



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: CEO
Department No.: 012
For Agenda Of: May 19, 2015
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department: Mona Miyasato, County Executive Officer
Contact Info: Tom Alvarez, Budget Director
SUBJECT: Ad- Hoc Advisory Committee Meeting with the City of Lompoc – Regarding Summit View Home Reorganization and Other Matters

*Tom Alvarez
for M. Miyasato*

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: NA

Auditor-Controller Concurrence

As to form: NA

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file a summary of the first Ad-Hoc Advisory Committee meeting regarding Summit View Homes Reorganization and Other Matters (held on April 15, 2015); and
- b) Confirm prior direction that staff continue tax exchange negotiations pursuant to Board direction of November 4, 2014, which included the following concerns:
 - i. Compensation for the loss of development fees to the County where services will continue to be performed
 - ii. Timeliness of response for Sheriff and Fire services to residents; consider service agreements
 - iii. The City's responsibility for road maintenance, which would extend the easterly extent of the reorganization boundaries ~500' along Purisima Rd. to end at the current City limit, and extend the northerly extent of the reorganization boundaries ~3500' along Harris Grade Rd. to end at the current City limit
- c) Approve and authorize the Chair to execute the Summit View Reorganization Fifth Extension Agreement with the City of Lompoc, extending the time period specified in Cal. Rev. & Tax. Code Section 99(e)(1)(A) to August 31, 2015, with the intent that not more than three additional negotiation meetings will occur;
- d) Direct staff to apprise County-appointed Ad-Hoc members (Supervisors Farr and Adam) of negotiating progress and challenges as they arise; and

- e) Find that the proposed actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Sections 15378(b)(4) and 15378(b)(5) of the CEQA Guidelines, because they are government fiscal, organizational, or administrative activities that will not result in direct or indirect physical changes in the environment.

Summary Text: On February 3, 2015, the Board appointed Supervisors Doreen Farr and Peter Adam to an Ad-Hoc Advisory Committee to discuss annexations issues, including those involving the Summit View Homes Reorganization, as requested by the Lompoc City Council. The Ad-Hoc Advisory Committee meeting was held in Lompoc on April 15, 2015 and was open to the public. Staff is providing this summary of the meeting and confirming prior direction to continue negotiations with Lompoc staff through a period ending August 31, 2015.

Background

History

The County has been in negotiations with the City of Lompoc since spring 2014 for a mutually agreeable tax exchange agreement regarding the proposed annexation of land at the northeast corner of Purisma and Harris Grade Roads for a 44-unit development (known as Summit View Homes). The Board has approved extensions to the negotiating time period several times since these discussions began.

On November 4, 2014, the Board directed staff to request that the City of Lompoc withdraw its application to the Local Agency Formation Commission (LAFCO) for the Summit View Homes Reorganization. Should the City not withdraw its application, the Board directed staff to continue tax exchange negotiations pursuant to Board direction of November 4, 2014, as previously stated in the Recommended Action (b) above.

The City of Lompoc declined the request to withdraw but instead asked that the Board of Supervisors appoint an Ad-Hoc Advisory Committee to discuss annexations and land use issues in the Lompoc area, including the proposed Summit View Homes Reorganization. On February 3, 2015, the Board appointed Supervisors Doreen Farr and Peter Adam to an Ad-Hoc Advisory Committee. The Ad-Hoc Advisory Committee meeting was held in Lompoc on April 15, 2015, and included Supervisors Farr and Adam, along with Lompoc Councilmember Dirk Starbuck and Mayor Bob Lingl representing the City. Staff present at the meeting included Lompoc City Administrator Patrick Wiemiller, County Budget Director Tom Alvarez and County Analyst Richard Morgantini.

Meeting Summary

The first issue addressed was the reasoning for the County's recommendation to withdraw the application for reorganization. It was communicated by County Ad-Hoc Advisory Committee members and staff that the following issues addressed in the negotiations since 2014 continue to be of concern to the County:

- Timeliness of response for County Fire and Sheriff services (proximity of County Station #51 to the development);
- Loss of County revenue for services that will continue to be provided if tax revenue is shifted to the City; a similar issue will exist for development fees related to continued County Fire services;
- Transfer of the responsibility for road maintenance should have been part of the application; and

- The established process for the development of Summit View Homes within the County did not occur and the County was not brought into the discussions in a timely manner.

The City Ad-Hoc Advisory Committee members and staff then discussed the following:

- Lompoc does not want to withdraw its application.
- Lompoc does not want to enter arbitration or mediation, as it would not be binding and could result in a waste of time and money.
- The City recommends that negotiations continue with the County to resolve the Summit View Homes Reorganization.
- City indicated a willingness to accept responsibility for road maintenance (not in existing application or existing tax exchange options).
- The City believes that emergency response is not an issue as the current mutual aid agreement should accommodate this matter. The City's statistics indicate that the City's public safety support to County residents is about equal to the County's public safety support to the City's residents.
- Councilmember Starbuck does not believe that the County should participate in any development fees as the County will not be responsible for the provision of these services.

Supervisors Farr and Adam acknowledged the progress in relation to the issue of road maintenance and recommended that negotiations with the City should continue but be limited to a fixed timeframe or set number of meetings for such negotiations to occur. The Recommended Actions include the fifth extension agreement, which would extend the period of negotiation until August 31, 2015 and include no more than three more negotiation meetings be conducted by staff.

During the course of discussion, it was also suggested that a revised sphere of influence be considered (this was previously suggested by LAFCO Executive Officer Paul Hood). Further, City Administrator Wiemiller suggested a master agreement be developed for future annexations. These issues go beyond the scope of the tax exchange negotiations with Summit View but could be a topic of discussion for future Ad-Hoc Committee meetings.

Next Steps

Staff will continue negotiations with the representative(s) of the City, pursuant to the Board's November 2014 direction through the end of August 2015, with the intent that a maximum of three additional negotiations will be held. If no agreement is reached, the law requires that the process move to mediation and arbitration, which are non-binding.

Performance Measure:

Fiscal and Facilities Impacts: NA

Key Contract Risks:

Staffing Impacts:

Legal Positions:

0

FTEs:

0

Special Instructions:

Attachments:

Authored by:

Tom Alvarez, Budget Director

Cc:

Fire Chief Eric Peterson

Sheriff Bill Brown

Scott McGolpin

Attachment A

SUMMIT VIEW REORGANIZATION FIFTH EXTENSION AGREEMENT

This Fifth Extension Agreement (“Fifth Extension Agreement”) is made and entered into by and between the City of Lompoc, a municipal corporation (“City”) and the County of Santa Barbara, a political subdivision of the State of California (“County”) and is effective as of June 1, 2015 (“Effective Date”).

RECITALS

A. In connection with the Summit View Reorganization (LAFCO #14-1), the City of Lompoc and the County of Santa Barbara have engaged in negotiations pursuant to Cal. Rev. & Tax Code Section 99(b)(4) to attempt to reach a property tax exchange agreement, but the parties have not yet entered into such an agreement.

B. Pursuant to Cal. Rev. & Tax. Code Sections 99(b)(8) and Section 99(e)(1)(A), the parties are in the process of having a third-party consultant perform a comprehensive, independent fiscal analysis, funded in equal portions by the City and County, and the parties wish to extend the time for completion of the fiscal analysis and negotiations under Section 99(e)(1)(A).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below, City and County agree as follows:

1.0 **Extension**

Pursuant to Cal. Rev. & Tax. Code Section 99(e)(2), the City and County mutually agree to extend the time period specified in Cal. Rev. & Tax Code Section 99(e)(1)(A) to August 31, 2015.

2.0 **Counterparts**

This Fifth Extension Agreement may be executed in counterparts, each of which shall be deemed to be an original and said counterparts shall constitute one and the same instrument.

Attachment A

IN WITNESS WHEREOF, the parties have executed this Fifth Extension Agreement to be effective on the Effective Date.

COUNTY OF SANTA BARBARA

DATED: _____

Janet Wolf, Chair
Board of Supervisors

ATTEST:
CLERK OF THE BOARD

By: _____
Deputy

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy County Counsel

CITY OF LOMPOC

DATED: _____

Bob Lingl, Mayor

ATTEST:
STACEY ALVAREZ
CITY CLERK

APPROVED AS TO FORM:
JOSEPH W. PANNONE
CITY ATTORNEY
