency itself. Once within a city land is subject to the city's land use and zoning authority and the city is responsible for law enforcement and maintaining public streets and rights-ofway. In Santa Barbara the City is also responsible for fire protection and a number of municipal services.

Also, only actual City residents are able to participate in elections for the city council or other city measures.

Overlap between City and Goleta Sanitation and Water Districts

The City of Santa Barbara is responsible for providing water service and the collection, treatment and disposal of sewage waste for most of the area within the City.

In the Goleta Valley, however, retail water service and sewage disposal are the responsibility of two independent special districts: the Goleta Water District and the Goleta Sanitary District.

Having the City annex territory within those districts creates a potential conflict regarding service responsibilities unless there is a clear understanding before the annexation occurs of who will be responsible for these service.

The St. Vincent's Reorganization (LAFCO 02-9), consisting of an annexation to the City and concurrent detachments from the County Fire Protection District and Goleta Water District, caused some consternation and objection on the part of the Goleta Water District since it was already serving the existing uses within the reorganization area.

For the aforementioned reasons, and to avoid unnecessary or unforeseen conflicts in the future, the staff recommends that the Commission defer extending the City's sphere of influence over the boundaries of either the Goleta Sanitary District or the Goleta Water District until there are agreements approved by the City and those agencies that define their respective service areas in the territory to be overlapped. It is important this be done as early as possible in the process.

Need for Automatic Aid Agreement for Emergency Services

Some properties immediately adjacent to the City of Santa Barbara consist of mobile home parks. Testimony has been presented that residents of these mobile home parks are protected by the provisions of a County rent control ordinance. It controls the amount of allowable rent increases for current residents and also creates a protection when a vacancy occurs and an existing mobile home is acquired by a new owner.

If the mobile home parks are annexed to the City the protection allowed in the County ordinance would no longer apply. Consequently there seems to be significant, if not universal, opposition by mobile home park residents to being annexed to the City.

The staff understands the reluctance of residents to annex mobile home parks. Such annexations may not be possible at all since they would be "inhabited" and could require the approval of the voters who reside there.

In order that these mobile home park "islands" not prevent or restrict other annexations to the City, the staff can foresee a situation in which they would become totally surrounded "islands." Enclosed is an April 14, 2006 memorandum from the Commission's legal counsel that it may be possible for City annexations to create "islands" of existing mobile home parks provided certain findings can be made.

Even if it is legal, having such a boundary wherein developed land is entirely surrounded by the City presents the possibility of inefficient, ongoing duplication of services between the City and County regarding law enforcement, fire protection and other services.

For this reason the staff recommends that the Commission defer extending either the City's sphere or its boundaries in a manner that leaves unincorporated islands of mobile home parks until the City and County reach agreement relative to providing responses to fire and police emergencies within the area that would become surrounded by the City. The purpose of such an agreement would be to minimize unnecessary and costly duplication of emergency services.

Closing Comments

It became clear during incorporation of the City of Goleta that an individual's mailing address can be a very powerful determinant of their views on governmental boundaries. The Eastern Goleta Valley, for the most part, is within the zip code "Santa Barbara California, 93110.

LAFCO staff is not opposed to the expanding the City of Santa Barbara into the Eastern Goleta Valley. We are however reluctant to recommend expanding the City's sphere without a concurrent expansion of the City boundaries. Too many years were spent with land being within the City sphere with no true effect on governmental services or political representation.

During the October 7 public meeting it was noted that being in a sphere of influence is like an "engagement" while annexation is like "marriage." One does not become engaged without the sincere prospect of being married in the near future.

It is for this reason we are recommending that the City of Santa Barbara sphere of influence be expanded only in conjunction with concurrent proposals to annex that territory to the City.

We are also aware of concerns expressed that land owners or residents of Eastern Goleta Valley do not wish to be annexed by the City of Goleta. We think that circumstance can be addressed by a similar policy of not extending the City of Goleta's sphere into the Eastern Goleta Valley absent a concurrent annexation proposal.

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN Executive Officer

Enclosures

Legal Opinion re City sphere of influence and mobile home parks (April 14, 2006) Maps of Eastern Goleta Valley

- City Boundaries and Zip Code Areas
- Goleta Water and Goleta Sanitation Districts
- Mobile Home Parks