May 31, 2021

Joe Serrano Executive Officer Santa Cruz LAFCO 701 Ocean Street #318D Santa Cruz, CA 95060

Subject: UCSC Long Range Development Plan - LAFCO Draft Comment Letter

Dear Mr. Serrano and LAFCO Commissioners,

I have additional comments about the proposed Draft Comment Letter related to the two-fold stated purpose of the letter: (1) to reiterate LAFCO's position on providing extraterritorial services, and (2) to offer additional information beyond the material outlined in LAFCO's Draft EIR Comment Letter.

Regarding purpose (1), I would like to point out that the Draft Letter is not simply a reiteration of LAFCO's position as expressed in the DEIR Comment Letter. The Draft Letter contains the additional information that in the event an extraterritorial service agreement process is chosen, rather than the alternative of an immediate annexation, a LAFCO approval would require the condition of later annexation, while the DEIR letter did not mention this required condition.

The Draft Letter Closing Remarks states: "It remains the Commission's belief that any city or district that wishes to extend its services by either annexing an area or receiving an extraterritorial service agreement with the condition that the subject area be annexed at a later date should do so through the LAFCO process laid out in the Act." This means there are only two ways to extend services, one that involves immediate annexation or one with eventual annexation i.e., an immediate boundary change or an eventual boundary change.

Therefore, to best fulfill purpose (2) of the Draft Letter, "to offer additional information beyond the material outlined in LAFCO's DEIR letter", LAFCO should provide the important information that since any extension of services will result in a boundary change, provisions of Section 3 of LAFCO's

Water Policy pertaining to Boundary Changes will apply, including Section 3. a) which states: "In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;".

In light of the above, together with the concerns raised in my May 27th letter, I hope the Commissioners will agree to two suggested revisions for the Draft Letter:

- 1. Add a sentence at the end of the first paragraph of the Closing Remarks that states: In either case, the extension of services will result in boundary change to which LAFCO Water Policy Section 3 will apply, including Section 3. a): "In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;"
- 2. Revise the first sentence of the second paragraph of the Closing Remarks to include an added phrase at the end in bold: A preliminary analysis of the 5 development projects proposed for outside the City boundaries under the 2020 LRDP (shown in the attached map) may not pose major issues in accordance with the Act **if an application is consistent with LAFCO Water Policy** (note that the word "likely" has been stricken from the original draft).

With the above changes, the Concluding Remarks section would then read:

It is the Commission's position that LAFCO should continue to be a neutral party, and therefore, not be part of the current lawsuit between the University and the City. It remains the Commission's belief that any city or district that wishes to extend its services by either annexing an area or receiving an extraterritorial service agreement with the condition that the subject area be annexed at a later date should do so through the LAFCO process laid out in the Act. In either case, since an extension of services will result in a boundary change, LAFCO Water Policy Section 3 will apply, including Section 3. a) which states: "In cases where a basin is overdrafted or existing services are not sustainable, a boundary change proposal may be approved if there will be a net decrease in impacts on water resources;"

A preliminary analysis of the 5 development projects proposed for outside the City boundaries under the 2020 LRDP (shown in the attached map) may not pose major issues in accordance with the Act **if an application is consistent with LAFCO Water Policy**. This analysis is non-determinative...

Thank you very much for your attention.

Sincerely, Don Stevens