

BOARD OF SUPERVISORS AGENDA LETTER

Submitted on: (COB Stamp)

Agenda Number:

Clerk of the Board of Supervisors 105 E. Anapamu Street, Suite 407

Santa Barbara, CA 93101

(805) 568-2240

Department Name: Planning &

Development

Department No.: 053

For Agenda Of: August 26, 2014

Placement: Set Hearing

Estimated Tme: 2 hours on 9/9/14;

1 hour on 10/7/14

Continued Item:

No

If Yes, date from:

Vote Required: Majority

TO: Board of Supervisors

FROM: Department Planning and Development

Director(s) Glenn Russell, Ph.D., Director, 568-2085

Contact Info: Kevin Drude, Deputy Director, Energy & Minerals Division

568-2519

SUBJECT: Cuyama Solar Facility Project, First Supervisorial District

County Counsel Concurrence:

Auditor-Controller Concurrence:

As to form: Yes n/a

Other Concurrence: County Surveyor

As to form and survey content: Yes

Recommended Actions:

That the Board of Supervisors Set Hearings for September 9, 2014 (estimated time: 2 hours) and October 7, 2014 (estimated time: 1 hour) to:

On September 9, 2014:

- A. Certify the Environmental Impact Report (11EIR-00000-00005), including the revisions to the EIR specified in the July 21, 2014 Planning Commission memorandum included as Attachment 12 of this Board Agenda Letter; and
- B. Adopt a Resolution included as Attachment 9 of this Board Agenda Letter, and execute the Certificate of Tentative Cancellation of Land Conservation Contract 76-AP-072 (10AGP-00000-00002); and
- C. Continue the hearing to October 7, 2014 for final action on the following:

On October 7, 2014:

- A. Make the required findings for approval of the project specified in Attachment 1 of this Board Agenda Letter, including CEQA findings; and
- B. Adopt a Resolution amending: a) the County's Comprehensive Plan Land Use Element (13GPA-00000-00002), allowing utility-scale solar photovoltaic facilities on up to 600 acres within the Cuyama Valley Rural Region on lands designated Agriculture II (A-II) or Agricultural Commercial (AC) and zoned Agriculture II (AG-II), with a Utility-Scale Solar Photovoltaic Facility Overlay, b) the County's Comprehensive Plan Land Use Element, Cuyama Valley Rural Region, Land Use Designation Map (13GPA-00000-00001), by changing the Land Use Designation on specified portions of APN 149-140-076 from Agricultural Commercial (AC) to Agriculture II (A-II); and c) the Santa Barbara County Land Use Element Map Comp-9 by applying the Utility-Scale Solar Photovoltaic Facility Overlay to the 327-acre Project site, included in Attachment 7 of this Board Agenda Letter; and
- C. Adopt an Ordinance amending the County's Land Use Development Code: a) allowing utility-scale solar photovoltaic facilities on up to 600 acres within the Cuyama Valley Rural Region on lands zoned Agriculture II (AG-II), subject to discretionary approval of a Conditional Use Permit (10ORD-00000-00001); and b), rezoning four parcels (APNs 149-150-029, -030, -031 and -032) from Unlimited Agriculture (U under Ordinance No. 661) to Agriculture II (AG-II-40) (10RZN-00000-00001), included in Attachment 8 of this Board Agenda Letter; and
- D. Adopt a Resolution included in Attachment 11 of this Board Agenda Letter, and execute a final Certificate of Cancellation for Agricultural Preserve Contract (Land Conservation Contract) No. 76-AP-072 (10AGP-00000-00002); and
- E. Approve a Lot Line Adjustment (10LLA-00000-00004) to adjust lines between three lots of 413.9 (APN 149-140-076), 39.71 (APN 149-150-029), and 39.80 (APN 149-150-030) gross acres to reconfigure into three lots of 247.07, 166.83, and 79.52 gross acres, respectively, on property located in the AG-II (and Unlimited Agricultural) Zone District, subject to the conditions included in Attachment 3 of this Board Agenda Letter; and
- F. Adopt a Resolution included in Attachment 10 of this Board Agenda Letter, and execute a replacement Agricultural Preserve Contract (Land Conservation Contract) on the remaining 1,362 acres of 76-AP-072 (13AGP-00000-00024); and
- G. Approve Conditional Use Permit (10CUP-00000-00008) subject to the conditions included in Attachment 2 of this Board Agenda Letter. The mitigation monitoring program identified in the project EIR is included in these conditions.

The proposed Cuyama Solar Facility site is identified as Assessor Parcel Numbers: 149-150-029, 149-150, 030, 149-150-031, 149-150-032, 149-140-076, 149-150-039, 149-140-041, 149-330-001, and 149-010-049. The Solar Array portion would be located on 327 acres at 596 Kirchenmann Road, and the proposed generation tie-line would run along Kirschenmann Road and Washington Street to the PG&E Cuyama Substation. The project site is located south and southeast of the town of Cuyama, in the First Supervisorial District. The proposed Comprehensive Plan Overlay for utility-scale solar photovoltaic facilities would apply to the Cuyama Valley Rural Region (approximately 112,335 acres).

Summary Text:

The Cuyama Solar Project has two major components: (1) regulatory amendments to the Comprehensive Plan and Land Use Development Code, providing provisions to allow for utility-scale solar photovoltaic facilities and limit such development to a maximum of 600 acres in the Cuyama Valley; and (2) discretionary permit approvals for development of the Cuyama Solar Facility, which includes a 40 megawatt utility-scale solar photovoltaic facility on 327 acres, a 3-mile generation tie-line and switchyard.

On July 22, 2014, the County Planning Commission voted 4 to 0 (Commissioner Ferini absent) to recommend that your Board amend the Comprehensive Plan and the Land Use Development Code, make the necessary general plan solar overlay land use designations, and issue the development permits and other necessary approvals as outlined in staff's Recommended Actions above.

In addition, the Planning Commission determined that the franchise needed to locate power transmission lines in the County right-of-way (14GOV-00000-00006) conforms with the County Comprehensive Plan and transmits the conformity report required by Government Code section 65402(a) to the Board of Supervisors. A copy of the Planning Commission's action letter is included as Attachment 4 of this board letter for reference. General Services will bring the franchise before your Board for consideration at a later date.

The proposed project requires two hearings before your Board because the landowner is required to complete contingencies once the Resolution to execute the Certificate of Tentative Cancellation of Land Conservation Contract 76-AP-072 has been approved and prior to the approval of the Resolution to execute the Final Certificate of Cancellation of Land Conservation Contract 76-AP-072.

Background:

On April 12, 2011, the Santa Barbara County Board of Supervisors initiated amendments to the Land Use Development Code (LUDC) to allow development of utility-scale, solar photovoltaic facilities on agricultural properties throughout the Inland Area of the County, subject to a Conditional Use Permit. While the County's energy policies encourage development of clean, renewable energy, the Comprehensive Plan (CP) and LUDC presently include no mechanism for the implementation of these policies in relation to the development of utility-scale solar photovoltaic (PV) facilities in the County. The proposed CP/LUDC Amendments would help realize the County's renewable energy goals by providing a permit path and Comprehensive Plan consistency to allow for development of utility-scale solar PV facilities. The proposed amendments balance the protection of environmental resources, particularly agricultural and visual resources, with renewable energy production. The EIR identified that the Cuyama Valley Rural Region is appropriate for this type of development because it contains the highest levels of solar insolation in the County able to yield the highest level of energy production with the least amount of resource disturbance. The proposed CP/LUDC Amendments limit agricultural land conversion to 600 acres total, and through application of various Development Standards, help balance the County's goals of resource protection and development of renewable energy.

A public scoping hearing for the project's environmental review was held on December 14, 2011. A Draft EIR was prepared and circulated for a 45-day public comment period from January 28, 2014 to

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March 13, 2014. A public hearing was held in Cuyama on March 5, 2014 to receive oral comments on the adequacy of the Draft EIR. The proposed Final EIR includes responses to all the public comments received and was released on July 3, 2014.

The EIR analyzed the CP/LUDC Amendments at a programmatic level. This approach allows the County Board of Supervisors to consider the broad implications and impacts associated with allowing the proposed and potential future utility-scale solar PV development within the Rural Area of the Cuyama Valley Rural Region. Development Standards are identified in the EIR programmatic analysis to reduce or eliminate potential impacts that occur as a result of utility-scale solar PV development in the Cuyama Valley Rural Region. The EIR analyzed the Cuyama Solar Facility at a project level of detail, which focused primarily on the change in the environment that is expected to result from construction and operation of the Cuyama Solar Facility.

The Cuyama Solar Facility would be required to comply with both project-specific conditions of approval and proposed development standards to be included in the new "Utility-scale Solar Photovoltaic Facilities" section of the LUDC. The Facility would result in the conversion of 327 acres of agricultural land. If the CP/LUDC Amendments are approved and the Cuyama Solar Facility is developed, approximately 273 additional acres could be developed with utility-scale solar photovoltaic facilities in the future before the 600-acre limit established in the LUDC is reached. The 600 acre limit reflects the available capacity of the existing transmission facilities in the Cuyama Valley before requiring costly upgrades to the PG&E Cuyama Substation. This places a limit on the impacts resulting from the conversion of agricultural land to non-agricultural uses.

The Cuyama Solar Facility proposes cancellation of a 1,529-acre Williamson Act Contract (76-AP-072), owned by Bolthouse Properties, LLC. This existing contract would be replaced by a 1,362 acres replacement contract as part of the project. One hundred and sixty-seven (167) acres of that contract would be used to construct a portion of the Cuyama Solar Facility; all agricultural uses on the 167 acres would cease and be replaced by the Solar Facility.

The County has followed the Williamson Act cancellation process as outlined in the *Uniform Rules for Agriculture Preserves and Farmland Security Zone* (Uniform Rule 6). The County deemed the landowner's application for cancellation complete on October 17, 2012, and mailed a notice to the Director of the State Department of Conservation (DOC) on October 30, 2012. The cancellation process includes an opportunity for DOC to comment on the proposed cancellation. The DOC provided a letter, dated May 22, 2013, that comments on the applicant's petition for cancellation and applicant's proposed findings for cancellation, included as Attachment I of the July 3, 2014 Planning Commission Staff Report. On October 15, 2013, the County Clerk, Recorder and Assessor certified to your Board the cancellation valuation of the land and the cancellation fee at \$125,000.00. The project was reviewed by the Agricultural Preserve Advisory Committee (APAC) on October 2, 2009 and on February 7, 2014. The APAC found (in a vote of 3-0) the project to be consistent with the County's Uniform Rules. A memorandum dated May 13, 2014 from APAC to the Board of Supervisors is included in Attachment K of the July 3, 2014 Planning Commission Staff Report.

The Cuyama Solar Project has the capacity to generate 40 MW of clean electrical energy, which is estimated to support 15,600 average homes and reducing carbon dioxide emissions by 30,000 metric tons annually. The cancellation of the 167 acres from a Williamson Act contract is necessary to realize the benefits from the Cuyama Solar Facility. Development of the Cuyama Solar Facility would support

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the United States Department of Energy goal of increasing the overall use of solar power to generate electricity and assist California in meeting its legislated Renewable Energy Portfolio standards for the generation of renewable energy in the state (California utilities are to procure 33 percent of their electricity from renewable sources by 2020, with intermediate targets of 25 percent by end of 2016). The Cuyama Solar Facility would also contribute to achieving local renewable energy goals and address public concerns related to greenhouse gas emissions and climate change, energy security, and fossil fuel dependence. For a more detailed analysis of the project, refer to the July 3, 2014 Planning Commission Staff Report and the July 21, 2014 Planning Commission Staff Memorandum, which are in Attachments 5 and 6, respectively, of this Board Agenda Letter.

Fiscal Analysis:

Costs to process this application, including environmental review, are fully reimbursed by the applicant per the department's adopted fee schedule. Permit revenues are budgeted in the Permitting Program of the Planning & Development Department's FY 2014/15 Budget on page D-212.

Regarding the 167 acres of the project site that is proposed to be removed from the Williamson Act Contract, property taxes for that portion would increase.

Special Instructions:

Prior to the September 9, 2014 hearing:

The Clerk of the Board shall publish a legal notice and display advertisement at least 10 days prior to the hearing on September 9, 2014. The notice and display ad shall appear in the Santa Maria Times and the Santa Barbara News Press. The Clerk of the Board shall fulfill noticing requirements. The mailing labels for the mailed noticed are attached.

The Planning & Development Department shall send via certified mail the notice, a copy of the board letter and its attachments and a copy of the petition to the Director of Department of Conservation at least 10 working days prior to the hearing on September 9, 2014.

Prior to the October 7, 2014 hearing:

Provided Board takes recommended final actions, a minute order of the September 9, 2014 hearing, copies of the signed Board Resolution for the Certificate of Tentative Cancellation of Land Conservation Contract 76-AP-072 and Certificate of Tentative Cancellation of Land Conservation Contract 76-AP-072, copy of the notice and proof of publication shall be returned to the Planning & Development Department, attention: David Villalobos.

The Clerk of the Board shall record the tentative certificate of cancellation of 76-AP-072 pursuant to Government Code Section 51283.4, which enumerates specified conditions and contingencies that must be satisfied prior to issuance of the final certificate of cancellation.

The Clerk of the Board shall transfer the landowner's Williamson Act cancellation fee to the County Treasurer and notify the Board of Supervisors when the cancellation fee has been paid. (See additional instructions to the County Treasurer regarding the cancellation fee below.)

Within 30 days of the Board taking action to tentatively cancel the contract, the Planning & Development Department shall publish a display notice of the Board of Supervisor's decision pursuant to the very specific requirements outlined in Government Code Section 51284. The Planning & Development Department shall send a copy of the published notice of the decision to the Director of Department of Conservation.

After the October 7, 2014 Hearing:

Provided Board takes recommended final actions, a minute order of the October 7, 2014 hearing and copies of signed Board Resolutions, Board Ordinance Amendment, Short Form Land Conservation Contract, and Final Certificate of Cancellation of Land Conservation Contract 76-AP-072 shall be returned to the Planning & Development Department, attention: David Villalobos.

Within 30 days of execution of the Final Certificate of Cancellation, the County Treasurer shall transmit the Williamson Act Cancellation fee to the Controller pursuant to Government Code Section 51283(e).

The Clerk of the Board shall record the Final Certificate of Cancellation of Land Conservation Contract 76-AP-072 pursuant to Government Code Section 51283.4(b).

After Recordation of the Final Certificate of Cancellation of Land Conservation Contract 76-AP-072:

- The Clerk of the Board shall send a copy of the Recorded Final Certificate of Cancellation of Land Conservation Contract 76-AP-072 to Planning & Development and the County Surveyor.
- The County Surveyor shall record the Lot Line Adjustment.
- The Planning & Development Department shall send a copy of the recorded Certificate of Cancellation to the Director of Department of Conservation, pursuant to Government Code 51283.4(b).

Following the recordation of the lot line adjustment and within 20 days of the Board of Supervisors execution of the replacement Agricultural Preserve Contract (Land Conservation Contract), the Clerk of the Board shall record with the County Recorder a copy of the Land Conservation Contract, including a map of the new contracted land.

Attachments:

Attachment 1: Findings

Attachment 2: Conditions of Approval for Conditional Use Permit 10CUP-00000-00008

Attachment 3: Conditions of Approval for Lot Line Adjustment 10LLA-00000-00004

Attachment 4: County Planning Commission Action Letter, dated July 22, 2014

Attachment 5: County Planning Commission Staff Report, dated July 3, 2014

Attachment 6: County Planning Commission Staff Memorandum, dated July 21, 2014

Attachment 7: Board Resolution to Amend the Comprehensive Plan

Attachment 8: Board Ordinance Amendment to the Land Use Development Code

Attachment 9: Board Resolution for Certificate of Tentative Cancellation of Land Conservation

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Contract 76-AP-072

Attachment 10: Board Resolution for Entering into a Short Form Land Conservation Contract Attachment 11: Board Resolution for Final Certificate of Cancellation of Land Conservation Contract 76-AP-072

Attachment 12: Final Environmental Impact Report and July 21, 2014 Planning Commission Memorandum including revisions to FEIR

Attachment 13: Project Plans

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Findings

Conditions of Approval Conditional Use Permit 10CUP-00000-00008

Conditions of Approval Lot Line Adjustment 10LLA-00000-00004

County Planning Commission Action Letter July 22, 2014

County Planning Commission Staff Report July 3, 2014

County Planning Commission Staff Memorandum July 21, 2014

Board Resolution to the Comprehensive Plan

Board Ordinance Amendment to the Land Use Development Code

Board Resolution for Certificate of Tentative Cancellation of Land Conservation Contract 76-AP-072

Board Resolution for Entering into a Short Form Land Conservation Contract

Board Resolution for Final Certificate of Cancellation of Land Conservation Contract 76-AP-072

Final Environmental Impact Report and July 21, 2014 Planning Commission Memorandum (including revisions to FEIR)

Project Plans