

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA APPROVING A TAX EXCHANGE AGREEMENT WITH THE COUNTY OF SANTA BARBARA PERTAINING TO AN APPLICATION OF PEAK LAS POSITAS PARTNERS, 900-1100 BLOCK OF LAS POSITAS ROAD (VERONICA MEADOWS SPECIFIC PLAN) (MST99-00608)

WHEREAS, the City accepted an application from Peak-Las Positas Partners, in order to process a request for the following: 1) annexation of the subject property from the unincorporated area of Santa Barbara County to the City of Santa Barbara; 2) a General Plan Amendment upon annexation to add the property to the City's General Plan Map; 3) a Local Coastal Plan Amendment upon annexation to add the property to the City's Local Coastal Plan; 4) Zoning Map and Ordinance Amendments to adopt Specific Plan Number Nine (SP-9) upon annexation; (5) a lot line adjustment; and 6) other related approvals ("Veronica Meadows Project" or "Project");

WHEREAS, the City Planning Commission initiated annexation of the subject parcels separately on November 18, 1993, and February 3, 2000, and held conceptual reviews of the project design then before the Commission (including nine members of the public) on February 3, 2000;

WHEREAS, the Planning Commission and the Architectural Board of Review held a joint work session on September 5, 2000, to take input (including comments from nine members of the public) and make comments on the Project design concept;

WHEREAS, the Architectural Board of Review held a concept review of the proposed Project on September 25, 2000, and provided comments to the Planning Commission;

WHEREAS, the Planning Commission of the City of Santa Barbara initiated the Specific Plan process for the subject parcels and held a joint meeting with the Architectural Board of Review to review a revised project concept on February 20, 2003, and took comments from twelve speakers;

WHEREAS, the Planning Commission held a Project concept review work session on March 6, 2003;

WHEREAS, the Planning Commission held an Environmental Impact Report (EIR) Scoping Hearing on October 16, 2003, and took comments from two members of the public;

WHEREAS, the Planning Commission held a duly noticed public hearing to receive comments on the Draft EIR on October 21, 2004, and took comments from twelve members of the public;

WHEREAS, in January 2005, the City of Santa Barbara completed a Final EIR for the project, consisting of the Draft EIR, comments on the Draft EIR, responses to comments on the Draft EIR, and minor revisions to the Draft EIR;

WHEREAS, the City Park and Recreation Commission and the City Creeks Advisory Committee held a joint meeting to consider recommendations to the Planning Commission regarding the proposed bridge and creek restoration elements of the Project;

WHEREAS, the Creeks Advisory Committee met on February 9, 2005, and made recommendations to the Planning Commission regarding the proposed bridge and creek restoration elements of the Project;

WHEREAS, the Park and Recreation Commission met on February 23, 2005, and made recommendations to the Planning Commission regarding the proposed bridge and creek restoration elements of the Project;

WHEREAS, the City Transportation and Circulation Committee met on March 24, 2005, and made recommendations to the Planning Commission regarding the proposed bridge for the Project;

WHEREAS, the Planning Commission held a discussion of project issues on April 14, 2005, and nineteen members of the public spoke regarding the Project;

WHEREAS, the Planning Commission held a duly noticed public hearing to consider the Project on July 21, 2005, and eleven people spoke regarding the Project. After substantial discussion, the Planning Commission continued its consideration indefinitely to allow the applicant to make project revisions in response to Planning Commission concerns;

WHEREAS, on December 1, 2005, the Planning Commission held a duly noticed public hearing and took public input from twenty-four people on the Project, and certified the Veronica Meadows Specific Plan Final EIR ("2005 Final EIR" as a complete, accurate, and good faith effort toward full disclosure and as being reflective of the independent judgment of the City of Santa Barbara under the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.);

WHEREAS, on March 8, 2006, the Council of the City of Santa Barbara held a duly noticed public hearing, took public input, and continued its consideration of the Project;

WHEREAS, on March 21, 2006, the Council of the City of Santa Barbara continued its deliberations on the Project, and directed the applicant to prepare an alternative design for the Project;

WHEREAS, the applicant complied with the City Council's directive and prepared and submitted to City staff a conceptual site plan reflecting a revised project;

WHEREAS, the Creeks Advisory Committee met on April 26, 2006, and made recommendations to the City Council regarding the revised site plan and creek restoration element of the Project;

WHEREAS, the Architectural Board of Review met on May 1, 2006, and made recommendations to the City Council regarding the revised site plan for the Project;

WHEREAS, the Park and Recreation Commission and Creeks Advisory Committee held a joint meeting on July 10, 2006, to consider recommendations to the City Council regarding the revised site plan for the Project;

WHEREAS, on August 19, 2006, the first Addendum to the 2005 Final EIR was prepared by City environmental staff. The Addendum considered a smaller Project with 15 homes, access from Alan Road rather than Los Positas Road, a smaller bridge over Arroyo Burro Creek for pedestrian and bicycle traffic only, and a setback area without pedestrian trails along Arroyo Burro Creek. The Addendum evaluated whether the revised Project was within the range considered in the 2005 Final EIR and determined it was;

WHEREAS, the Planning Commission held a duly noticed public hearing on August 24, 2006, took public input from thirteen people on the revised site plan, and offered comments to the City Council;

WHEREAS, on October 3, 2006, the City Council held the required noticed public hearing and took public input from twenty-seven people on the revised site plan, and continued consideration of the Project to a future meeting after indicating to the applicant that it preferred the Project as it was presented in March 2008, with either 23 or 25 dwelling units;

WHEREAS, the applicant subsequently submitted two development alternatives to the City Council based on direction from the October 3, 2006 City Council meeting;

WHEREAS, on November 17, 2006, the second Addendum to the 2005 Final EIR was prepared to evaluate two development alternatives developed by the applicant in response to the City Council's request. The Addendum evaluated whether the two development alternatives were within the range considered in the 2005 Final EIR and determined they were;

WHEREAS, on December 12 and 19, 2006, City Council approved the project and adopted environmental findings pursuant to CEQA;

WHEREAS, on January 29, 2007, the Citizens Planning Association and the Santa Barbara Urban Creeks Council sued the City to overturn the City Council approval of the project;

WHEREAS, in a judgment dated January 9, 2008, the Santa Barbara Superior Court issued its judgment stating that a writ of mandate should issue commanding the City Council to set aside its December 12 and 19, 2006 approvals concerning the Project;

WHEREAS, on February 5 and 26, 2008, pursuant to court directive, the City Council for the City of Santa Barbara repealed and rescinded the Project approvals, including certification of the 2005 Final EIR;

WHEREAS, on March 14, 2008, the City prepared a Draft Revised EIR, which it circulated pursuant to CEQA Guidelines Section 15088.5. The City's purpose in preparing the revised EIR chapters was to document the events, project changes, and other information that is pertinent to understanding the issues involved with a re-evaluation of the project. CEQA Guidelines Section 15088.5 provide for recirculation of only the revised sections of the EIR and limitation of further public comment to the recirculated sections;

WHEREAS, on April 17, 2008, the Planning Commission held a duly noticed public hearing to receive comments on the Draft Revised EIR;

WHEREAS, on May 9, 2008, a Final Revised EIR was prepared in accordance with CEQA. The "2008 Final EIR" includes the Draft EIR, the Draft Revised EIR, comments on the Draft EIR and Draft Revised EIR, responses to oral testimony, written comments, e-mail messages, and phone messages on the Draft EIR and Draft Revised EIR, and minor changes to the Draft EIR and Draft Revised EIR;

WHEREAS, on May 15, 2008, the Planning Commission held a duly noticed public hearing on the 2008 Final EIR to consider its certification;

WHEREAS, on June 17, 2008, the City Council held a duly noticed public hearing on the 2008 Final EIR to consider its certification. After the public hearing, by separate resolution, the City Council certified the 2008 Final EIR and adopted the mitigation measures incorporated therein (see Resolution No. _____). At that time, the City Council also determined that the Current 2008 Project Design alternative was feasible and environmentally superior to the project, and adopted that alternative;

WHEREAS, Section 99 of the Revenue and Taxation Code of the State of California provides that no change of jurisdictional boundaries shall become effective until each city and county whose service areas or service responsibilities would be altered by such change agree by resolution to a negotiated exchange of property tax revenue; and

WHEREAS, the City of Santa Barbara (CITY) and the County of Santa Barbara (COUNTY) have negotiated and reached a mutually acceptable agreement for an exchange of property tax revenue for the proposed reorganization which is commonly referred to as the Veronica Meadows Reorganization.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Santa Barbara:

Section 1. The City Council approves and adopts the following formula for the exchange of property tax revenue from the subject property:

1. Definitions:
 - a. "Reorganization" shall mean the recordation by LAFCO of a certificate of completion and the filing by LAFCO with the State Board of Equalization and the Santa Barbara County Assessor of a statement of boundary change pursuant to Government Code Section 54900 et seq., annexing the area to the City of Santa Barbara.
 - b. "Property tax revenue" shall include the base property tax revenue and the property tax increment.
2. The Auditor-Controller of Santa Barbara County shall allocate and pay directly to the CITY and the COUNTY General Fund those portions of the property tax revenue generated from the parcels making up the Veronica Meadows Reorganization area as expressed in LAFCO Proposal 07-0012, which otherwise would be allocated to the Santa Barbara County Fire Protection District. The CITY's future share of the allocation shall be that equal to 11.92187848 percent of taxes generated by these parcels with any shortfall or overage being allocated from/to the COUNTY General Fund.
3. Payment to CITY and COUNTY General Fund will commence the first full fiscal year for which the change in property tax allocation specified by this resolution and the corresponding adjustments to affected tax rate allocation system becomes effective as specified by the State Board of Equalization in accordance with Government

Code Section 54902. At the time of adoption of this resolution, that is anticipated to be fiscal year 2008-09.

4. Should LAFCO include any additional parcels to this proposal prior its recordation, the same allocated percentage as set forth in paragraph 2 above shall apply.

Section 2. The City Council approves the sharing of affordable units for purposes of Regional Housing Needs Allocation, as provided in the Memorandum of Understanding (attached exhibit), and authorizes staff to execute the MOU.

Section 3. The Resolution shall not take effect unless and until the Veronica Meadows Specific Plan ordinance (City Ordinance No. ____ as introduced on June 17, 2008) has been duly adopted by the City Council.

Memorandum of Understanding

Between
County of Santa Barbara
and the
City of Santa Barbara

THIS AGREEMENT (Agreement) is made and entered into by and between the County of Santa Barbara, a political subdivision of the State of California (herein referred to as the COUNTY) and the City of Santa Barbara, a municipal corporation (herein referred to as the CITY) wherein CITY agrees to transfer a credit of one affordable housing unit proposed to be developed as part of the Veronica Meadows Reorganization, LAFCO Proposal No. 07-012, to the COUNTY in return for the COUNTY's agreement to approve the Veronica Meadows Reorganization.

WHEREAS, the COUNTY has a stated policy adopted by the Board of Supervisors on July 17, 2007 to include the negotiation of housing units as part of the tax exchange agreement required for annexations; and,

WHEREAS, Assembly Bill 1019, chaptered on July 30, 2007 authorizes a similar mutually acceptable agreement on a revised determination of regional housing needs if an annexation of unincorporated land to a city occurs after the council of governments, or the department for areas with no council of governments, has made its final allocation.

WHEREAS, the City of Santa Barbara (CITY) and the County of Santa Barbara (COUNTY) have negotiated and reached a mutually acceptable agreement for an exchange of property tax revenue for the proposed reorganization which is commonly referred to as the Veronica Meadows Reorganization, and,

WHEREAS, the COUNTY and the CITY have negotiated and reached a mutually acceptable agreement for the transfer of housing credit for the proposed reorganization which is commonly referred to as the Veronica Meadows Reorganization.

NOW, THEREFORE, IT IS AGREED in consideration of the mutual covenants and conditions contained herein:

1. CITY shall transfer credit of one affordable housing unit, or fifty percent of the affordable units proposed to be developed as part of the Veronica Meadows Reorganization, to the COUNTY.
2. COUNTY shall allocate the credit of one affordable housing unit toward the COUNTY's overall 2008 Regional Housing Needs Allocation (RHNA).
3. COUNTY shall agree not to object to the annexation under the terms intended to be imposed by the Local Agency Formation Agency (LAFCO), and other good and valuable consideration, the receipt of which is hereby acknowledged.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective on the date it is fully executed.

COUNTY:
County of Santa Barbra, a Political
Subdivision of the State of California

CITY:
City of Santa Barbara, a Municipal
Corporation

SALUD CARBAJAL
CHAIR, BOARD OF SUPERVISORS

MARTY BLUM
MAYOR, CITY OF SANTA BARBARA

BY: _____
DATE: _____

BY: _____
DATE: _____

ATTEST:

ATTEST:

MICHAEL F. BROWN
CLERK OF THE BOARD

CITY CLERK

BY: _____
DATE: _____

BY: _____
DATE: _____

APPROVED AS TO FORM:
DANIEL F. WALLACE
COUNTY COUNSEL

APPROVED AS TO FORM:

CITY ATTORNEY

By: _____
Deputy County Counsel
DATE: _____

BY: _____
DATE: _____

APPROVED AS TO FORM:
ROBERT W, GEIS, CPA
AUDITOR-CONTROLLER

APPROVED AS TO FORM:
ROBERT PEIRSON
FINANCE DIRECTOR

BY: _____
DATE: _____

BY: _____
DATE: _____

COUNTY OF SANTA BARBARA
CITY OF SANTA

BARBARA

By:

By:

Salud Carbajal, Chair,
Marty Blum, Mayor
Board of Supervisors
City of Santa Barbara

ATTEST:

ATTEST:

Clerk of the Board
Chief Deputy City Clerk

APPROVED AS TO FORM:

DANIEL J. WALLACE,
COUNTY COUNSEL

By:

By:

Deputy County Counsel
City Attorney of Santa
Barbara