# **LAFCO**

Santa Barbara Local Agency Formation Commission
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April 7, 2011 (Agenda)

Local Agency Formation Commission 105 East Anapamu Street, Room 403 Santa Barbara CA 93101

# Sphere of Influence for the Santa Ynez River Water Conservation District Improvement District No. 1

Dear Members of the Commission:

## **RECOMMENDATION**

It is recommended the Commission consider this report, receive any public testimony and:

- A. Determine that adopting a Sphere of Influence coterminous with the Ynez River Water Conservation District Improvement District No. 1 boundary has no environmental impact.
- B. Approve the determinations set forth in this report and adopt a Sphere of Influence for the District that is identical to its boundaries.

#### DISCUSSION

## Introduction and Background

This item is continued to this date from the February 3 meeting. That staff report is enclosed (Attachment A) as background along with the Municipal Service Review and Sphere of Influence report that was presented at that meeting.

The continuance was granted to (1) provide an opportunity for the District Board of Directors to review and comment on this matter and (2) allow staff to provide additional information regarding the area that is largely surrounded by the existing District boundaries.

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## Request of the SYRWCD Improvement District No. 1

Staff met with the District Board of Directors on February 15. There was a useful and productive discussion of the Commission's obligation to prepare Municipal Service Reviews and adopt Spheres of Influence and the recent history involving the District and LAFCO with respect to proposed legislation regarding the status of the District.

The enclosed February 28 letter from the District (Attachment B) requests that the Commission "table" both the Municipal Service Review and adoption of a District Sphere of Influence "until the parties can reach agreement related to jurisdictional issues."

The staff respects but does not concur with the District request that the Commission not adopt a Sphere of Influence at this time. We think adoption is statutorily required in light of the legal counsel's earlier opinion that SYRWCD Improvement District No. 1 is a "special district" as defined in the Cortese-Knox-Hertzberg Act.

We find no compelling reasons to delay adoption of a District sphere, especially one that is identical to existing District boundaries. The interagency dialogue referred to in the enclosed letter from the District can and should continue but after the sphere is adopted and such discussions might be even more productive if adoption of the sphere is out of the way.

# LAFCO is Required to Adopt the District Sphere of Influence

As noted in our February 3 report, the Commission is statutorily responsible to adopt a Sphere of Influence for each city and special district in the County. The requirement dates from 1971 when Section 56425 was added to the Government Code (emphasis added):

- (a) In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.
- (g) On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.

By adopting a sphere that is coterminous with the District boundary the Commission will both (1) comply with its statutory duty and (2) create a situation wherein continued dialogue between the parties can proceed and hopefully resolve any outstanding differences.

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Adoption of a sphere and continued efforts at cooperation by both agencies are not inconsistent and, in fact, having adoption of the sphere "out of the way" may benefit those discussions.

## LAFCO is Required to Conduct Municipal Service Review

Preparing a Municipal Service Review goes hand-in-hand with adopting the sphere. Government Code Section 56430 states (emphasis added):

In order to prepare and to update spheres of influence in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission.

The Municipal Service Review describing District services is also enclosed.

## Discussion of the Area Largely Surrounded by the District

Staff suggested at the February meeting that the District sphere should encompass territory that is largely surrounded by the District but not within the District boundary. We were directed to provide additional information regarding this "island" area.

Lands within this area are primarily agricultural within a variety of Gainey holdings, i.e., Gainey Vineyards LLC, Gainey Joint Ranch LLC and Gainey Ranch Homesite LLC.

These lands were part of the District when it was formed in 1959 but the Gainey Ranch was detached from the District in 1964. The staff is not entirely clear why the detachment occurred.

Following the February meeting we consulted with Dan Gainey who owns or represents this territory. After giving the matter some thought he reached the conclusion that for the time being the owners would prefer not to be within the District sphere of influence.

Accordingly, staff is recommending that the District sphere be coterminous with its boundaries and that it not include the Gainey property.

## Recommended Sphere Boundary and Determinations

After considering all available information, staff believes the best course of action at this time is for the Commission to adopt a District sphere that is identical to its existing boundary.

In adopting a sphere of influence LAFCO is required by Section 56425 to prepare a written statement of its specific determinations. Staff recommends the Commission approve the following Sphere of Influence determinations:

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1. Present and planned land uses in the area, including agriculture and open space.

Of the 10,850 acres within the District, approximately 5,000 are residential at densities up to five acres per parcel, 150 acres are commercial, 400 acres are schools, parks and cemeteries, 3,137 are irrigated agriculture and 2,163 are used for grazing or are unused.

It is expected that undeveloped land within the District will continue to be developed in accordance with County and City of Solvang zoning designations.

2. Present and probable need for public facilities and services in the area.

The existing and planned land uses within the District require a variety of public services which are provided by the County, the City of Solvang within its boundaries and by the special districts that serve the area.

Fire protection is provided by the Santa Barbara County Fire Protection District. The County Sheriff provides law enforcement, including services under contract to the City.

Wastewater collection services are provided by the Santa Ynez Community Services District and City of Solvang, with the City providing treatment and disposal services.

With the exception of the City of Solvang, four small mutual water companies and a small number of private wells, the District is the sole public water purveyor within its boundaries, providing both domestic and agricultural water services.

Productive agricultural lands do not require the same range and level of services as do urbanized or suburban uses.

3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

Detailed information attached as Exhibit B to the Municipal Service Review and Sphere of Influence indicates the District has sufficient capacity to provide services.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The District encompasses the majority of Santa Ynez Valley. Although there are various sub-areas or neighborhoods, Santa Ynez Valley is considered to be a social and economic community of interest as evidenced by the County-adopted land use plans for the area,

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#### Environmental Documentation:

The recommended Sphere is identical to existing District boundaries. Adopting a coterminous sphere may not be a "project" under CEQA and has insignificant environmental impacts.

## **Alternative Commission Actions**

Option 1 – Adopt this report and APPROVE the sphere as follows.

- A. Determine that adopting a Sphere of Influence that adheres to the existing District boundary has no environmental impact.
- B. Approve the determinations set forth above and adopt a Sphere of Influence for that encompasses the existing District.

Option 2 – CONTINUE or TABLE this proposal to a future meeting for additional information.

Option 3 – DENY the proposed sphere.

## **RECOMMENDED ACTION:**

Approve OPTION 1.

Please contact the LAFCO office if you have any questions.

Very truly yours,

#### **BOB BRAITMAN**

**Executive Officer** 

Attachments:

- A. February 3 staff report with Municipal Service Review and Sphere of Influence Report for Santa Ynez River Water Conservation District Improvement District No. 1
- B. Letter from Chris Dahlstrom dated February 28, 2011
- C. Resolution adopting the District Sphere of Influence