SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

OUT-OF-AGENCY SERVICE AGREEMENT

May 6, 2004 (Agenda)

<u>LAFCO 04 -3</u>: Carpinteria Sanitary District - Van Wingerden

<u>LOCATION</u> A 19,400 square feet portion of a 13-acre parcel north of and

adjacent to Foothill Road (State Hwy 192), about 400 west east of

Linden Avenue

<u>RECOMMENDATION</u> Expand the sphere of influence of the Carpinteria Sanitary

District to include the proposed service area, and

Authorize the Carpinteria Sanitary District to provide sewer service outside of its boundaries for an approved agricultural

processing building.

GENERAL ANALYSIS:

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

The County has approved a 19,400 square foot agricultural processing and storage facility on a 13-acre parcel used for open-field flower growing. As shown on the enclosed map the parcel is contiguous with the District.

This facility is under construction. The following County permits have been issued: Coastal Development Permit, Grading Permit, Building Permit and on-site Septic System Permit. No other changes in land use are proposed.

The question is whether LAFCO should allow the District to accept and treat sewage effluent from this facility. The property is not in the District's sphere of influence nor is there an existing or impending public health risk from the project.

Rather than install another on-site sewage disposal system in a coastal agricultural area this proposal would allow an approved agricultural processing facility to be connected to and served by a public sewage collection and treatment system.

Sewer service would be by gravity flow via a 1,170 foot private lateral connecting the building to the public sewer main adjacent to the parcel in Foothill Road.

To allow the District to provide this service the Commission must (a) expand the District sphere of influence to include the building site and (b) authorize the District to provide services to this facility outside of its boundaries.

2. <u>LAFCO Approval is Required</u>

LAFCO regulates both boundary changes and extensions of service without boundary changes. Government Code §56133 states that "A city or district may provide new or extended services by contract or agreement <u>outside of its jurisdictional boundaries</u> only if it first requests and receives written approval from the commission"

Furthermore, it 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."

For properties <u>outside</u> of its <u>sphere</u> of influence, LAFCO may authorize a city or district to provide services only to respond to an "existing or impending threat to the public health or safety" of the public or residents of the affected territory. This requires that (a) the entity applying for approval provide documentation of a threat to health and safety and (b) the Commission notify any alternate service provider that has filed a map and a statement of its service capabilities with the Commission.

3. <u>Existing Commission Policy Regarding Out-of-Agency Services vs. Annexations</u>

The Commission's policy is 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 in the following situations:

- A. <u>Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate</u> in terms of orderly boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors. (Emphasis added)
- B. 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.
- C. Where public agencies have a formal agreement defining service areas, provided LAFCO has formally recognized the boundaries of the agreement area.
- D. Emergency or health related conditions militate against waiting for annexation.

E. Other circumstances which are consistent with the statutory purposes and the policies and standards of the Santa Barbara LAFCO."

In this case it appears that condition A. applies, "Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate. . ."

4. <u>Staff Analysis</u>

Among the factors LAFCO must consider in the review of a proposal is "Consistency with city or county general and specific plans" [G.C. §56668 (g)]. The County Coastal Plan Policy 2-10 is relevant in this case and states:

Annexation of a rural area to a sanitary district or extension of sewer lines into rural area as defined on the land use plan maps shall not be permitted unless required to prevent adverse impacts on an environmentally sensitive habitat, to protect public health, or as a logical extension of services. (Emphasis added)

While this proposal would extend sewer service into a "rural area" as defined on the land use plan map, it appears to represent a logical extension of services. The building has been allowed, there are no intervening parcels or geological features to prevent service.

Considerations that reduce potential conflicts with land use plans and minimize growth inducement are outlined below.

- Connecting this agricultural processing facility to a sewage collection and disposal system will help protect the quality of the groundwater to a greater extent than using the approved on-site disposal system that discharges wastewater at the source.
- Service will be via a private lateral, not the extension of a public main sewer line.
- Only this parcel would be served, minimizing potential growth inducement.
- Also minimizing growth inducement is the fact that the Commission will <u>limit service</u> to the already approved processing facility.
- Connection to a public sewer does not change zoning or development standards for agricultural or open space areas (e.g. lot size, set backs, building size to lot size ratios and so forth.)

Another factor LAFCO must consider is "the effect of the proposal on maintaining the physical and economic integrity of agricultural land . . ." G.C. §56668 (e).

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The parcel is within an agricultural preserve (Land Conservation Act Contract), for which a notice of non-renewal has not been filed.

The County's Uniform Rules for Agricultural Preserves and Farmland Security Zones, specifically Rule No. 6.II.F - Not in Urban Service Districts, states:

Urban service taxing districts, such as sanitary, transit, and lighting, do not normally cover eligible land. The farmer does not need these services, and his tax rate should not unnecessarily include them.

The proposal is not to annex the agricultural parcel or even the processing facility to the District. Since the request is for an out–of-agency service connection the property will not be subject to payments to the District other than for the services received.

Allowing the processing facility to connect to a public sewer system does not adversely affect and may enhance its integrity as a commercial agricultural use.

5. <u>Landowner Consent to Annex in order to Receive Sewer Service</u>

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 and that a recorded consent to annex should inure to future owners of the property.

Since most of the parcel will remain in open-field agriculture, the building to be served is not residential and annexing a half-acre portion of a 13-acre parcel would create conflicts with lines of assessment and ownership, the staff recommends that a recorded consent to annex the property to District not be required for this situation.

6. Environmental Impact of the Proposal

The County's approval of the agricultural processing facility was statutorily exempt from CEQA pursuant to CEQA Guidelines §15268.

The Commission's approval is also exempt based on the logic of categorical exemption Class 19 - Annexation of Existing Facilities and Lots for Exempt Facilities. No change in land use is proposed as a result of the sphere of influence change and the out-of-agency service extension.

Alternatives for LAFCO Actions

Alternatives available to the Commission include:

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- Option 2 Deny the request, require service by an on-site septic system.
- Option 3 Amend the District sphere of influence to include only the building site and approve the request with specific terms and conditions:

RECOMMENDED ACTION

Approve Option 3.

Find the sphere extension and out-of-agency service agreement to be categorically exempt.

Amend the District Sphere of Influence to include the site of the approved agricultural processing facility as shown on the enclosed map.

Authorize the Carpinteria Sanitary District to provide sewer service to the facility that has been approved for this parcel subject to the terms and following limitations:

- LAFCO's approval applies to both current and future property owners.
- Sewer service is the only authorized service.
- Approval to extend services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

BOB BRAITMAN
Executive Officer
LOCAL AGENCY FORMATION COMMISSION