

EXHIBIT B
FINDINGS AND
STATEMENT OF OVERRIDING CONSIDERATIONS
PURSUANT TO THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT

SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
RESOLUTION NO. 910
ARANA GULCH REORGANIZATION
TO THE CITY OF SANTA CRUZ

The Santa Cruz Local Agency Formation Commission (LAFCO) is a responsible agency under the California Environmental Quality Act (“CEQA”) in reviewing a project known as the Arana Gulch Reorganization annexing approximately 7 acres to the City of Santa Cruz (LAFCO No. 910, the “Project”). The City of Santa Cruz has been the lead agency in preparing the master plan and the environmental impact report in five documents:

Arana Gulch Master Plan, City of Santa Cruz Department of Parks and Recreation, Adopted July 11, 2006;

Draft Environmental Impact Report, Arana Gulch Master Plan, EcoSystems West, February 2006;

Certified Final Environmental Impact Report, Arana Gulch Master Plan, EcoSystems West, May 2006, (“FEIR”);

Addendum to the FEIR issued on June 7, 2006;

Addendum to the FEIR issued July 10, 2006.

Collectively, the above five documents are referred to as the “EIR Documents.”

The EIR Documents identify a significant unavoidable environmental impact that would result from the full execution of the City’s Arana Gulch Master Plan. That impact is the loss of the Federally-threatened and State-endangered Santa Cruz tarplant habitat (*Holocarpha macradenia*) and the potential seed bank of the California Native Plant Society rated rare Choris’s popcorn flower (*Plagiobothrys chorisianus*) within the footprint of the paved multi-use trails. None of the planned multi-use trails that would impact these habitats is located within the seven acres proposed for annexation in LAFCO No. 910--See attached map.

The adopted mitigations by the City of Santa Cruz reduce, but do not eliminate the potentially significant impact of the tarplant habitat loss. Although no popcorn flower plants have been identified on the site in recent surveys, a popcorn flower seed bank may exist in Area A of the tarplant habitat; any mitigation applied to the tarplant habitat will also mitigate the possible popcorn flower seed bank (DEIR, Page 4.2-30).

The City has adopted five mitigation measures to reduce this impact. These mitigation measures are:

- Bio-4 (a) Aligning trail segments to avoid four mapped tarplant areas and fencing during construction,
- Bio-4 (b) Implementing a Santa Cruz Tarplant Management Program (management practices, research, annual monitoring, and refinement of management practices),
- Bio-4(c) Scraping and redistributing soil under trail alignments,
- Bio-4 (d) Maintaining or repairing trails shall be conducted in accordance with the Santa Cruz Tarplant Management Program,
- Bio-4 (e) Constructing permanent fencing if, and only if, annual monitoring shows that substantial adverse impacts are occurring to the tarplants due to human use. (Pages 12-13, Resolution No. NS-27,300, Exhibit A, CEQA Findings of Fact and Statement of Overriding Considerations, July 11, 2006).

The City has found that “no mitigation measure is available to render the effect within the paved trail footprint less than significant.” (page 17, Resolution No. NS-27,300, Exhibit A, CEQA Findings of Fact and Statement of Overriding Considerations, July 11, 2006).

LAFCO has considered the EIR documents in reviewing the proposed annexation, and has decided to approve the annexation. LAFCO makes the following findings pursuant to CEQA and LAFCO’s local policies:

1. Since the City of Santa Cruz certified the Arana Gulch Master Plan on July 11, 2006, the circumstances in the community have not significantly changed. Also, the site-specific environmental issues at the Arana Gulch have not changed since the EIR Documents were approved. Therefore, the existing documents provide an adequate evaluation of the conditions, impacts, and alternatives; and these documents can be used by LAFCO to consider the Arana Gulch application without preparing supplemental environmental documents.
2. No mitigation measure exists to reduce tarplant habitat loss in the alignments of the paved multi-use paths to an insignificant level. (Draft EIR pages 4.2-43 to 4.2-46).

3. None of the paved multi-use path alignments occur in the 7 acres (Exhibit A, LAFCO Resolution No. 910) proposed for annexation as part of the Arana Gulch Reorganization LAFCO NO. 910).
4. The mitigation measures adopted in the environmental process are the responsibility of the City of Santa Cruz, which will have both ownership and land use regulatory authority over the site. The City, in approving the Arana Gulch Master Plan, has adopted such changes. All mitigation measures can and should be implemented by the City when it carries out the planned developments and maintains the site in the future.
7. LAFCO shall monitor development activities on the site to assure that project is being developed in a manner consistent with the mitigation measures in the Arana Gulch Master Plan Environmental Impact Report and Mitigation Monitoring Program. The official responsible for the monitoring is the LAFCO Executive Officer. If the Executive Officer determines that there is a potential conflict, he or she shall inform the City of Santa Cruz , California Coastal Commission, and the LAFCO Commission in writing and request that all parties consult in an effort to resolve the conflict.
8. Notwithstanding the remaining significant adverse impact, LAFCO, pursuant to Section 15093 (Statement of Overriding Considerations) of the State CEQA Guidelines, determines that the social benefits of the proposed annexation outweigh the adverse environmental impacts, and the annexation should be approved. The annexation will allow the City of Santa Cruz to manage the parklands as a single unit and enforce municipal ordinances on the 7 acres currently outside the city limits.

