



## City Council Agenda Item

**City Council Meeting Date:** July 18, 2017

**TO:** Patrick Wiemiller, City Manager

**FROM:** Lucille T. Breese, AICP, Planning Manager  
l\_breese@ci.lompoc.ca.us

**SUBJECT:** Public Hearing for City Council Consideration of and Application for Adjustment to the City's Sphere of Influence and Annexation of Properties Located Along Bailey Avenue Corridor; Acceptance of Addendum No. 3 to a Previously Certified Environmental Impact Report and Approval to Commence the Annexation Process with the Santa Barbara Local Agency Formation Committee

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### **Recommendation:**

The City Council:

- 1) Hold the public hearing;
- 2) Consider the material presented in the staff report;
- 3) Accept Addendum No. 3 to the General Plan Update Environmental Impact Report (EIR) (SCH No. 2008081032) prepared by Rincon Consultants, Inc., December 2016 (Attachment 1);
- 4) Accept the Fiscal Impact Study, dated June 23, 2017, prepared for the project by Stanley Hoffman and Associates (Attachment 2) in compliance with the Land Use Element of the General Plan; and
- 5) Adopt Resolution No. 6013(17) (Attachment 3), directing staff to proceed with adjustment to the Sphere of Influence, annexation of two properties in the Bailey Avenue Corridor (BAC), and detachment from County Service Area 32, the Santa Barbara County Fire Protection District, and the Mosquito and Vector Management District of Santa Barbara County through negotiation with Santa Barbara County and the Local Agency Formation Commission (LAFCO); or
- 6) Provide alternate direction.

**Background:**

On December 2, 2015, the City of Lompoc (City) received a request from Tom Figg of Thomas E. Figg, Consulting, representing the property owners of General Plan Expansion Area A – Areas 1 and 5, shown on Figure 1, for the City to process an application for Annexation for two properties in the BAC (Planning Division File No. Annexation No. 76). Also included in the application were the proposed development plans and tentative tract maps. The request is detailed in the April 5, 2016, staff report (Attachment 4). The request identified the proposed land uses and requires a General Plan Amendment and Zone Change.

On April 5, 2016, City Council considered the applicant's request and directed staff to proceed with the requested annexation process without obtaining Planning Commission review and recommendation on the proposed land uses. City Council also authorized staff and the City Attorney to determine what California Environmental Quality Act (CEQA) requirement(s) may apply. That determination was any decision by the Council to move forward with an annexation would be a discretionary decision, as defined by CEQA. Therefore, the first step in the process would be the preparation of an Initial Environmental Study (IES).

On May 11, 2016, the City requested the funds from the applicant to pay for the IES to be prepared by Rincon Consultants as described in the December 2015 application.

On June 7, 2016, the applicant and property owner's attorney requested an amendment to the December 2015 application. The amendment consisted of separating the application in the following manner:

- First, the City was requested to process only the proposed Boundary Modifications and Sphere of Influence (SOI) through LAFCO and Santa Barbara County (SBCO); and,
  - If that request were successful, then the applicant would request an adjustment to the land use and zoning designations from the City through a General Plan Amendment and Zone Change; and then,
  - The applicant would return to request land use entitlements for development of the properties.
- Second, the applicant withdrew "*the General Plan Amendment, Zone Change, and Zoning Ordinance Amendment from consideration*" that were submitted in December 2015.
- Third, the attorney was of the opinion no additional environmental analysis was necessary, including an IES, due to the change in the proposed application.

After discussion with the applicant and the property owners' attorney, on August 9, 2016, the funds were received for the IES and Rincon Consultants was authorized to proceed with the revised project description the next day.

### BASP Corridor – Property Owners

#### Bailey Avenue Specific Plan Area Property Owners

Multiple owners, Primarily undeveloped, needs utilities, partial rail access, has highway access, limited residential adjacent to north, south and east sides. Annexation required and land use to be determined. Possible future reclaimed water. Cost of water outside City limits more expensive. Sewer available.

No.	APN	Property Owner	Acreage
1	093-070-065	LB/L - DS Ventures Lompoc II LLC	37.75
2	093-070-032	Howard E. Mitchell	19.77
3	093-070-030	Edward S. / Helen S. Wineman	51.93
	093-070-031	Edward S. / Helen S. Wineman	
	093-070-039	Edward S. Wineman	
4	093-090-026	Seperate Property Ranch Trust	60.10
5	093-111-007	John Bodger & Sons Company	98.39
	093-111-008	John Bodger & Sons Company	
	093-111-009	John Bodger & Sons Company	
	093-111-010	John Bodger & Sons Company	
	093-111-011	John Bodger & Sons Company	
	093-111-012	John Bodger & Sons Company	

**Legend**

 City Limit Line

 Railroad



March 21, 2016



Figure 1

On September 28, 2016, the draft IES was transmitted to the applicant indicating an addendum to the General Plan EIR would be required and the funds for that were requested.

On October 24, 2016, the funds were received and Rincon was authorized to proceed with preparation of the document the next day. The Addendum to the General Plan EIR was prepared by Rincon Consultants, Inc., in December 2016, and is attached for Council consideration (Attachment 1).

On January 4, 2017, the General Plan Addendum was transmitted to the applicant and a revised Fiscal Analysis, based on the revised project application, was requested. After some additional discussion with the applicant and property owners' attorney, the Fiscal Analysis was revised and submitted as required by the General Plan Land Use Element (Attachment 2).

### **Discussion:**

#### **Proposed Project:**

The proposed project, as amended by the applicant on June 7, 2016, is to move the SOI adjustments and Annexation request forward to LAFCO for consideration. The City must be the applicant for such an application.

There are two separate areas of the BAC being proposed for Annexation:

#### 1) **Northern Area:**

The Bailey Avenue Property is an approximate 40.6-acre property owned by LB & L-DS Ventures, Lompoc II LLC., Assessor Parcel No. 093-070-065.

#### 2) **Southern Area**

The Bodger Property is an approximate 107.7-acre property, comprised of six separate parcels, owned by John Bodger & Sons Co., a corporation, Assessor Parcel Nos. 093-111-007, -008, -009, -010, -011, and -012. The south-central portion of the property is currently developed with the Bodger seed complex, which consists of agricultural support buildings including maintenance facilities, storage sheds, greenhouses and a farmhouse/residence. With the annexation of the Bodger Property the City's Urban Limit Line (ULL) along Bailey Avenue would remain unchanged.

The City is required to be named applicant for the proposed SOI and Annexation request to LAFCO. Staff noted in the April 5, 2016, staff report, and has communicated to the applicant, there is no certainty LAFCO will process the annexation request utilizing the Addendum as the environmental document. While the analysis in the 2030 GP EIR originally envisioned a higher density residential and commercial development, what was actually adopted was low and very-low density residential development designations for the proposed project sites.

The applicant submitted, and then withdrew, draft development plans and tract maps. Those plans show low density residential development, but also include an industrial

component which was not analyzed in the GP EIR document. Figure 2 identifies the approved development designations for the Bailey and Bodger properties. That being said, as stated previously, the currently proposed application does not include any land use changes to those approved in the 2030 General Plan. It is uncertain whether LAFCO will choose to consider the application, at this time, knowing a future request for a change in land use for the subject area will be forthcoming and was previously submitted.

	Total acres	Very Low Density Residential	Low Density Residential	Total Dwelling Units (DU) Per 2030 GP Land Use
<b>Bailey Property</b>	37.75 acres	n/a	37.75 acres	87 DU
<b>Bodger Property</b>	98.39 acres	41.52 acres	56.87 acres	382 DU

Figure 2

Negotiation of a tax share agreement with the SBCO is part of the LAFCO process. The negotiations between the City and SBCO could be more challenging than what occurred with the Summit View Homes annexation. Some of that challenge will be because the property taxes generated by the currently approved uses as stated in the 2030 General Plan will likely be different than those generated by the ultimate land uses that may be approved for the area.

As previously noted, staff consulted with the LAFCO Executive Director who suggested submitting an SOI request to LAFCO to gauge the response of the Board for movement by the City to the west. The applicant was advised and chose to move forward with the Annexation request in addition to the SOI. Previous applications (including Summit View Homes and the Burton Ranch Specific Plan) included a more complete picture of the proposed development on the property as part of the annexation request package.

2030 General Plan Land Use Map and Policies

As shown in the 2030 General Plan Land Use Element Map in Figure 3, the City's Urban Limit Line follows Bailey Avenue and the SOI line follows the City Limits adjacent to the BAC area.

Policies in the 2030 General Plan which focus on this area are noted below:

- Policy 1.3 – *The City shall encourage development of under-developed and vacant land within its boundaries and shall oppose urbanization of agricultural lands east of the City and west of Bailey Avenue.*

If approved, then this annexation would include portions of the BAC within the City limit line and SOI.

- Policy 1.6 – *Areas identified by the City for potential annexation are depicted on Figure LU-1 as areas where the Urban Limit Line exceeds the City Limit Line. These lands include:*
  - *Expansion Area A: The Bailey Area Specific Plan Area*

If approved, then portions of the 2030 General Plan Expansion Area A would be included within the City limit line and SOI.

- Policy 4.6 – *To ensure that requested annexations do not negatively impact City fiscal health, such requests shall be accompanied by a study that analyzes the fiscal impact to the City presented by the annexation. The City shall not approve annexation requests unless it can be demonstrated: 1) that the annexation promotes orderly development commensurate with available resources; 2) that the annexation proposal would result in a positive relationship between city facility and service costs and the revenues generated subsequent to the annexation; 3) that the annexation substantially furthers the City needs for new or expanded parks, open space areas, and/or other public facilities; 4) that the annexation will positively impact public health through community design and location of resources; and 5) that an adequate revenue stream is available to provide continuing maintenance of parks, open space and other amenities provided in the annexed area.*

Conformance with those policies cannot be analyzed without the tract maps and development plans. However, it is anticipated future development would be required to meet those goals as part of the City's development review process.

- Policy 5.2 – *The City shall protect prime agricultural lands east of the City and west of the Urban Limit Line.*

There is no intent to annex areas west of the City's Urban Limit Line.

There are several other General Plan policies referencing new residential development design and required buffers that cannot be considered without the proposed tract map and development plans.

### Environmental Review

Section 15164(b) of the CEQA Guidelines, identifies an addendum to an EIR as the appropriate environmental document when "*only minor technical changes or additions are necessary or none of the conditions described in Section 15261 calling for the preparation of a subsequent EIR have occurred.*" The current project, annexation and SOI modification without land use changes, was reviewed in the IES, which determined none of the conditions that trigger the need to prepare a Subsequent EIR are likely to occur and an Addendum is the appropriate document.

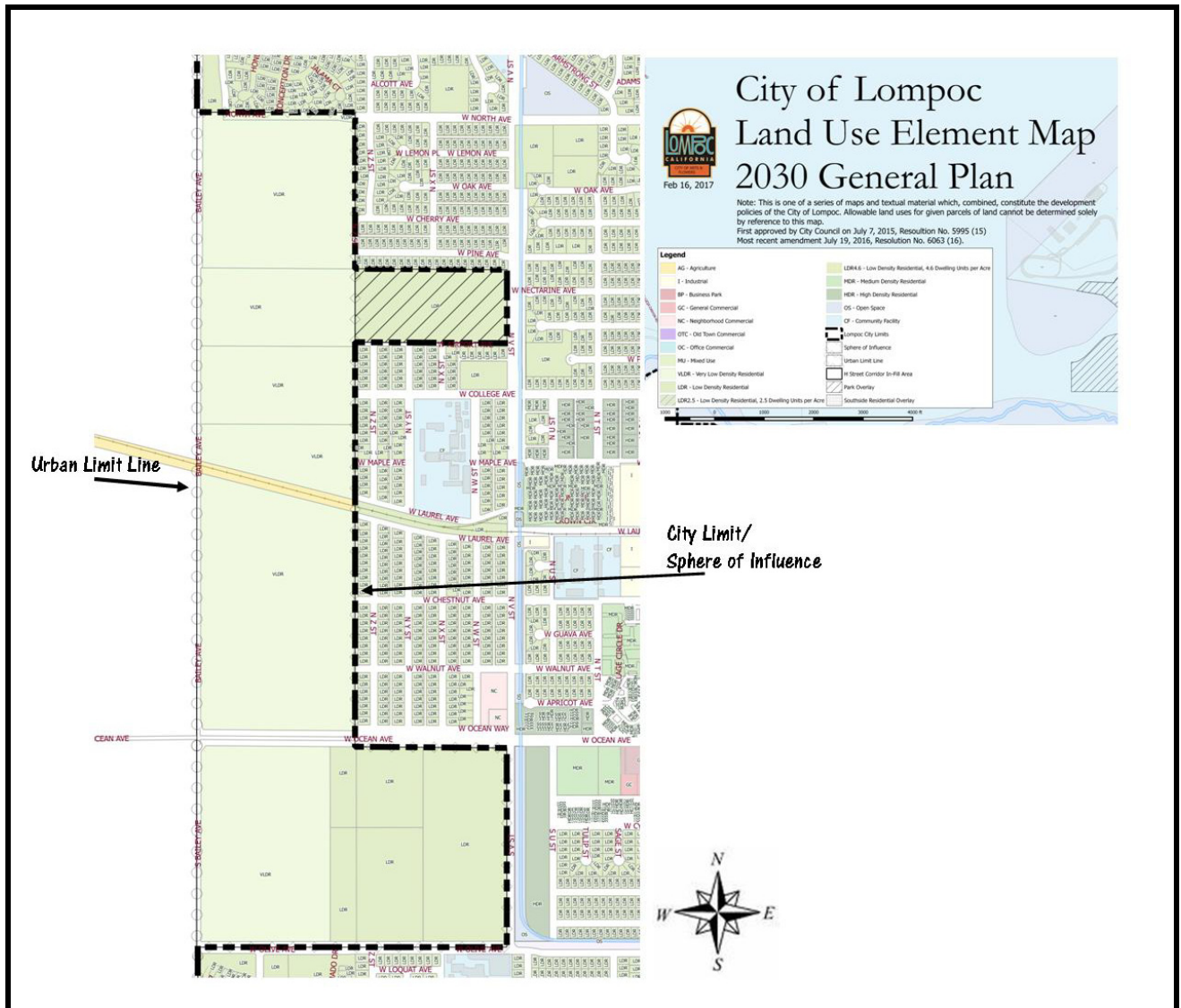


Figure 3

As noted in Attachment 1, Rincon Consultants has prepared Addendum 3 for the Final Environmental Impact Report for Phase 1 of the 2030 General Plan, which was certified by the City Council on October 19, 2010 (State Clearinghouse No. 2008081032). There have been two Addenda prepared. Addendum 1 was prepared in 2011 to update the greenhouse gas emission analysis based on new information and to address revised policy language in the Land Use Element and Circulation Element. Addendum 2 was prepared in 2014 to evaluate the environmental effects associated with adoption of Phase 2 of the General Plan Update.

Addendum 3 found; *“no new or more severe environmental impacts beyond those disclosed in the Final EIR would occur as a result of the proposed annexation project”*.

Following Council acceptance of Addendum 3, it will be forwarded with the LAFCO application for annexation.

**Fiscal Impact:**

The Fiscal Impact of the proposed Annexation is discussed in a revised Fiscal Analysis Report prepared by Stanley R. Hoffman and Associates, dated June 23, 2017 (Report) (Attachment 2). The original Analysis was dated November 2016, resubmitted February 28, 2017, May 11, 2017, and June 23, 2017. The report is required by the 2030 General Plan Land Use Element Policy 4.6. Financial staff believes the Report is in conformance with the technical requirements of the 2030 General Plan Land Use Element Policy 4.6. Finance staff are not experts in the area of land use fiscal issues and are unable to opine on the conclusions made in the Report. However, Finance staff has reviewed the underlying assumptions of the Report and they appear reasonable. As mentioned above, there appears to be an interest by the Applicant to submit a revised land use change once the proposed Annexation is completed. It is reasonable to believe the revised land use will require an amended or new Report to be prepared based on the new land use. The conclusions of the Report dated June 23, 2017, may be different than the conclusions of a new Report based on the new land use. The basis for services provided in the Report does not reflect the anticipated level of service expected to be provided for the development.

Staff, City Attorney and/or consultant time, including any associated costs, spent processing the application for the proposed Annexation and SOI requests will be fully reimbursed to the City by the applicant.

**Conclusion:**

If the City Council agrees with the applicant's request and adopts Resolution No. 6013(17), then staff will prepare the LAFCO application package and submit the SOI and Annexation requests.

Following successful completion of the SOI and Annexation requests, plans for the General Plan Amendment, Zone Change, tentative subdivision maps, and development plans for the project would need to be submitted and follow the City's land use entitlement process. Those discretionary actions would require project specific environmental review and a review and recommendation by the Planning Commission, prior to those recommendations being submitted to the City Council.

Respectfully submitted,

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Lucille T. Breese, AICP, Planning Manager

**APPROVED FOR SUBMITTAL TO THE CITY MANAGER:**

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Teresa Gallavan, Economic Development Director/Assistant City Manager

**APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:**

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Patrick Wiemiller, City Manager

- Attachments: 1) [Lompoc General Plan Update EIR Addendum 3](#)  
2) [Fiscal Analysis Report dated June 23, 2017](#)  
3) [Resolution No. 6013 \(17\)](#)  
4) [Staff Report dated April 5, 2016](#)