LAFCO

Santa Barbara Local Agency Formation Commission

105 East Anapamu Street ◆ Santa Barbara CA 93101 805/568-3391 ◆ FAX 805/647-7647

May 5, 2005 (Agenda)

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

LAFCO 04-10 – Hart Reorganization

Dear Members of the Commission:

RECOMMENDATION

It is recommended the Commission approve the Hart Reorganization and either:

- Include the Maxwell parcel to avoid creating a one-lot unincorporated island or
- Adopt the necessary findings to annex the Hart parcel without the Maxwell parcel.

DISCUSSION

The Commission heard this matter on March 3 and April 7. The staff reports for those meetings are enclosed for your reference as Exhibits A and B.

On April 7, LAFCO conceptually approved the Hart Reorganization without the inclusion of the Maxwell property and continued the matter to this meeting to consider the necessary findings.

To create an unincorporated island (which the Maxwell parcel will become if the Hart property is annexed by itself) it is necessary pursuant to Government Code §56375 for LAFCO to find that applying the restriction on the creation of islands ". . . would be detrimental to the orderly development of the community . . ." and that the area to be enclosed cannot reasonably be annexed to another city or incorporated as a new city.

Wording for the proposed finding is set forth in this report reflects the efforts of the Commission's legal counsel and staff following discussions with the City of Santa Barbara staff with regard to the eventual annexation of unincorporated "pockets" within an area which is the subject of currently being refined "Overlap Agreement."

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This agreement results from past occurrences in which the City and the Goleta Water District each serve properties in the same vicinity and from the same water mains, keeping track of their respective service obligations and water delivery and annually balancing and resolving any water sales to individual customers.

Negotiations are currently underway to modify or terminate the Overlap Agreement by the transfer of water customers from one agency to the other depending upon the source of the water being provided to the individual customer, with the goal being to eliminate the paper transfer of water resources between each agency.

The overlap agreement area includes the unincorporated "pockets" and "islands" located generally east of Highway 154, north of Highway 101 and south of Foothill Road.

Following is a revised Option 1 reflecting the Commission's conceptual direction not to include the Maxwell property as part of the Hart Reorganization:

<u>REVISED</u> OPTION 1 – APPROVE this proposal with the inclusion of the Calle Real property.

- A. Certify your Commission has reviewed and considered the information contained in the Mitigated Negative Declaration.
- B. Find the inclusion of the additional properties (Calle Real) to be categorically exempt from CEQA (Class 19).
- C. Adopt this report and approve the proposal known as Hart Reorganization: Annexation to the City of Santa Barbara/ Detachment from the Goleta Water District/ Detachment from the Santa Barbara County Fire Protection District
- D. Subject the proceedings to the following terms and conditions:
 - 1. The inclusion of the Calle Real property as described in the enclosed map.
 - 2. The territory shall be liable for existing bonded indebtedness of the City.
 - 3. The territory shall be liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the City.
 - 4. The territory shall be exempt from payment of liability of payment of taxes for existing bonded indebtedness of the detaching Districts.
- E. Waive the restriction against creation of islands in Government Code § 56744, do not include the Maxwell parcel at 466 North La Cumbre Road (APN 57-170-10) in this annexation, and adopt the following finding pursuant the requirement of

Government Code § 56375 (m) which states that applying the restriction against the creation of islands ". . . would be detrimental to the orderly development of the of the community and that the area that would be enclosed by the annexation or incorporation is so located that it cannot reasonably be annexed to another city or incorporated as a new city."

F. Find that

1. The Maxwell parcel is located within the sphere of influence of the City of Santa Barbara and ultimately should be annexed to the City. However, the parcel is within the area that is subject to the Overlap Agreement between the City and the Goleta Water District. This Overlap Agreement area is the subject of continuing discussions between these affected agencies.

The orderly development of this area is best served by annexations that resolve overlap issues or include a larger portions of the area and not rely on piecemeal annexations of single parcels. This promotes better understanding by property owners of service costs and benefits from reorganizations and encourages voluntary consent by those governed.

- 2. The Commission recognizes its obligation to ensure logical boundaries of local agencies notwithstanding opposition of individual property owners. Nonetheless, because of the area in which it is located, the Maxwell parcel should be annexed as part of a resolution by affected agencies providing services within the Overlap Agreement area, or as part of the annexation of a larger portion of that area, such as for the Sunset Road area.
- 3. The Maxwell parcel cannot be feasibly incorporated as a new city since it is not within the sphere of influence of another city and it cannot be annexed to the City of Goleta, whose incorporation and sphere of influence boundaries are located in excess of five miles from the parcel.
- 4. Direct the staff to initiate and conduct subsequent proceedings in compliance with the decisions of the Commission.

In consideration of the foregoing it is recommended that the Commission either approve the Hart Reorganization without including the Maxwell property, provided it makes the necessary findings, or proceed with the Reorganization with the inclusion of the Maxwell property.

Please contact the LAFCO office if you have any questions.

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Sincerely,

BOB BRAITMAN Executive Officer