Service and Sphere Review for City of Capitola

Date: July 25, 2017 for August 2, 2017 Agenda

Summary: LAFCO staff has drafted a service and sphere review for the City of Capitola and scheduled a public hearing for August 2, 2017.

Staff Recommendation: Conduct a public hearing and adopt draft Resolution No. 2017-08 approving the 2017 Service and Sphere Review for the City of Capitola and confirming its existing Sphere of Influence.

Submitted by: Patrick McCormick, Executive Officer

As part of the Commission’s work program, the LAFCO staff has prepared a draft of the 2017 City of Capitola Service and Sphere of Influence Review and it is available on LAFCO’s website.

LAFCO periodically performs municipal service reviews and updates, as necessary, the sphere of influence of each agency subject to LAFCO’s boundary regulation. A “sphere of influence” is defined as a plan for the probable physical boundaries and service area of a local agency. This report has been prepared to analyze the City of Capitola.

The main conclusions of this report are:

1) The City of Capitola is operating in a responsible manner to provide municipal services to its residents.

2) The City has adequate capacity to provide municipal services to serve the planned development within the City.

3) The City probably has the capacity to annex areas within its Sphere of Influence. The financial details of any annexation proposal would need to be analyzed for its effects upon the City, the County, and the detaching Districts.

4) Capitola is the smallest city in Santa Cruz County in both population and area. It receives many services from regional entities (sewer, water, fire protection, library, and mosquito abatement). These services are generally adequate.

5) The City is participating with other agencies in projects such as construction of a permanent Capitola Library, and the report of the Homelessness Governance Study Committee.

6) No disadvantaged area within the City, within the City’s Sphere, or near the City’s sphere, is poorly served.
Environmental Review
The staff has conducted environmental review of the proposed sphere amendments pursuant to the California Environmental Quality Act. The conclusion is that the project is exempt from further review using a Class 19 exemption for minor projects.

Policies
The Commission's Sphere of Influence Policies and Guidelines are available on LAFCO's website.

Confirming the existing city Sphere of Influence is consistent with the Policies and Guidelines. One pertinent policy is:

"11. The Local Agency Formation Commission will encourage the elimination or consolidation of small, single-purpose special districts when a more efficient alternative exists for providing the necessary services. Whenever a combination of urban services
is required, general purpose governments or multi-services districts will be preferred to single-purpose districts."

The Opal Cliffs Recreation and Park District is located in an unincorporated area within the City's sphere of influence. If Capitola ever annexes Opal Cliffs, it would be efficient for the City to take over operations of Opal Cliffs' park and beach access.

Recommendation

The staff RECOMMENDS that the Commission:

- Conduct the noticed public hearing.
- Adopt draft Resolution No. 2017-8, approving the 2017 Service and Sphere of Influence Review for City of Capitola, and confirming the City's existing Sphere of Influence with no amendments.

cc: City of Capitola
    County of Santa Cruz, Planning Department
    Opal Cliffs Recreation and Park District

Attachments:
--Draft Resolution No. 2017-8
--Categorical Exemption
--Public Hearing Notice

Available on LAFCO's website:
--Public Review Draft, Capitola Service and Sphere of Influence Review
SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
RESOLUTION NO. 2017-8

On the motion of Commissioner
duly seconded by Commissioner
the following resolution is adopted:

APPROVING THE 2017 CITY OF CAPITOLA
SERVICE REVIEW AND SPHERE OF INFLUENCE REVIEW

The Local Agency Formation Commission of Santa Cruz County (the “Commission”) does hereby resolve, determine, and order as follows:

1. In accordance with Government Code sections 56425, 56427 and 56430, the Commission has initiated and conducted the 2017 City of Capitola Service and Sphere of Influence Review.

2. The Commission’s Executive Officer has given notice of a public hearing by this Commission upon the service review and sphere of influence in the form and manner prescribed by law.

3. The Commission held a public hearing on this matter on August 2, 2017; and at the hearing the Commission heard and received all oral and written protests, objections, and evidence that were presented.

4. As a lead agency, the Commission has evaluated the applicability of the California Environmental Quality Act to this proposal and has issued a Class 19 categorical exemption for the Sphere of Influence confirmation in accordance with State CEQA Guidelines section 15319. After reviewing the record, including the pertinent written and oral comments submitted directly to the Commission, the Commission has determined that the Class 19 categorical exemption is the proper manner in which to apply CEQA to this proposal.

5. The Commission hereby approves the 2017 City of Capitola Service and Sphere of Influence Review.

6. The Commission hereby approves the Service Review Determinations as shown on Exhibit A.

7. The Commission hereby approves the Sphere of Influence Determinations as shown on Exhibit B.
8. The Commission hereby confirms the existing Sphere of Influence Map of the City of Capitola as shown on Exhibit C.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this second day of August, 2017.

AYES:

NOES:

ABSENT:

JOHN LEOPOLD, VICE CHAIRPERSON

Attest:

Patrick M. McCormick
Executive Officer

Approved as to form:

T. Brooke Miller, LAFCO Counsel
1) Population and Growth
   AMBAG is projecting that the population of the City of Capitola will increase from 9,918 in 2010 to 10,088 in 2035.

2) Disadvantaged Unincorporated Communities
   There are disadvantaged census block groups within the boundary and Sphere of Influence of the City of Capitola. These areas have concentrations of apartments and mobilehome parks. These areas receive adequate services from the City of Capitola and the regional service districts.

3) Infrastructure Needs and Deficiencies
   The City of Capitola generally has adequate services and is maintaining its infrastructure. For groundwater overdraft issues, refer to the Soquel Creek Water District Service and Sphere Review published by Santa Cruz LAFCO in May 2017.

4) Financial Ability to Provide Services
   The City has the financial ability to provide services, and has no major audit issues.

5) Shared Facilities
   The Opal Cliffs neighborhood is located outside the City limits, but within the City’s Sphere of Influence. The Opal Cliffs Recreation and Park District operates a park and beach access. If the City annexes the Opal Cliffs area in the future, service efficiencies would be improved if the District is dissolved and the City takes over the Opal Cliffs park and beach access.

6) Accountability, Governmental Structure and Operational Efficiency
   Information regarding the City is easily accessible via public contacts with the City staff, information on the City’s website, and participation in the City Council and its advisory commission meetings.

7) Other Matters: Mission Statement and Bylaws
   Not applicable.
EXHIBIT B
CITY OF CAPITOLA
2017 SPHERE OF INFLUENCE DETERMINATIONS

1) The present and planned land uses in the area, including agricultural and open space lands.
   The City is substantially developed in a mix of urban uses. There are no agricultural lands within the City or the City’s Sphere of Influence. The main open spaces are Capitola Beach, the City parks, and New Brighton State Beach.

2) The present and probable need for public facilities and service in the area.
   The City has adequate facilities to accommodate the modest growth that is planned.

3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
   The City’s services are adequate.

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 City’s Sphere of Influence identifies areas that relate closely to the City of Capitola.

5) Disadvantaged communities.
   There are disadvantaged census block groups within the boundary and Sphere of Influence of the City of Capitola. These areas have concentrations of apartments and mobilehome parks. These areas receive adequate services from the City of Capitola and the regional service districts.
LAFCO confirms the existing City of Capitola Sphere of Influence with no amendments.
Notice of Exemption

To:          Office of Planning and Research
            1400 Tenth Street, Room 121
            Sacramento, CA 95814

From:        Santa Cruz LAFCO
            701 Ocean Street, Room 318-D
            Santa Cruz, CA 95060

To:          Clerk of the Board
            County of Santa Cruz
            701 Ocean Street, Room 500
            Santa Cruz CA 95060

Project Title: 2017 Review of the City of Capitola Sphere of Influence

Project Location: Within and adjacent to the city limits of Capitola (Map on file at the LAFCO office)

Project Location City: City of Capitola, Project Location County: Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: Review and confirm the existing Sphere of Influence for the City of Capitola

Name of Public Agency Approving Project: Santa Cruz Local Agency Formation Commission

Name of Person or Agency Carrying Out Project: Santa Cruz Local Agency Formation Commission

Exempt Status: (check one)

☐ Ministerial (Sec. 21080(b)(1); 15268);
☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
☐ Emergency Project (Sec. 21080(b)(4); 15269 (b)(c));
☒ Categorical Exemption: Section 15319–Class 19
☐ Statutory Exemptions: State code number
☐ Other: The activity is not a project subject to CEQA

Reason Why Project is Exempt: The proposed project would maintain the current Sphere of Influence map for the City of Capitola. The unincorporated areas within the Sphere are already substantially developed with residential, commercial, and other urban land uses.

Lead Agency Contact Person: Patrick McCormick
Area Code/Phone Extension: 831-454-2055
pat@santacruzlafc.org

If Filed by Applicant:
1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? ☐ Yes ☐ No

Signature: ☒ Signed by Lead Agency

Date: July 11, 2017 Title: Executive Officer

Date received by County Board Clerk:

☐ Signed by Applicant.
NOTICE OF PUBLIC HEARINGS
LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 10:00 a.m., Wednesday, August 2, 2017 in Room 525, County Governmental Center, 701 Ocean Street, Santa Cruz, the Santa Cruz Local Agency Formation Commission (LAFCO) will hold public hearings on the following matters:

--City of Capitola Service and Sphere of Influence Review
The project qualifies for a categorical exemption from further environmental review under the California Environmental Quality Act.

--Central Water District Service and Sphere of Influence Review
The project qualifies for a categorical exemption from further environmental review under the California Environmental Quality Act.

--County Service Area 54, Summit West Water, Service and Sphere of Influence Review
The project qualifies for a categorical exemption from further environmental review under the California Environmental Quality Act.

--Road Maintenance County Service Areas, Service and Sphere of Influence Review
The project qualifies for a categorical exemption from further environmental review under the California Environmental Quality Act.

-County Service Area 13, Hutchinson Road/Oak Flat (Summit)
-County Service Area 16, Robak Drive (La Selva Beach)
-County Service Area 17, Empire Acres (Bonny Doon)
-County Service Area 18, Whitehouse Canyon (North Coast)
-County Service Area 21, Westdale Drive (Bonny Doon)
-County Service Area 22, Kelly Hill Road (Boulder Creek)
-County Service Area 23, Old Ranch Road (Summit)
-County Service Area 24, Pineridge Road (Bonny Doon)
-County Service Area 25, Viewpoint Road (Aptos)
-County Service Area 26, Hidden Valley (Soquel)
-County Service Area 28, Lomond Terrace (Ben Lomond)
-County Service Area 30, Glenwood Acres (Scotts Valley)
-County Service Area 32, View Circle (Felton)
-County Service Area 33, Redwood Drive (Aptos)
-County Service Area 34, Larsen Road (Aptos)
-County Service Area 35, Country Estates (Bonny Doon)
-County Service Area 36, Forest Glen (Aptos)
-County Service Area 37, Roberts Road (Ben Lomond)
-County Service Area 39, Reed Street (Brookdale)
-County Service Area 40, Ralston Way (Boulder Creek)
-County Service Area 41, Loma Prieta Drive (Aptos)
-County Service Area 42, Sunlit Lane (Bonny Doon)
-County Service Area 43, Bonita-Encino (Aptos)
-County Service Area 44, Sunbeam Woods (Boulder Creek)
-County Service Area 46, Pinecrest Drive (Boulder Creek)
-County Service Area 47, Braemoor Drive (Bonny Doon)
-County Service Area 50, The Vineyard (Bonny Doon)
-County Service Area 51, Hopkins Gulch (Boulder Creek)
-County Service Area 52, Upper Pleasant Valley (Aptos)
-County Service Area 55, Riverdale Park (Boulder Creek)
-County Service Area 56, Felton Grove (Felton)
-County Service Area 58, Ridge Drive (Boulder Creek)
-County Service Area 59, McGaffigan Mill Road (Boulder Creek)

At the hearings, the Commission will consider oral or written comments from any interested person.

Written reports and further information can be obtained from LAFCO’s staff at 701 Ocean Street, Room 318-D, Santa Cruz CA 95060, (831) 454-2055 or from LAFCO’s website at www.santacruzlaFCO.org.

LAFCO does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. The Commission meetings are held in an accessible facility. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at least 48 hours in advance of the meeting to make arrangements.

/signed/ Patrick M. McCormick
Executive Officer
Date: July 6, 2017