

City of San Juan Bautista

The "City of History"

www.san-juan-bautista.ca.us

URBAN GROWTH BOUNDARY SPHERE OF INFLUENCE

REGULAR MEETING TUESDAY, SEPTEMBER 26, 2023, 4:00 P.M.

HYBRID MEETING

City Hall, Council Chambers311 Second Street, San Juan Bautista, California

AGENDA

Mission Statement:

The mission of the Urban Growth/Sphere of Influence Ad-Hoc Committee is to establish limits to and boundaries for growth that will serve and protect the City of San Juan Bautista now and in the future.

ZOOM WEBINAR PARTICIPATION

The meeting can also be accessed by the public in the following methods: Through Zoom (https://zoom.us/join) per the instruction stated below, and on Facebook.

Please note: if all Committee Members are present in person, public participation by Zoom or viewing on Facebook is for convenience only and is not required by law. If the Zoom or Facebook feed is lost for any reason the meeting may be paused while a fix is attempted but the meeting may continue at the discretion of the presiding officer.

JOIN ZOOM WEBINAR TO PARTICIPATE LIVE

https://us02web.zoom.us/j/83341640938

To participate telephonically: call 1 (669) 900-6833 Webinar ID: 833 4164 0938

1. CALL TO ORDER

- A. Pledge of Allegiance
- B. Roll Call

2. GENERAL PUBLIC COMMENT

Public comments generally are limited to three minutes per speaker on items that are not on the agenda and are under the City's subject matter jurisdiction. The Chair may further limit the time for public comments depending on the agenda schedule.

3. CONSENT

All matters listed under the Consent Agenda may be enacted by one motion unless a member of the Committee or the public requests discussion or a separate vote.

- A. Approve the Affidavit of Posting
- B. Approve the Regular Meeting Minutes of July 25, 2023.

4. REVIEW AND DISCUSS

- A. Discuss the Planning Area distinct from Sphere of Influence
- B. City County Memorandum of Understanding (MOU)

5. ADJOURNMENT

AGENDA MATERIAL / ADDENDUM

Any addendums will be posted within 72 hours of regular meetings or 24 hours of special meetings, unless otherwise allowed under the Brown Act. City Council reports may be viewed at the City of San Juan Bautista City Hall at 311 Second Street San Juan Bautista, and are posted on the City website www.san-juan-bautista.ca.us subject to Staff's ability to post the documents before the meeting, or by emailing deputycityclerk@san-juan-bautista.ca.us or calling the Deputy Clerk (831) 623-4661 during normal business hours.

In compliance with the Americans with Disabilities Act, and Govt. Code 54953(a), the City will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the Deputy City Clerk, a minimum of 48 hours prior to the meeting at (831) 623-4661.

PUBLIC COMMENT PROCEDURES

If you wish to make a general public comment and are attending in person, please fill out a speaker card. If you are attending via Zoom, join the Zoom Webinar, and use the "Raise Hand" or if joining by telephone, press *9 on your telephone keypad icon.

SUBMISSION OF PUBLIC COMMENTS

Written comments may be submitted via mail to the Deputy City Clerk at City Hall (P.O. Box 1420, San Juan Bautista, CA 95045), or emailed to deputycityclerk@san-juan-bautista.ca.us no later than 3:00 p.m. on the day of the meeting. Written comments will be read into the record provided that the reading does not exceed three (3) minutes.

PUBLIC NOTIFICATION

This agenda was posted on Wednesday, September 20, 2023, on the bulletin board at City Hall, 311 Second Street, the bulletin board at the City Library, 801 Second Street, the bulletin board at the entrance to the United States Post Office, 301 The Alameda, and the City's website. Meetings may be streamed live at https://www.facebook.com/cityofsanjuanbautista/.

AFFIDAVIT OF POSTING

I, Elizabeth Soto, do now declare, under the penalties of perjury that I am the Deputy City Clerk / Administrative Services Manager in the City of San Juan Bautista and that I posted three (3) true copies of the attached Urban Growth Boundary/Sphere of Influence Agenda. I further declare that I posted said Agenda on the 21st day of September 2023, and in the following locations in said City of San Juan Bautista, County of San Benito, California.

- 1. On the bulletin board at City Hall, 311 Second Street.
- 2. On the bulletin board at The City Library, 801 Second Street.
- 3. On the bulletin board at the entrance to the United States Post Office, 301 The Alameda

Signed at San Juan Bautista, County of San Benito, California, on the 21st day of September 2023.

Elizabeth Soto

Deputy City Clerk / Administrative Services Manager

TO BE PUBLISHED IN THE OFFICIAL REPORTS

OFFICE OF THE ATTORNEY GENERAL State of California

EDMUND G. BROWN JR. Attorney General

OPINION : No. 07-506

of : November 13, 2008

EDMUND G. BROWN JR. :

Attorney General

MARC J. NOLAN :
Deputy Attorney General :

:

THE HONORABLE JIM BATTIN, MEMBER OF THE STATE SENATE, has requested an opinion on the following questions:

- 1. Would a memorandum of understanding between a county and certain cities within the county, under which the county would agree to implement certain land use development standards within each city's sphere of influence in exchange for the cities' agreement to adopt resolutions in support of a county-favored multiple species habitat conservation plan, amount to an illegal exchange of votes within the meaning of Penal Code section 86?
- 2. If not, would such a memorandum of understanding, and an associated agreement between the cities, county, and various federal, state, and local agencies to implement the multiple species habitat conservation plan, continue in effect even as the memberships of the legislative bodies of the county and signatory cities change over time?

1

07-506

CONCLUSIONS

- 1. A memorandum of understanding between a county and certain cities within the county, under which the county would agree to implement certain land use development standards within each city's sphere of influence in exchange for the cities' agreement to adopt resolutions in support of a multiple species habitat conservation plan, would not, in itself, amount to an illegal exchange of votes within the meaning of Penal Code section 86.
- 2. The proposed memorandum of understanding, and an associated agreement between the cities, county, and various federal, state, and local agencies to implement the multiple species habitat conservation plan, would continue in effect even as the memberships of the legislative bodies of the county and signatory cities change over time, provided that the agreements do not purport to surrender the "police power" of any of the local agencies involved.

ANALYSIS

We are informed that a county and certain cities within that county propose to enter into a memorandum of understanding (MOU) regarding land use and development within a region of the county in which the cities are located. The proposed MOU resulted from negotiations between the county and the cities, in which the county sought to implement a multiple species habitat conservation plan in the region. The conservation plan was developed by various local, state, and federal officials and agencies, and its stated purpose is to conserve over 240,000 acres of open space and protect 27 plant and animal species within the region. Among other things, the conservation plan would require participating local agencies to implement, within their respective jurisdictions, a coordinated permitting program that regulates and extracts fees for land development that occurs within the plan's geographical area.

According to the recitals in the proposed MOU, the cities have conditioned their support for the conservation plan upon the resolution of certain "county/city issues" involving the specification of land use development standards within city "spheres of influence." The city spheres of influence consist of adjacent or surrounding unincorporated areas of the county, currently outside each city's jurisdiction, where the county's development standards would ordinarily govern. Under the proposed MOU, the cities

2

07-506

¹ Government Code section 56076 describes a local agency's "sphere of influence" as "a plan for [its] probable physical boundaries and service area," as determined by the county's local agency formation commission. *See Alameda County Land Use Assn. v. City*

would adopt resolutions in support of the conservation plan, and the county would, within each signatory city's sphere of influence, implement the development standards used within the city's jurisdictional limits where those standards are more strict than the county's, and implement the county's development standards where they are more strict than the city's.² We have also been directed to an associated proposed agreement between the cities, county, and various federal, state, and local agencies to implement the conservation plan, which establishes the rights and obligations of the various participants in the conservation plan.

We are asked to consider two questions concerning the circumstances described above. First, does the proposed MOU amount to an illegal exchange of votes within the meaning of Penal Code section 86, a statute that prohibits public officials from asking for, receiving, or agreeing to receive bribes in exchange for their votes or other official actions, and from giving, or offering or promising to give, "any official vote" in exchange for another public official's vote on the "same or another question"? And, if not, would the proposed

of Hayward, 38 Cal. App. 4th 1716, 1719-1720 (1995); City of Agoura Hills v. Local Agency Formation Com., 198 Cal. App. 3d 480, 483 (1988); 84 Ops.Cal.Atty.Gen. 66, 67 (2001). As a general matter and in the present circumstances, city spheres of influence encompass unincorporated county land that may eventually be annexed by the city and included within its jurisdictional limits.

Every Member of either house of the Legislature, or any member of the legislative body of a city, county, city and county, school district, or other special district, who asks, receives, or agrees to receive, any bribe, upon any understanding that his or her official vote, opinion, judgment, or action shall be influenced thereby, or shall give, in any particular manner, or upon any particular side of any question or matter upon which he or she may be required to act in his or her official capacity, or gives, or offers or promises to give, any official vote in consideration that another Member of the Legislature, or another member of the legislative body of a city, county, city and county, school district, or other special district shall give this vote either upon the same or another question, is punishable by imprisonment in the state prison for two, three, or four years and, in cases in which no bribe has been actually received,

² We will assume for purposes of this opinion that the county and cities will be able to determine among themselves which set of land use development standards is "more strict" than the other.

³ All further references to the Penal Code are by section number only. The full text of section 86 reads as follows:

MOU and the associated implementing agreement continue in effect despite the fact that the membership of the governing bodies that entered into those agreements may change over time? For the reasons that follow, we find that the proposed MOU does not, in itself, amount to an illegal exchange of votes, and that the proposed MOU and the associated implementing agreement will continue to bind successive legislative bodies, provided those agreements do not purport to cede or impair the police power of any of the local agencies involved.

1. Penal Code Section 86

First, there is no indication or even a suggestion that the proposed MOU will result from a completed or attempted bribe within the meaning of section 86. The term "bribe" when used in the penal statutes "signifies anything of value or advantage, present or prospective, or any promise or undertaking to give any, asked, given, or accepted, with a corrupt intent to influence, unlawfully, the person to whom it is given, in his or her action, vote, or opinion, in any public or official capacity." In describing the intent component of the crime of bribery, an act undertaken "corruptly imports a wrongful design to acquire or cause some pecuniary or other advantage to the person guilty of the act or omission referred to, or to some other person." The proposed MOU, at least on its face, provides no basis to conclude that any individual or group has wrongfully sought such an advantage, much less offered a public official anything of value in an attempt to secure it.

by a restitution fine of not less than two thousand dollars (\$2,000) or not more than ten thousand dollars (\$10,000) or, in cases in which a bribe was actually received, by a restitution fine of at least the actual amount of the bribe received or two thousand dollars (\$2,000), whichever is greater, or any larger amount of not more than double the amount of any bribe received or ten thousand dollars (\$10,000), whichever is greater. [¶] In imposing a fine under this section, the court shall consider the defendant's ability to pay the fine.

Every person who gives or offers a bribe to any member of any common council, board of supervisors, or board of trustees of any county, city

⁴ § 7(6).

⁵ § 7(3).

⁶ County supervisors and city council members who *are* found to have received or offered or agreed to receive a bribe as defined above may be found criminally liable under not only section 86 but section 165 as well. *See People v. Diedrich*, 31 Cal. 3d 263, 272-274 (1982). The latter statute provides:

There is also no indication that any of the votes that may be cast in favor of (or against) entering into the proposed MOU will be illegally traded. In other words, we have no reason to conclude that any county supervisor or city council member called upon to vote on the question of whether to commit his or her local agency to the proposed MOU will condition his or her vote on some other public official's vote "on the same or another question" within the meaning of section 86. Rather, it has been suggested that the proposed MOU will necessarily result in a violation of section 86 on account of the mutual obligations to which the respective governing bodies will commit themselves under that agreement. Thus, we focus our analysis on whether the proposed MOU would, in itself, amount to an illegal exchange of votes under section 86. Put another way, would adoption of the proposed MOU necessarily require the public officials involved to give, or offer or promise to give, their official votes "in consideration for" other official votes on the "same or another question" within the meaning of the statute?

Where, as here, we are called upon to interpret the meaning or coverage of a statute, our primary task is to determine the Legislature's intent. In doing so, we "look first to the words of the statute themselves, giving to the language its usual, ordinary import and according significance, if possible, to every word, phrase and sentence in pursuance of the legislative purpose." Of course, we "interpret a statute in context, examining legislation on

and county, city, or public corporation, with intent to corruptly influence such member in his action on any matter or subject pending before, or which is afterward to be considered by, the body of which he is a member, and every member of any of the bodies mentioned in this section who receives, or offers or agrees to receive any bribe upon any understanding that his official vote, opinion, judgment, or action shall be influenced thereby, or shall be given in any particular manner or upon any particular side of any question or matter, upon which he may be required to act in his official capacity, is punishable by imprisonment in the state prison for two, three or four years, and upon conviction thereof shall, in addition to said punishment, forfeit his office, and forever be disfranchised and disqualified from holding any public office or trust.

See also § 68 (bribes solicited or accepted by state or local executive or ministerial officers).

⁷ Freedom Newspapers, Inc. v. Orange County Employees Retirement System, 6 Cal. 4th 821, 826 (1993).

⁸ Dyna-Med, Inc. v. Fair Employment & Housing Com., 43 Cal. 3d 1379, 1386-1387 (1987).

the same subject, to determine the Legislature's probable intent." When the words of a statute can lead to differing interpretations, it is appropriate to consider the potential consequences that will flow from a particular interpretation. We presume that the Legislature did not intend its enactment to result in absurd consequences, so when confronted with statutory text that is susceptible of two constructions, we will choose the one that renders the statute "reasonable, fair and harmonious with its intended purpose," and not one that would produce absurd results. Finally, when a statute defining a crime or punishment is susceptible of different, but reasonable, interpretations, the interpretation more favorable to the defendant should ordinarily prevail.

Although it has been urged that the text of section 86 might reasonably be read as forbidding *any* mutual commitment to take official action, even one that is arrived at as a result of an intergovernmental agreement such as the proposed MOU, we reject such a broad interpretation as contrary to both the statute's text and the apparent legislative intent. Turning first to the text of section 86, we observe that the statute is quite clearly aimed at regulating – and potentially criminalizing – the conduct of *individual members* of the state Legislature or local legislative bodies. We may reasonably infer from this focus on individual officials that the statute is not so much concerned with the substance of actions taken by the governing bodies as a whole, but with ensuring that the official decision to take a particular action is not tainted by the exertion of illegal influence, whether by bribe or promised vote-swap, on one or more of the individual decision-makers.

In addition, while the statute's bribery prohibition bars an official from asking for, receiving, or agreeing to receive a bribe that he or she understands is meant to influence his or her "official vote, opinion, judgment, or action," the statute's vote-trading prohibition is not so broadly worded; it is more narrowly focused on an official who gives, or offers or promises to give, any "official vote" in exchange or consideration for that of another official "upon the same or another question." In other words, section 86's ban on vote-trading limits itself to the actual or attempted trading of *votes* and, unlike the statute's prohibition on bribery, makes no reference to the potential effect that the improper conduct may have on official "opinion, judgment, or action" that may occur apart from an actual vote. In the

⁹ California Teachers Association v. Governing Bd. of Rialto Unified School Dist., 14 Cal. 4th 627, 642 (1997).

¹⁰ *Dyna-Med. Inc.*, 43 Cal.3d at 1387.

¹¹ Harris v. Capital Growth Investors XIV, 52 Cal. 3d 1142, 1165-1167 (1991).

¹² See People v. Canty, 32 Cal. 4th 1266, 1277 (2004).

present circumstances, we believe that the relevant "official vote" is the one that would lead to the adoption of the proposed MOU in the first instance, and that the statute's vote-swapping prohibition would have no application to any subsequent official actions taken under that agreement after the decision to enter into it has been voted upon.

And as to that official vote — on whether the cities should agree to implement the county-favored conservation plan in exchange for the county's agreement to implement the development standards that the cities favor in the relevant city spheres, and vice-versa — the mere fact that the item voted upon involves a proposed trade-off between jurisdictions does not dictate or even imply that any trade-off will occur between officials voting on that item. As stated above, we have no basis to conclude (in the absence of any indication to the contrary) that any of the public officials involved will condition his or her vote on whether to adopt the proposed MOU on any other official's vote on this or another question. Thus, we presume that the members of each jurisdiction's legislative body will make an independent judgment as to whether the compromises embodied in the proposed MOU are beneficial to his or her local agency and constituents.

We believe that an illegal vote swap under section 86 would look quite different. As we have previously noted, the criminal offense of bribery connotes a *corrupt* attempt to influence official action for one's own benefit or advantage.¹³ It is well established that "[t]he various bribery statutes are to be read in conjunction with this requirement'¹⁴ and that a specific intent to commit the crime of bribery is an essential element of the charge.¹⁵ With this understanding, we believe that any fair reading of section 86 — which equates the conduct of vote-swapping to that of receiving or agreeing to receive a bribe and exposes those who commit either act to a term of incarceration in the state prison and, under section 88, a lifetime ban on holding any political office in the state¹⁶ — must presume that the

Every Member of the Legislature, and every member of a legislative body of a city, county, city and county, school district, or other special district convicted of any crime defined in this title, in addition to the punishment prescribed, forfeits his or her office and is forever disqualified from holding any office in this state or a political subdivision thereof.

¹³ § 7(3), (6).

¹⁴ People v. Gliksman, 78 Cal. App. 3d 343, 351 (1978).

¹⁵ People v. Meacham, 256 Cal. App. 2d 735, 744 (1967).

¹⁶ Section 88 specifies as follows:

commission of either offense requires a specific and corrupt intent to influence.¹⁷

Thus, for example, if (contrary to the assumptions we are making in this opinion) one or more of the involved city council members or county supervisors were to condition his or her vote on whether to enter the particular jurisdiction into the proposed MOU upon the receipt of some monetary or other advantage, he or she would be guilty of receiving or offering to receive a bribe. Similarly, if such an official were to condition this vote on some other official voting one way or another on the "same or another question," this would evince an intent to gain an advantage, arrived at via the exertion of influence upon the vote of another official, that would corrupt the transparency and legitimacy of both votes. In either hypothetical, the official(s) in question would exhibit a corrupt intent to influence the vote of another (and/or be influenced in casting his or her vote) based upon the prospect of personal gain or advantage, rather than upon an objective and unbiased evaluation of the matter being voted upon.

We discern no such corrupt intent from the mere existence of the mutual obligations set forth in the proposed MOU or the fact that the officials involved are called upon to determine whether entering into such an agreement is in the best interest of their jurisdictions and constituencies. To conclude otherwise would, in effect, criminalize the conduct of entering into intergovernmental contracts which, by their very nature, mutually commit participating jurisdictions to any number of obligations, and thereby subject the public officials who vote to enter into such agreements to the severe criminal and civil sanctions reserved for bribery and like offenses. We decline to attribute such sweeping coverage to section 86. Absurd results would follow. Public officials whose only goal was to negotiate an agreement in the interest of their jurisdictions would risk incarceration in the state prison and a lifetime ban from office. In our view, the Legislature could not have intended such a result. If it had, we posit, it would have expressed such an intent in much clearer language than that found in section 86. We therefore conclude that, while section 86 would prohibit any illegal exchange of votes between public officials with regard to the adoption of the proposed MOU, the agreement between jurisdictions embodied in the proposed MOU does not, in itself, amount to an illegal exchange of votes within the meaning of that statute.

2. Continuing Effect of Proposed Agreements

With reference to the fact that the membership of the board of supervisors and city

¹⁷ See Oppenheimer v. Clifton's Brookdale, 98 Cal. App. 2d 403, 404 (1950) [criminally punishable offenses include "[b]ribery or attempted bribery or any attempt corruptly to influence official action"].

councils will inevitably change over time, it has been suggested that the MOU and its associated implementing agreement would not continue in effect as to the participating jurisdictions as the compositions of their legislative bodies change. We disagree. Both a county board of supervisors and a city council are continuing bodies whose authority and obligations do not change simply because their memberships change over time.¹⁸ Furthermore, a contract that "appears to have been fair, just, and reasonable at the time of its execution, and prompted by the necessities of the situation or in its nature advantageous to the municipality at the time it was entered into, is neither void nor voidable merely because some of its executory features may extend beyond the terms of office of the members" of the legislative body that entered into the contract.¹⁹

That said, however, it is established that a local legislative body's constitutionally delegated governmental power,²⁰ also called its "police power,"²¹ includes the authority to regulate land use within its own jurisdiction, and that such a body may not contract away its own police power or that of any "successor legislative bodies."²² A contract that purports to do so is invalid and unenforceable as contrary to public policy.²³ Thus, for example, one jurisdiction may not lawfully agree to give another jurisdiction "veto power" over a present

¹⁸ Denio v. City of Huntington Beach, 22 Cal. 2d 580, 590 (1943), overruled on other grounds, Fracasse v. Brent, 6 Cal. 3d 784, 788-789, 792 (1972); see also Cope v. County of Sutter, 206 Cal. 445, 454 (1929); King City Union High School Dist. v. Waibel, 2 Cal. App. 2d 65, 68 (1934).

¹⁹ Santa Margarita Area Residents Together v. San Luis Obispo Co., 84 Cal. App. 4th 221, 232 (2000) (quoting *Denio*, 22 Cal. 2d at 590).

 $^{^{20}}$ Cal. Const. art. XI, \S 7.

²¹ Candid Enterprises, Inc. v. Grossmont Union High School Dist., 39 Cal. 3d 878, 885 (1985); Birkenfeld v. City of Berkeley, 17 Cal. 3d 129, 140 (1976).

²² Alameda County Land Use Assn., 38 Cal. App. 4th at 1725; see also Avco Community Developers, Inc. v. South Coast Regional Commn., 17 Cal. 3d 785, 800 (1976); Mott v. Cline, 200 Cal. 434, 446 (1927); 108 Holdings, Ltd. v. City of Rohnert Park, 136 Cal. App. 4th 186, 194-195 (2006); Santa Margarita Area Residents Together, 84 Cal. App. 4th at 232-233.

²³ Avco Community Developers, Inc., 17 Cal. 3d at 800; Delucchi v. County of Santa Cruz, 179 Cal. App. 3d 814, 823 (1986).

or future decision to amend its general plan.²⁴ Nor may a local government effect a promise not to enforce any zoning laws it might enact in the future against a particular development,²⁵ or not to enforce or enact rent control laws that would be enforceable against certain property owners.²⁶

Here, however, the MOU would not call on the participating agencies to cede their authority to regulate land use within their jurisdictions, nor would participating agencies give veto power over such essential functions to another agency. Further, the MOU would not purport to bind all signatories in perpetuity. It is presumed that parties entering into contracts of this sort do so in contemplation of a jurisdiction's continuing right to exercise its police power in the future, even if that means the jurisdiction may effect a change in policy that leads it to terminate or withdraw from the contractual arrangement.²⁷ A contract must be interpreted, if possible, so as to make it "lawful, operative, definite, reasonable, and capable of being carried into effect," so we will not read into the proposed MOU a constitutional infirmity that does not plainly appear. ²⁹

Finally, the implementing agreement addressing the conservation plan that the cities would agree to adopt, as currently drafted, expressly provides that any participating jurisdiction may withdraw from the conservation plan and its associated permitting and fee-collection scheme by giving sufficient notice of its intent to do so.³⁰ Thus, given our

²⁴ Alameda County Land Use Assn., 38 Cal. App. 4th at 1724-1725.

²⁵ Avco Community Developers, Inc., 17 Cal. 3d at 799-800; see also Santa Margarita Area Residents Together, 84 Cal. App. 4th at 232-233 (local jurisdiction may agree to temporarily "freeze" its zoning requirements during the limited period of time during which a development project is undergoing a required review and permitting process).

²⁶ See County Mobilehome Positive Action Committee, Inc. v. County of San Diego, 62 Cal. App. 4th 727, 735-738 (1998).

²⁷ Delucchi, 179 Cal. App. 3d at 823; Carty v. City of Ojai, 77 Cal. App. 3d 329, 342 (1978).

²⁸ Civ. Code § 1643.

²⁹ See Delucchi, 179 Cal. App. 3d at 823.

³⁰ The implementing agreement would also provide that a withdrawing party remains responsible for completing any "existing and outstanding minimization and mitigation measures" required under the implementing agreement, the conservation plan, and/or its

understanding of the circumstances, we do not discern any unconstitutional cession of police power.

Therefore, in response to the second question, we conclude that the proposed MOU and implementing agreement would continue in effect even as the memberships of the legislative bodies of the county and signatory cities change over time, provided that those agreements do not purport to surrender the "police power" of any of the participating local jurisdictions.

associated permitting scheme, for permits issued prior to the party's withdrawal. We do not view this provision as an infringement on any participating jurisdiction's *future* exercise of its police power because (1) it does not purport to apply to any exercise of police power that occurs after withdrawal and (2) as stated in the provision itself, federal law dictates the completion of any existing and outstanding minimization and mitigation measures that were required under the terms of a permitting scheme, habitat conservation plan, or implementing agreement of this nature. *See* 50 C.F.R. §§ 17.22(b)(7), 17.32(b)(7).

FINAL GREATER GREENFIELD AREA MEMORANDUM OF AGREEMENT

Adopted by Greenfield City Council on May 21, 2013
Adopted by Monterey County Board of Supervisors on June 11, 2013
Adopted by Local Agency Formation Commission of Monterey County on June 24, 2013

Preface

The negotiated terms of the City of Greenfield / County of Monterey / Local Agency Formation Commission of Monterey County Memorandum of Agreement ("MOA") shall be adopted only after public meetings of the Local Agency Formation Commission of Monterey County, the Monterey County Board of Supervisors, and the Greenfield City Council. In the event of a successful legal challenge to any provision of this MOA by a third party, the parties to this agreement agree to meet and confer in an effort to agree upon a successor provision.

This Memorandum of Agreement, by and between the Local Agency Formation Commission of Monterey County ("LAFCO"), the County of Monterey ("County"), and the City of Greenfield ("City"), is to set forth certain agreements between the parties to express their intent to jointly pursue action to assure orderly and appropriate land use development in the area designated herein as the "Greater Greenfield Area." Consisting of a framework of principles of agreement, this MOA serves as a commitment by the City, County, and LAFCO to develop mutually agreeable solutions on issues relevant to changes in the City's boundaries. This MOA also serves to satisfy the requirements imposed on the City by section 11.a of LAFCO's Resolution Making Determinations and Partially Approving a Comprehensive Amendment to Update the Sphere of Influence of the City of Greenfield, approved on March 26, 2007, which requires the City and LAFCO to enter into an agreement prior to any annexation to the City dealing with 10 separate, listed subjects. Specific objectives to be achieved through the implementation of the land use and associated policies included in this MOA are the preservation of certain agricultural land, the provision of future growth areas, and the provision of adequate financing for the services and facilities of benefit to the residents of the "Greater Greenfield Area." The MOA will serve as a baseline by which the City, County, and LAFCO can evaluate future annexation proposals for properties included in the March 2007 Sphere of Influence amendment or in future amendments to the Greenfield Sphere of Influence. It is not the intention of this MOA to retroactively impose the terms of this Agreement on properties included in Greenfield's Sphere of Influence as it existed prior to March 2007 ("the Pre-existing Sphere") and therefore annexations of the very limited number of properties remaining in the Pre-existing Sphere shall not be subject to this agreement.

It is recognized that, with respect to some of the provisions set forth herein, numerous actions must be taken pursuant to State and local laws and regulations before such policies can be implemented. Such actions include, in some instances, the need to comply with the California Environmental Quality Act (CEQA), the need to hold public hearings and/or otherwise seek public input before reaching binding decisions, and the need to obtain approvals from LAFCO. For all such provisions, this MOA shall be understood to constitute tentative policy commitments

that can only become fully binding after all such legal prerequisites have been satisfied. Even so, all parties agree to make a good faith effort to follow and implement the provisions of this MOA subject to the foregoing.

Now, therefore, the parties mutually agree to the following:

Long Term Direction of City Growth

- 1. As a mechanism for protecting the long-term viability of the prime agricultural land that surrounds the City while allowing the City to plan for future growth and economic development, City, LAFCO and County agree that the future growth directions of the City beyond the Sphere of Influence adopted by LAFCO on March 26, 2007 (see Exhibit A) until 2050 shall not include the following areas (Exhibit B):
 - The area west of Highway 101 and south of Espinosa Road (Exhibit A).
 - The area east of Highway 101 and south of Elm Avenue (excluding the area west of the approximate extension of Third Street). In furtherance of this requirement, the City agrees to remove the "Future Planning Area" on the City's General Plan Land Use Map (Exhibit C) from the area that is south of Elm Avenue and east of the approximate extension of 3rd Street.
 - The area west of Highway 101 and north of Cypress Avenue.
 - The area east of Highway 101 and north of approximate easterly extension of Thorne Road.
 - The area west of 12th Street and between Cypress Avenue and Walnut Avenue.

The City and County agree that all local taxes collected from City annexations that are not consistent with this MOA shall not accrue to the benefit of the City of Greenfield.

- 2. Excepting those lands designated in the City's General Plan as Artisan Agricultural Visitor Serving (AAVS), the County supports inclusion of the "Future Study Area," as adopted by LAFCO on March 26, 2007, and as shown on Exhibit A, in the Sphere of Influence and its subsequent annexation(s) per LAFCO policies.
- 3. County supports the annexation of all lands within the City's Sphere of Influence, as adopted by LAFCO on March 26, 2007 ("SOI"), as shown on Exhibit A, per LAFCO policies.
- 4. With regard to those lands designated in the City's General Plan as AAVS, the County supports the annexation of the area designated the "Initial AAVS Area" on Exhibit A per LAFCO policies, and will consider supporting the inclusion of the remaining AAVS designated lands in the City's Sphere of Influence (and annexation) under either of the following circumstances:
 - a. The City demonstrates the economic viability of the AAVS designation and its success at preserving agricultural uses in the Initial AAVS Area; or

- b. The City amends its General Plan to designate the lands for compact and efficient urban development other than AAVS that minimizes the conversion of agricultural lands.
- 5. City and County agree that development requiring discretionary permits on unincorporated lands within the SOI shall occur only after the annexation of such lands to the City and that the City shall consult with the County in the planning process. City and County also agree that development requiring discretionary permits within the area designated as the "Referral Area," as depicted on Exhibit D, shall only occur after consultation with the City in the planning process and the County therefore agrees that prior to approving any development beyond typical agricultural uses in the Referral Area it will consider the concerns expressed by the City. County acknowledges the special concern of the City relative to the development in the unincorporated areas (a) to the west of Highway 101 and south of Espinosa Road to approximately Underwood Road and (b) to the north of Thorne Road (and west of Highway 101) to the bluff top.
- 6. City and County agree that the County will not process any development proposals in areas contiguous (immediately adjacent) to the then-existing City boundary that would require either a general plan amendment or a rezoning without first referring the proposal to the City for its consideration and possible annexation to the City. Further, City and County agree that all general plan amendments, or rezoning within the City General Plan Area, shall be referred to the County for review.
- 7. City and County agree to work cooperatively and expeditiously in any annexation or sphere of influence proceedings that are consistent with this MOA.
- 8. City and County agree to work together in good faith to facilitate the development of the Yanks project or an alternative project that would allow the County to fulfill the job creation requirements of the EDA Grant associated with the Yanks Project. In the event that the Yanks Project does not proceed to completion, the City agrees to support and provide assistance to the County in its efforts to fulfill the job creation requirements of the EDA Grant associated with the Yanks Project. Such support and assistance may include consideration of the annexation of the Yanks property to the City of Greenfield to facilitate the development of the property.

Agricultural Land Mitigation

In respect to Agricultural Land Mitigation, the City agrees to consider the adoption of an agricultural land mitigation program, following a public process, if the County adopts such a program in the future. Upon the County's adoption of such a program, the City will then consult with the County on the appropriateness of applying a similar program to the City. The City shall be required to adopt an agricultural land mitigation program only if the Cities of Gonzales, King City, Salinas and Soledad also adopt such a program. Until such time as the program has been established, the City will mitigate the loss of agricultural land (defined as land used for agricultural purposes within the last five years preceding annexation and considered Important Farmland per the California Department of Conservation Farmland Mapping and Monitoring Program) on an individual basis to the extent feasible, as determined through the California Environmental Quality Act process. Appropriate mitigation measures include measures that secure the voluntary dedication of easements, payment of a mitigation fee to be used to purchase easements through a mitigation bank, or other equally effective mechanisms that mitigate for the loss of Important Farmland, as described in this paragraph. In the event a mitigation fee is to be charged, such a fee shall be sufficient to acquire a conservation easement(s) on agricultural land of equal or greater agricultural value at a 1:1 ratio. Alternatively, the developer shall obtain a permanent conservation easement on a 1:1 basis per acre converted. The fee or easement shall be provided to a non-profit organization reasonably acceptable to the County. Any fee collected shall be used for the purchase of permanent conservation easements.

City and County agree any funds or conservation easements derived from farmland conversion should be used for mitigation in the "Greater Greenfield Area" (as identified in Exhibit D), rather than in other areas of the County. The acreage in a project or annexation that is dedicated to the City as open space or parkland shall not be subject to this provision.

Permanent conservation easements have been voluntarily offered as part of the approval of the Franscioni annexation (APN 221-011-017) east of Highway 101 between Espinosa Road and Elm Avenue, upon cancellation to be conducted by the City of Greenfield, through the Williamson Act Exchange Program. The easements include a 50 acre easement across the entire eastern boundary of the property (adjacent to the approximate extension of Third Street) and off-site easements currently proposed for APN: 221-011-040 and APN: 137-151-009 or other parcels as determined through a public process and acceptable to the Monterey County Board of Supervisors. The parties agree this offer would provide satisfactory mitigation for the conversion of this agricultural land.

Agricultural Buffers

10. To reduce potential incompatibility between agricultural and urban land uses, the City, County and LAFCO agree that agricultural buffers will be provided where development of land within the City limits results in residential, public uses, or areas of active public congregation lying within 200 feet of land designated for agricultural use and within the unincorporated area, as explained below. "Areas of active public congregation" shall not include industrial uses, which are deemed compatible with agricultural uses. Agricultural buffers shall be provided in accordance with a countywide program adopted by the County and the Cities of the Salinas Valley. Until that program is adopted, buffers shall be provided as described in Exhibit E.

Efficient Urban Development Patterns

11. LAFCO has adopted a policy that requires it to consider whether the City has "included certain goals, policies, and objectives into its General Plan that encourage mixed uses, mixed densities, and development patterns that will result in increased efficiency of land use, and that encourage and provide well-planned, well-ordered and efficient urban development patterns." City and LAFCO agree that the City's General Plan includes the goals, policies, and objectives that LAFCO is required to consider. In addition to the efficient densities set forth in general plan land use designations, these goals, policies, and objectives include the following: Policy 2.1.9, Policy 2.1.14, Policy 2.2.3, Policy 2.2.4, Policy 2.3.3, Policy 2.3.7, Policy 2.3.9, Policy 2.3.10, Program 2.8.A, Program 2.8.C, the Downtown Mixed Use Overlay District, Policy 3.7.3, Policy 3.7.8, Program 3.7.B, and Program 3.7.D

Regional Traffic Needs

- 12. City and County shall support regional traffic impact fees and/or taxes to mitigate the impact of new development on the regional transportation system to the extent that the fees and/or taxes reflect the overall financing program adopted by TAMC and are consistent with applicable law.
- 13. City and County agree that County will develop a County-wide Traffic Impact Fee program for the improvement of major County roads in accordance with the County's adopted General Plan. The County fee program will be developed in consultation with TAMC and Monterey County cities. The parties agree in principle that the City will mitigate the impact of City development on County roads, and County will mitigate the impact of County development on City roads.

Truck Routes

14. The City and County agree to mitigate the impact of truck traffic on the City of Greenfield through the development of a truck route system, as shown on Exhibit F. The future implementation of such truck routes is subject to major infrastructure improvements.

Regional Housing Needs

15. City and County agree to support each other's efforts to meet each jurisdiction's Fair Share Housing Allocation as approved by the Association of Monterey Bay Area Governments, and in particular their respective fair shares of affordable housing.

Public Services and Facilities

16. The City's General Plan contains numerous policies to ensure that adequate public services and facilities exist to serve new development and to ensure that new development does not adversely affect the provision of public services and facilities to the existing city. These policies include: Program 2.1.C, Program 2.1.D, Program 2.1.E, Program 2.1.F, Policy 3.2.2, Policy 3.2.3, Policy 3.2.4, Program 3.2.C, Program 3.2.D, Program 3.2.F, and the various Goals, Policies and Programs set forth in the

Growth Management Element (Chapter 4.0). LAFCO acknowledges that the implementation of these policies satisfies its requirements regarding the adequacy of public services and facilities.

The City and the County agree to mitigate storm water impacts from development within their respective jurisdictions. To the extent possible the jurisdictions will require development to utilize best management practices to significantly reduce or eliminate down stream storm water runoff.

City/County Relations

- 17. City and County commit to the establishment of a City/County Land-Use Planning Committee. The Committee shall be made up of members of the planning staff designated by the management of their respective jurisdictions. The Committee shall meet as needed and not less than quarterly to address land use issues of mutual concern to the City and County.
- 18. City and County commit to the establishment of a City/County Management Council. The Council shall be made up of the City Manager and the County Administrative Officer and their respective designees. The Council shall meet no less than annually to address issues of mutual concern to the City and County.

Intergovernmental Cooperation

- 19. City and County agree to invite the cities of Gonzales, Soledad, and King City to participate, individually, in the Land-Use Planning Committee and the Management Council. The Committee and Council shall address land uses issues of mutual concern to the cities and County.
- 20. The City agrees to work with the Greenfield Fire Protection District to identify and address the impact of future annexations on the district.

Exhibits

21. The following exhibits are incorporated into this MOA.

Exhibit A Boundary Diagram

Exhibit B Future Growth Direction Diagram

Exhibit C Greenfield General Plan Land Use Map

Exhibit D Referral Area

Exhibit E Interim Agricultural Buffer Policies

Exhibit F Greenfield Truck Routes

CITY OF GREENFIELD

A California municipal corporation

John Huerta, Jr.,

Mayor

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

A regulatory body of the State of California

Louis R. Calcagno, Chair

COUNTY OF MONTEREY

A political subdivision of the State of California

Fernando Armenta,

Chair of the Board of Supervisors

EXHIBIT "A" Boundary Diagram

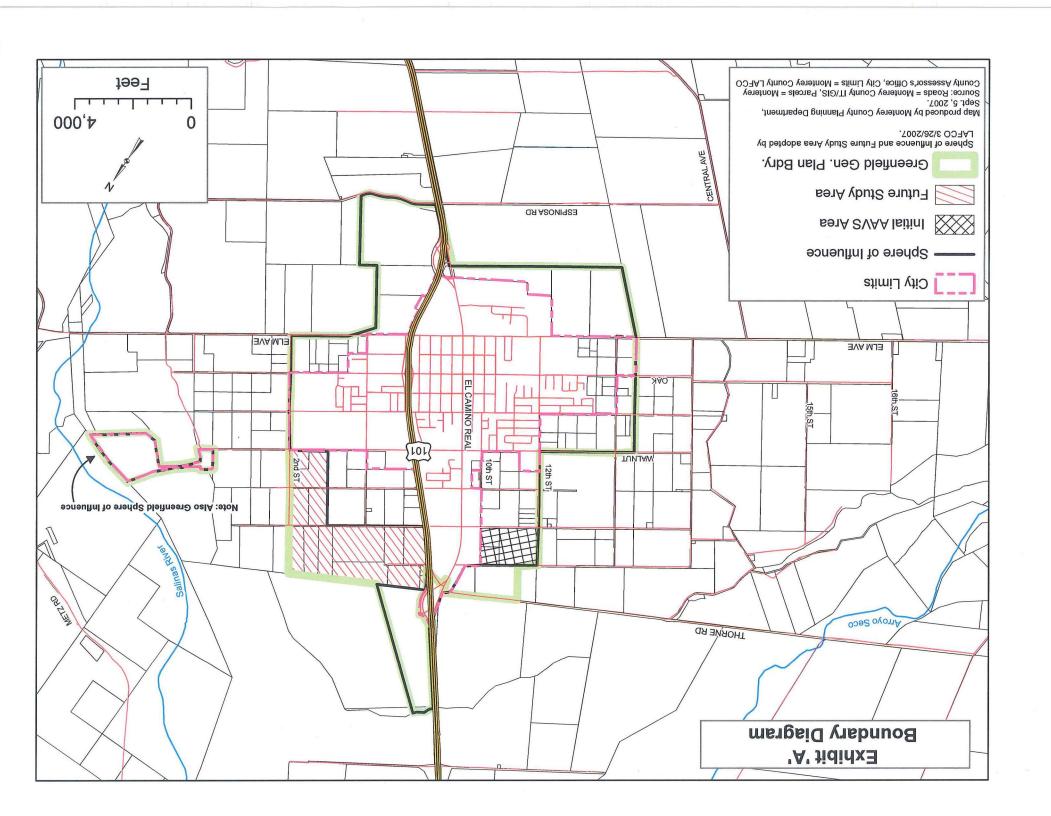


EXHIBIT "B" Greenfield Growth Area

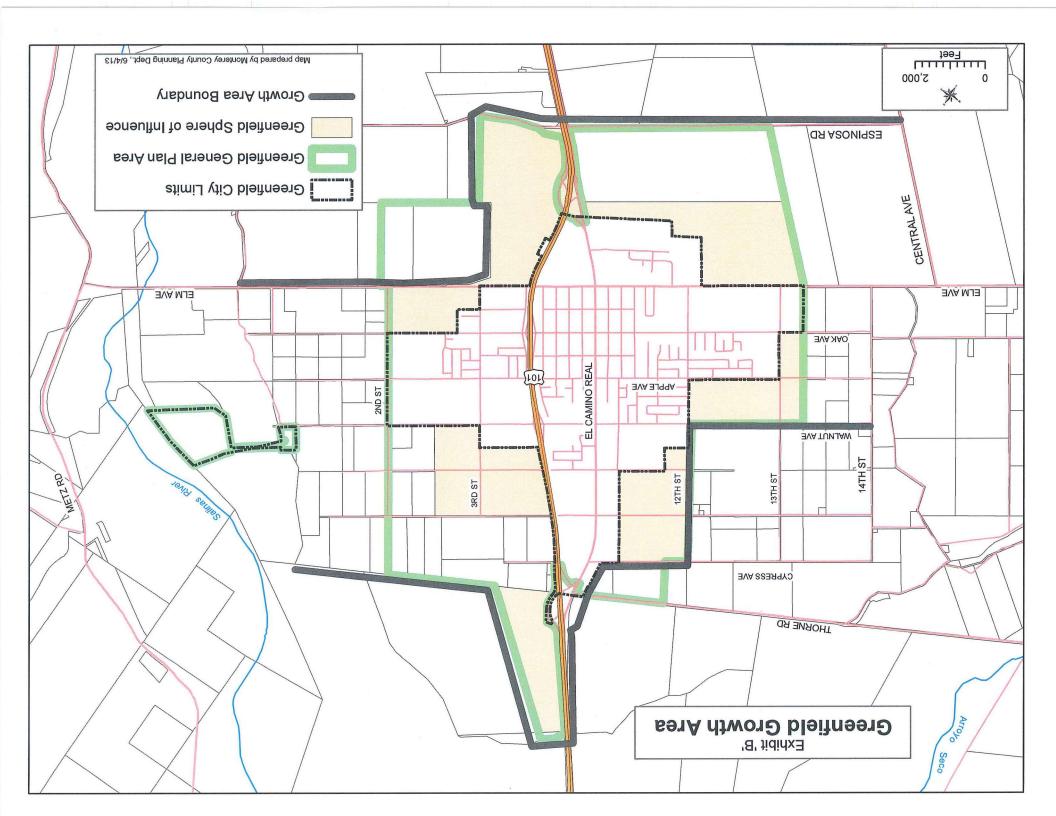


EXHIBIT "C" Greenfield General Plan Land Use Map

EXHIBIL "C"

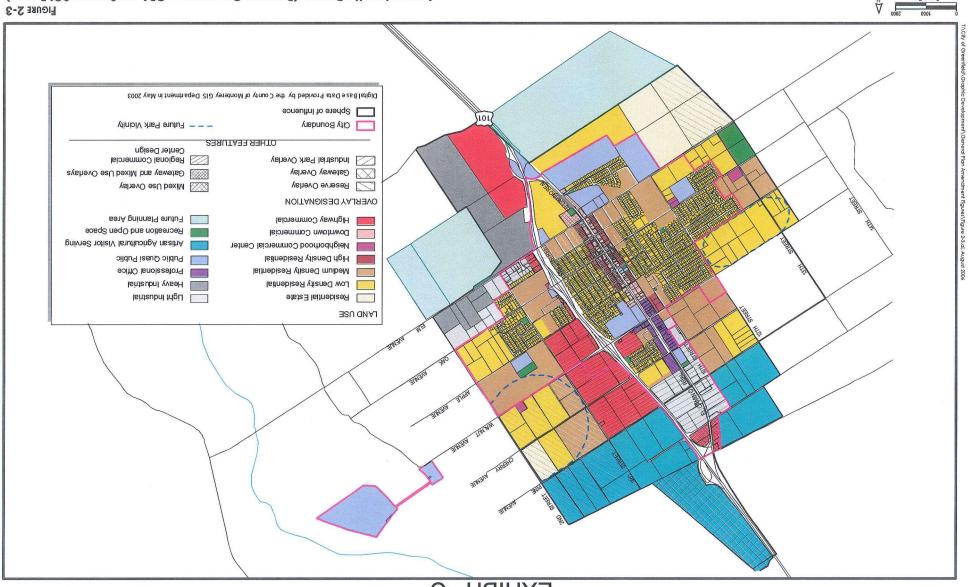




EXHIBIT "D"

Referral Area

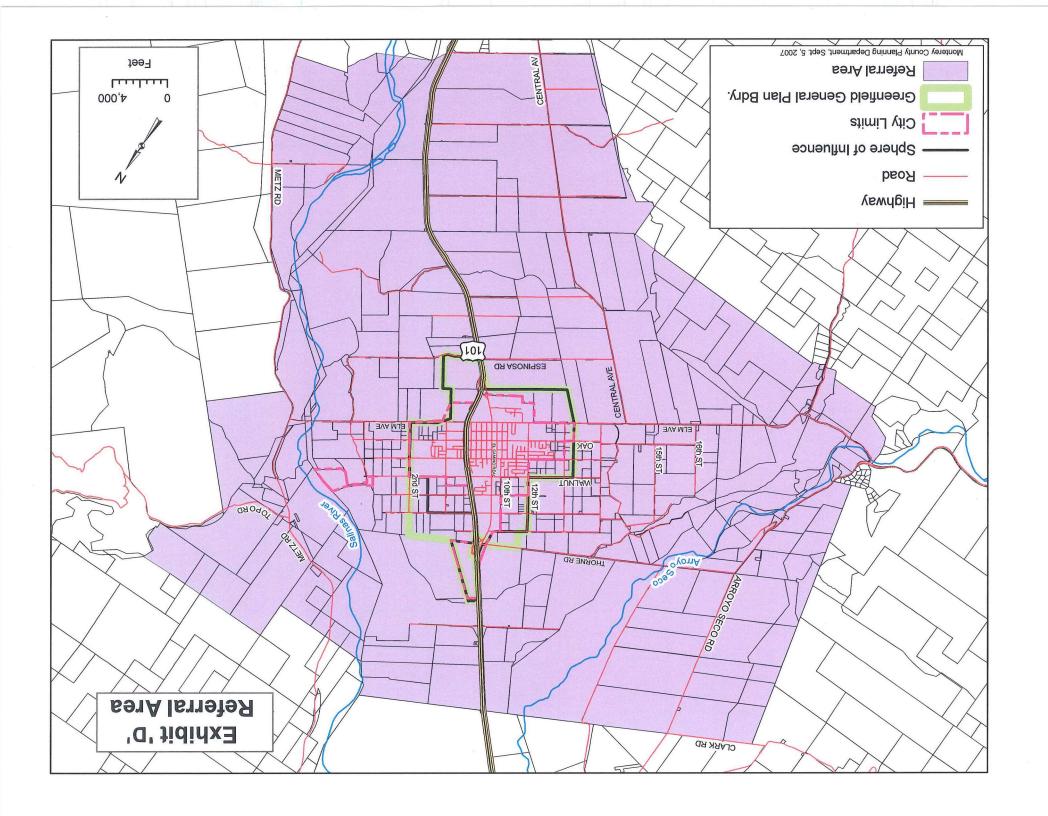


EXHIBIT "E" Interim Agricultural Buffer Policies

Exhibit E

Interim Agricultural Buffer Policies

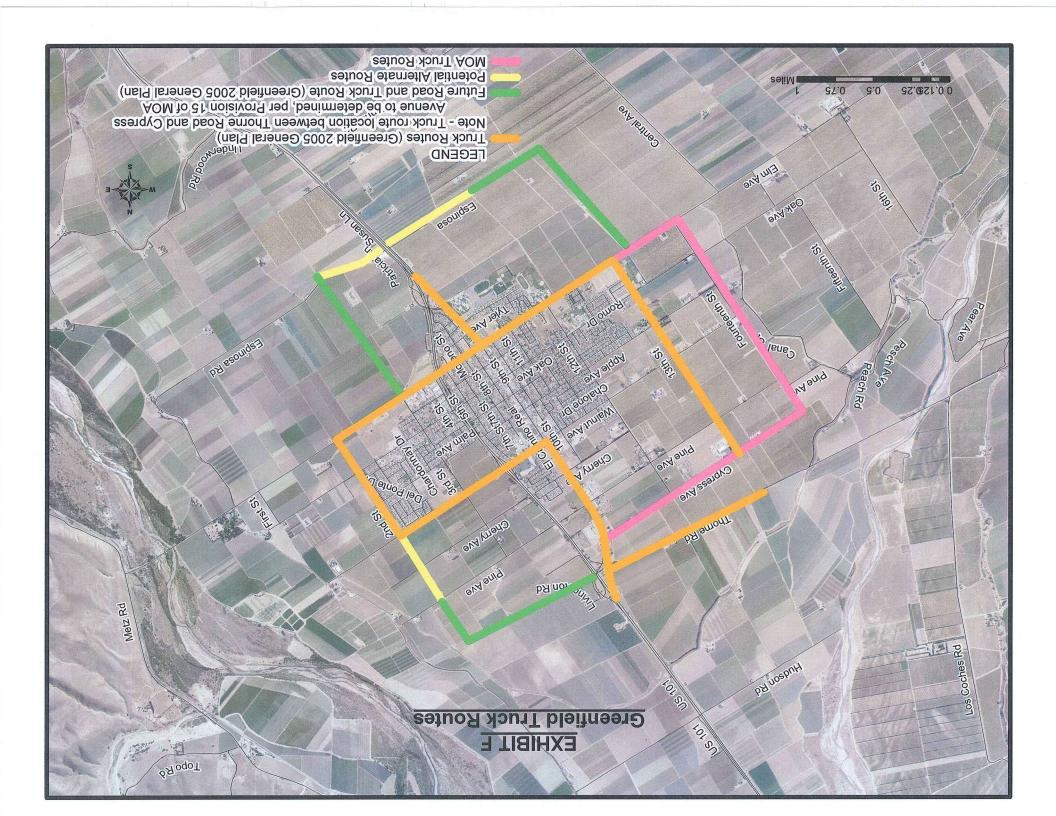
The City's General Plan program 2.6.D shall be used as a model for the residential/agricultural interface resulting from development projects within the City. For the area east of Highway 101, permanent buffers of 200 foot width shall be provided within the city limits and may include road rights-of-way located in the unincorporated area for the above-stated land uses along Elm Avenue, Espinosa Road, and the city's northern edge (excluding the Yanks property frontage). The parties acknowledge that the City's General Plan utilizes the AAVS land use designation to serve as a transitional use between urban areas and intensive agricultural land use, thereby creating an effective agricultural buffer. For the area west of Highway 101, the City will establish permanent 200 foot wide agricultural buffers within the city limits and may include road rights-of-way located in the unincorporated area along Cypress Avenue to the north and Espinosa Road to the south. Permanent buffers shall include a permanent conservation easement. In other areas proposed for urban growth, the urban/agricultural interface will be governed by the City's General Plan Policy 2.1.12, which states that "Where differing land uses abut one another, [the City shall] promote land use compatibility with buffering techniques such as landscaping, setbacks, screening and, where necessary, construction of sound walls." Notwithstanding the use of the term "permanent buffer," in this Exhibit, the parties acknowledge that such buffers can be terminated, subject to written notice to the County and LAFCO, in the event that the land uses on both sides of the buffer are urban uses.

The City and County agree that an interim buffer program for areas in transition from agricultural to urban uses will be developed in consultation with the Monterey County Agricultural Commissioner's office. Interim Buffer width and location shall be determined using the following factors to protect existing agricultural operations:

- a. The type of non-agricultural use proposed, site conditions and anticipated agricultural practices, weather patterns, crop type, machinery, pesticide use, existence of topographical features, trees and shrubs, and possible development of a landscape berm to separate the non-agricultural use from the existing agricultural use.
- b. Drainage, shading, vegetation, and erosion control shall be considered in the establishment of an agricultural buffer area and be made beneficial to the adjacent agricultural use.
- c. Buffers shall be designed to comply with applicable state and local laws regulating school buffers, pesticide setbacks, and other controls.
- d. Agricultural buffers and/or easements shall be provided on the land designated for the proposed new use and not on the adjacent agricultural land unless by mutual agreement between all abutting landowners.
- e. Buffer maintenance will be the responsibility of the underlying fee title owner and shall be enforced by the applicable jurisdiction.

The parties acknowledge that buffers may be eliminated when the agricultural-protection rationale for which the buffer was established no longer exists.

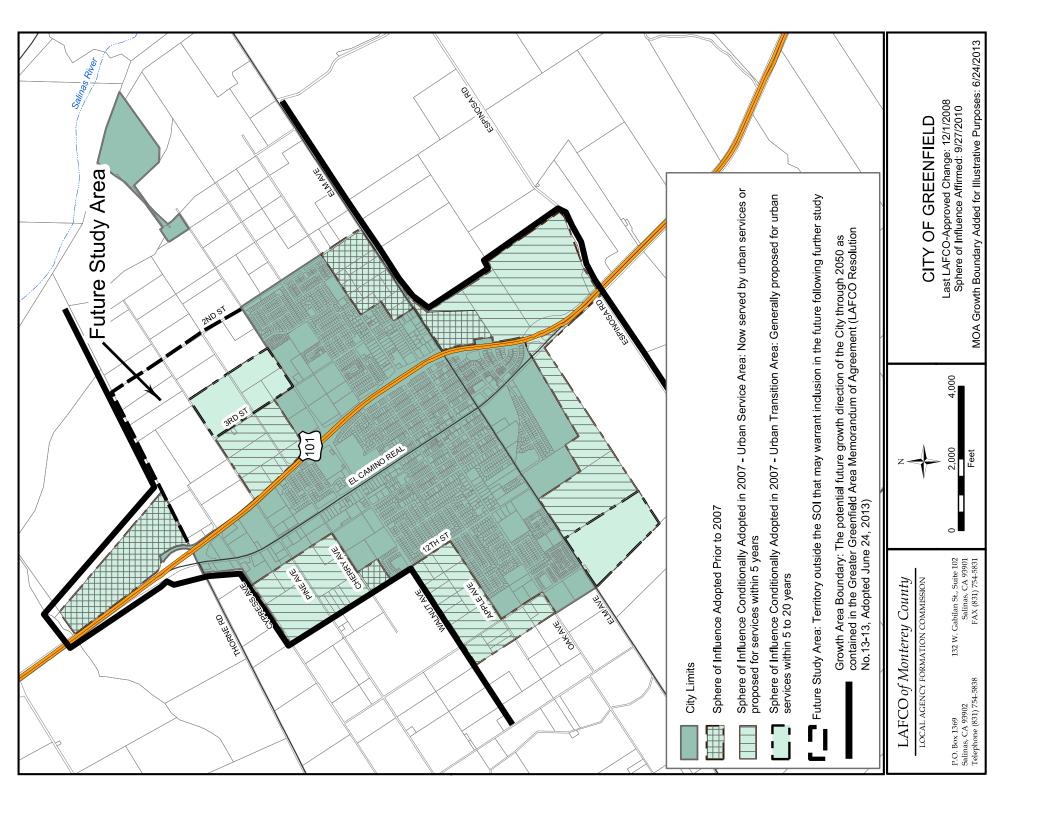
EXHIBIT "F" Greenfield Truck Routes



2007 Sphere of Influence Map
Illustrating the Approved Growth Area
Boundary Shown in Exhibit "B" of the Draft
Memorandum of Agreement

LAFCO Resolution No. 13-13
Adopted June 24, 2013

Greenfield Memorandum of Agreement



LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

Memorandum of Agreement City of Gonzales and County of Monterey Regarding Cooperation on Planning, Growth and Development Issues

Adopted April 2014

Table 'A' provides a summary of the content of the City and County MOA. The Table also presents a summary of the agreement between the parties regarding each of the nine (9) planning, growth and development issues discussed by the parties during the negotiation of the Agreement.

Table 'A'

CITY AND COUNTY MEMORANDUM OF AGREEMENT SUMMARY OF CONTENT

SECTION 1. LOGICAL & ORDERLY DEVELOPMENT

The adoption of the City's General Plan establishes a long range development plan for the City that identifies the "ultimate" City area that will enable the City to plan for efficient provision of public facilities and the delivery of services, provide clarity for property owners about the direction of future development and its extent, and direct development away from the best agricultural land.

The County recognizes that a commitment to City-Centered Growth principles implies long-term reliance on the City to accommodate housing and other urban needs, and relies on the City to be able to designate adequate land for its needs while developing in a logical, compact and orderly manner.

SECTION 2. DIRECTION OF FUTURE DEVELOPMENT

The City's proposed Sphere is embodied by the General Plan "New Urban Growth Boundary", which is the area to be developed in the long term. The City's General Plan includes provisions for compact and sustainable growth patterns, establishing permanent urban edges, demonstrates a commitment for agricultural buffers, and mitigation of converted agricultural land.

The County will work with the City to manage growth, consult with the City on development projects in the nearby unincorporated area, and preserve agricultural land to maintain physical separation between Gonzales and Soledad (and the prison) to the south and Chualar to the north.

SECTION 3. SPECIFIC PLANNING ACTIONS

The City agrees to amend its General Plan to remove all Commercial, Industrial and Industrial (Urban Reserve) land use designations south of Gloria Road and outside of the proposed Sphere of Influence, as designated on the Effective Date of this Agreement and replace those designations with an Agricultural designation and the designation of Permanent Agricultural Edge.

The City agrees to coordinate with the County and plan the arterial roadways along Associated Lane, Iverson Road and Gloria Road in a manner that supports the free-flow of both automobile and truck traffic, utilizing method(s) determined by a traffic engineer to be practical, including but not limited to: utilizing the existing County road as a frontage road/by-pass road, round-abouts, directional barriers or medians, trap lanes and right-turn-in and right-turn-out intersections.

The Parties agree that the removal of job-generating land uses south of Gloria Road weakens the housing and jobs relationship provided in the City's General Plan, and that the relationship that currently exists in the City's General Plan should be maintained. Therefore, in exchange for the removal of the job-generating land uses south of Gloria Road, the County agrees to allow the City to pursue the designation of Assessor Parcel number (s) 223-021-001, 020-031-003, 020-031-004 as Industrial with the designation of Permanent Agricultural Edge along the outside of the southern and western boundary to prevent future extension of urban land uses.

The City's adopted 2010 General Plan focuses future urban development to the east of Highway 101 and provides for the phasing of development through the use of Specific Plans.

The Specific Plans will promote self-contained neighborhoods that are no smaller than 125 acres and no larger than 400 acres. Accordingly, the timing of annexation applications submitted for consideration by LAFCO will be based upon the approval by the City of a Specific Plan, which includes a phasing plan, a plan for services and public facilities and financing plans that demonstrate compliance with LAFCO Standards.

The City shall refer proposals for the preparation of a Specific Plan within the UGB/SOI to the County Resource Management Agency (RMA) - Planning Department for informal review and comment regarding the potential impacts of the proposed project upon the adjacent unincorporated area and associated County facilities. Environmental documents associated with the Specific Plan process shall be referred to the County RMA - Planning Department for formal review and comment.

SECTION 5. AGRICULTURAL LAND COMPATIBILITY

The City commitments to keep agricultural land, within its growth boundaries, in production as long as possible, focus long term growth to the east, ensure that adjacent land uses are compatible with agricultural land, and work with the County to separate agricultural truck traffic from local traffic.

The County is taking the lead in drafting a County-wide Agricultural Land Mitigation Program that address the loss of agricultural land due to the development and conversion of land to urban uses. The County is also taking the lead in drafting a County-wide Agricultural Buffer Program to ensure compatibility of urban land uses with agricultural land uses in the unincorporated

SECTION 6. AGRICULTURAL LAND CONSERVATION PROGRAM

Both parties intend to preserve agricultural land around the city to ensure viability of the agricultural economy. The parties agree to explore the utilization of permanent agricultural easements as a tool to assist in that goal. mitigate loss of valuable agricultural land and provides guidance on how and when the program will be implemented.

The County agrees to the cessation of the City's Agricultural Land Conservation Program if permanent agricultural easements are established on the City's North, West and South boundaries.

SECTION 7. TRAFFIC MITIGATION FEES

The City agrees to consider adoption of the County's impact fee program, as may be amended from time to time, to fund improvements to County roads listed in the program. Until the Impact Fee is established, the City agrees to ensure that any new development project in the incorporated area, pursuant to the City's General Plan, that causes traffic impacts on local roads in the nearby that causes traffic impacts on local roads in the nearby unincorporated area, will pay its pro rata fair share to the County as mitigation for impacts on County roads.

The County agrees to prepare and consider a Traffic Impact Fee that would include a Greater Gonzales Area Zone within 18 months of the effective date of the adoption of the Sphere of Influence by LAFCO.

The County agrees that for any development within the City's Planning Area Boundary as shown on the City's Land Use Diagram, the County will consult with the City to determine if there are traffic impacts to the City. In the event that there are traffic impacts to the City, the County will require the development to pay its pro rata fair share to the City as mitigation of impacts on City roads.

SECTION 8. TAX SHARING

The City agrees, to the extent allowed by law that all local taxes, for any annexation that is not consistent with the MOA, shall not accrue to the benefit of the City.

The County agrees to discuss with the City the existing Master Tax Sharing Agreement prior to any annexation, except all land within the Sphere of Influence that exists today.

SECTION 9. ENVIRONMENTAL REVIEW, PUBLIC HEARING & DECISION-MAKING

The parties recognize the need for California Environmental Quality Act review, public hearings, and public outreach prior to any binding decisions. It recognizes that the MOA is a document that states tentative policy commitments until all legal steps have been completed.

See description within the City column.

MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF GONZALES AND THE COUNTY OF MONTEREY REGARDING WORKING COOPERATIVELY ON COMMON PLANNING, GROWTH AND DEVELOPMENT ISSUES IN ORDER TO BE AS EFFECTIVE AS POSSIBLE IN THE IMPLEMENTATION OF THEIR RESPECTIVE GENERAL PLANS

This Memorandum of Agreement, hereinafter referred to as ("Agreement"), is entered into on this 7th day of April 2014 (the "Effective Date") by and between the City of Gonzales, a Municipal Corporation hereinafter referred to as ("City"), and County of Monterey, a political subdivision of the State of California, hereinafter referred to as ("County"), and together hereinafter referred to as "the Parties".

RECITALS

WHEREAS, the Parties declare that it is in their mutual interest to work cooperatively on issues of planning, growth, and development in order to provide more certainty regarding the future direction, extent, and conditions of urban development, to reduce unnecessary conflicts and to reduce costs for future development including affordable housing, to provide for the long term protection of valuable agricultural lands, and to be as effective as possible in the implementation of their respective General Plans; and

WHEREAS, as an expression of the intent to work cooperatively on common issues pertaining to planning, growth and development, the Parties have prepared this Memorandum of Agreement ("Agreement"), which serves to fulfill the requirements of California Government Code Section 56425(b), as an Agreement by and between the Parties regarding the expansion of the boundaries of the City's Sphere of Influence, and the establishment of planning principles by both Parties to promote logical and orderly development for purposes of the City's application to the Monterey County Local Agency Formation Commission (LAFCO) to update its Sphere of Influence; and

WHEREAS, the Parties recognize, pursuant to California Government Code Section 56425(c) that this Agreement itself does not commit the Parties to any particular form or pattern of development, but rather, if LAFCO's final determination is consistent with this Agreement, then the Agreement would need to be considered for approval by both the City and County after noticed public hearing. Once the Agreement has been adopted by the Parties and their respective general plans reflect the Agreement, then any development approved by the County within the adopted sphere shall be consistent with the terms of the Agreement; and

WHEREAS, this Agreement is not subject to environmental review under the California Environmental Quality Act (CEQA) because numerous actions must be taken pursuant to State and local laws and regulations before such policies can be implemented. Such actions include, in some instances, the need to complete financial nexus studies, comply with the California Environmental Quality Act (CEQA), the need to hold public hearings and/or otherwise seek public input before reaching binding decisions, and the need to obtain approvals from other agencies such as the Local Agency Formation Commission of Monterey County (LAFCO). For all such provisions, the MOA shall be understood to constitute tentative policy commitments that can only become fully binding after all such legal prerequisites have been satisfied; and

WHEREAS, the Parties recognize and understand that individually each has its own growth plans, priorities and approaches; however, it is of mutual benefit to enter into this Agreement to acknowledge their cooperation in a variety of key policy areas.

NOW THEREFORE BE IT RESOLVED, that the Parties find that establishment of this Agreement is an effective and beneficial means of reaching basic agreement regarding future planning, growth and development issues in and around the City of Gonzales.

BE IT FURTHER RESOLVED that the Parties declare and agree as follows:

Section 1. Logical & Orderly Development.

- 1.1 The City has adopted the 2010 Gonzales General Plan, which establishes a long range development plan for the City that identifies the "ultimate" City area that will enable the City to plan for efficient provision of public facilities and the delivery of services, provide clarity for property owners about the direction of future development and its extent, and direct development away from the best agricultural land.
- 1.2 The County recognizes that the City's long-range plan serves the mutual goal of conserving agricultural lands, by limiting urban development and its impacts on agricultural operations to a defined area. The City General Plan provides certainty for farmers and ranchers outside of the growth area that they can invest in and continue farming on a secure basis, without future pressure to convert their lands for urban development.
- 1.3 The County desires to implement its policies regarding City-Centered Growth (General Plan Policies LU 2.14 through LU 2.19) as discussed in the adopted 2010 County General Plan, and reinforced by City General Plan Policy LU-1.4. The County recognizes that a

commitment to City-Centered Growth principles implies long-term reliance on the City to accommodate housing and other urban needs, and relies on the City to be able to designate adequate land for its needs while developing in a logical, compact and orderly manner.

Section 2. Direction of Future Development.

2.1 The City agrees as follows:

- a) To limit future long-term development within the area shown on Exhibit 'A' and designated as "Urban Growth Boundary / Proposed Sphere of Influence" (the "UGB/SOI"). The purpose of the UGB/SOI is to bound and enclose the land intended for development within the time horizon of the City's General Plan.
- b) To manage development of land within the UGB/SOI utilizing the best available "sustainable" practices. The intent of the City is supported by City's General Plan Policy SUS-1.2 and Implementation Action SUS-1.2.1, which read as follows:

"Policy SUS-1.2 Sustainable Land Use Patterns

Encourage sustainable and efficient land use patterns that promote walkability, reduce vehicular trips, and preserve open space and long-term agricultural lands.

Implementing Action SUS-1.2.1 – Implement Neighborhood Design Guidelines. Utilize the Neighborhood Design Guidelines, Specific Plans, and other General Plan implementation programs as appropriate to establish and maintain sustainable land use patterns."

- c) To encourage proposals for infill development on vacant or underutilized sites within the existing City limits west of Highway 101 whenever possible, to avoid urban sprawl and postpone the conversion of agricultural land to urban uses.
- d) To require Specific Plans to include residential densities that ensure a compact urban form that helps protect agricultural land from premature conversion.
- e) To establish a permanent agricultural edge for the purpose of maintaining a clearly defined north and south boundary between the urbanized incorporated areas of City and the agricultural areas within the unincorporated County as shown on Exhibit 'A' and identified as "Permanent Agricultural Edge". City's General Plan Implementing Action COS-4.2.1 requires new development projects to contribute to the cost of purchasing permanent agricultural easements beyond the permanent urban edges.
- f) To utilize agricultural buffers within the UGB/SOI to address the compatibility between the development of urban land uses and existing or planned agricultural uses. The City's

General Plan defines an agricultural buffer as typically 200 feet in width and includes other vegetation, walls, or other screening deemed necessary to ensure that property owners on both sides of the buffer may enjoy full and unencumbered use of their property for its designated use without experiencing significant deleterious effect from neighboring use.

- g) To actively participate with the County, LAFCO and other cities within the Salinas Valley to develop a Valley-wide Agricultural Land Mitigation Program to address the loss of agricultural land due to development and conversion to urban uses.
- h) To utilize permanent agricultural buffers along the UGB/SOI to ensure compatibility between the development of urban land uses and agricultural uses in the unincorporated area. The City agrees to actively participate with the County, LAFCO and other cities in the Salinas Valley to develop a Valley-wide Agricultural Buffer Program to ensure compatibility of urban land use with agricultural uses in the unincorporated area.

2.2 The County agrees as follows:

- a) Consistent with County General Plan Policy LU 2.14, mutually work with the City to support the City's proposals to manage its growth and gradually develop within UGB/SOI of the City General Plan in accordance with the approval of future Specific Plans that are prepared to implement a logical, orderly development pattern that matches the City's ability to provide urban services.
- b) To consult with the City on development projects that are proposed within the City's Planning Area Boundary as illustrated on the City's Land Use Diagram (Exhibit 'B') as it exists on the Effective Date of this agreement. The intent of the County is supported by the County's General Plan Policy LU 2.19. which County intends to implement by 1) minimizing potentially competing development within the City's Planning Area Boundary, 2) limiting approval of new agricultural-industrial or commercial projects and by directing such development to the City's agricultural business parks and/or light industrial areas, and 3) referring any discretionary development proposals within the City's Planning Area Boundary to the City for comment and, for larger projects, potential annexation.
- c) To promote long-term conservation of commercial agriculture outside of the 2010 Gonzales General Plan UGB/SOI (Exhibit 'A') and "Urban Reserve Overlay" as shown on the City's Land Use Diagram (Exhibit 'B'), for the purposes of regional economic stability and to maintain physical separation from other communities in the area, including Soledad, the state prisons, and Chualar. The intent of the County is expressed in the County's General Plan Policy LU 2.17.

Section 3. Specific Planning Actions.

- 3.1 During the negotiation of this Agreement, the Parties identified and discussed three specific planning actions that the Parties intend to implement if the Sphere of Influence Amendment as proposed by the City is approved by LAFCO and if this Agreement is subsequently adopted following noticed public hearing, subject to all legal prerequisites as set forth in section 9.1 below. Each of those specific planning actions is described below.
- a) Extent of UGB/SOI at Gloria Road. The City agrees to amend its General Plan to remove all Commercial, Industrial and Industrial (Urban Reserve) land use designations south of Gloria Road and outside of the proposed Sphere of Influence, as designated on the Effective Date of this Agreement and as shown in Exhibit A, and replace those designations with an Agricultural designation and the designation of Permanent Agricultural Edge. Areas designated Commercial and Industrial, which are located east of U.S. Highway 101 and south of Gloria Road and within the existing Sphere of Influence, as of the Effective Date of this Agreement, shall remain designated for Commercial and Industrial use.
- b) Maintenance of a Positive Housing and Jobs Relationship. The Parties agree that the removal of job-generating land uses south of Gloria Road weakens the housing and jobs relationship provided in the City's General Plan, and that the relationship that currently exists in the City's General Plan should be maintained. Therefore, in exchange for the removal of the job-generating land uses south of Gloria Road, the County agrees to allow the City to pursue the designation of Assessor Parcel number (s) 223-021-001, 020-031-003, 020-031-004 as Industrial with the designation of Permanent Agricultural Edge along the outside of the southern and western boundary to prevent future extension of urban land uses.

By signing this Agreement, the City expresses its intent to not extend urban land uses to the south and west of the parcels referenced in the paragraph above. However, if the Permanent Agricultural Edge, as described in the paragraph above, should ever be proposed to be eliminated to allow the future extension of urban uses, the City shall discuss the matter with the Board of Supervisors prior to any City action; and the City shall require mitigation for the loss of prime agricultural land with an agricultural conservation easement at a ratio of 3:1, with the conservation easement deeded, at the sole discretion of the City, to a nonprofit public benefit corporation organized under Internal Revenue Code section 501(c)(3), or other appropriate legal entity, operating in Monterey County for the purpose of conserving and protecting land in agricultural production. Furthermore, should the Permanent Agricultural Edge be eliminated, the City agrees that, to the extent allowed by law, all local taxes collected from annexation of the property shall not accrue to the benefit of the City. To the extent allowed by law, local taxes collected from areas annexed by the City shall be distributed in a manner as if the annexed area was not part of the City.

5

c) Access Limitations to Gloria and Iverson Road & Associated Lane. The City agrees to coordinate with the County and plan the arterial roadways along Associated Lane, Iverson Road and Gloria Road in a manner that supports the free-flow of both automobile and truck traffic, utilizing method(s) determined by a traffic engineer to be practical, including but not limited to: utilizing the existing County road as a frontage road/by-pass road, round-abouts, directional barriers or medians, trap lanes and right-turn-in and right-turn-out intersections.

The language of this section is to be interpreted in a manner that most facilitates the movement of agricultural vehicles from agricultural fields to the highway, agricultural plants, or rail yards with little to no interference from City traffic.

Section 4. Development Phasing & Annexations.

4.1 The City's adopted 2010 General Plan focuses future urban development to the east of Highway 101 and provides for the phasing of development through the use of Specific Plans within the area shown on Exhibit 'A', which is designated as UGB/SOI. Goal LU-2 of the City's General Plan reads as follows:

"2. Specific Plans and Development Phasing

Goal LU-2: Orderly growth and development phasing through the use of Specific Plans."

Additionally, City's General Plan Policy LU-2.1 states that a Specific Plan shall be prepared for all development proposals within the Plan's new growth area (i.e., excepting territory currently in the City's existing Sphere of Influence). The Specific Plans will promote self-contained neighborhoods that are no smaller than 125 acres and no larger than 400 acres. Accordingly, the timing of annexation applications submitted for consideration by LAFCO will be based upon the approval by the City of a Specific Plan, which includes a phasing plan, a plan for services and public facilities and financing plans that demonstrate compliance with LAFCO Standards.

4.2 The City adopted procedures in September 2008, which address the form and content of any specific plan that is prepared for a development project within the City. The City's Specific Plan Procedures specifically address development phasing and sequence of improvements, as follows:

"D. PHASING/SEQUENCE OF IMPROVEMENTS

The phasing of private and public development within the Specific Plan area shall be described. The provisions for development phasing should ensure orderly and

well-planned development consistent with the policies of the 2010 Gonzales General Plan.

The phasing program shall include thresholds of residential or commercial development that cannot be exceeded until the construction of appropriate improvements has been initiated or that will be completed by a specific date. The phasing plan shall be consistent with City approved infrastructure studies. The phasing plan should contain a list of public improvements and supporting exhibits which must be built with the development of each phase so that the phased development is self-sustaining and independently viable. It should be noted that certain improvements may be needed beyond the phase boundaries to support the respective phase.

The phasing plan shall address the timing of construction of recreation facilities, public facilities (including infrastructure facilities) and other uses within the plan (including a phasing diagram). The phasing programs shall ensure that adequate supporting public services, retail, parks, schools and other uses are in place to support residential and commercial uses."

4.3 The City shall refer proposals for the preparation of a Specific Plan within the UGB/SOI to the County Resource Management Agency (RMA) - Planning Department for informal review and comment regarding the potential impacts of the proposed project upon the adjacent unincorporated area and associated County facilities. Environmental documents associated with the Specific Plan process shall be referred to the County RMA - Planning Department for formal review and comment.

Section 5. Agricultural Land Compatibility.

- 5.1 The City agrees to maintain agriculture as the core of the local economy by conserving and protecting agricultural lands and operations within its Planning Area Boundary, and where agricultural land is planned for eventual urbanization, to work to keep such land in production up until the time when the land is converted to urban use.
- 5.2 The City agrees to emphasize agricultural land compatibility by implementing the following actions as described in the 2010 City General Plan, including:

"Implementing Action COS-4.1.1 – Grow Eastward. Focus future urban growth to the east of Highway 101 in order to keep the highest quality agricultural lands located west of the highway in production.

Implementing Action COS-4.1.2 – Agriculture as Interim Use. Encourage agriculture as an interim land use on undeveloped properties in the General Plan growth area designated for future urban uses.

Implementing Action COS-4.1.3 — Interim Mitigation. When preparing environmental reports for Specific Plans, require an assessment of potential adverse impacts on adjoining agricultural lands that lie within the growth area shown on the Land Use Diagram and require interim measures to mitigate the impacts that are identified.

Implementing Action COS-4.1.4 – Protect Agricultural Operations. Protect agricultural operations from interference from urban uses by:

- (a) Using buffers or transitional uses (such as parking, roads, etc.) between permanent agricultural areas and residential development areas. The criteria to be used in the establishment of agricultural buffers include: 1) the type of non-agricultural use proposed, site conditions and anticipated agricultural practices; and 2) weather patterns, crop type, machinery and pesticide use, existence of topographical features, trees and shrubs, and possible development of landscape berms to separate the non-agricultural use from the existing agricultural use;
- (b) Requiring that development is phased in a manner which prevents "islands" of urban uses surrounded on all sides by farming. All new development should be either contiguous to the existing city or located within a new neighborhood developed under a Specific Plan, which sets forth orderly development consistent with the approved Neighborhood Design Guidelines and Standards and Community Character policies; and
- (c) For properties on the perimeter of the city limits, require Specific Plan features that minimize potential conflicts with permanent agricultural operations. Less sensitive uses such as agricultural support, agricultural packaging, agricultural warehousing, agricultural processing, parking, roads, storage, and landscaping—to the degree they are consistent with the Land Use Diagram—should be sited adjacent to the agricultural areas. Residential backyards should not directly abut areas planned for long-term agriculture without proper mitigation measures to limit potential nuisances.

Implementing Action COS-4.1.5 – Infill Development. Provide incentives to encourage infill development on vacant or underutilized sites within the existing city limits west of Highway 101 whenever possible, to avoid urban sprawl and postpone the conversion of agricultural land to urban uses.

Implementing Action COS-4.1.6 – Phased Development. Phase development in an orderly, contiguous manner to maintain a compact development pattern and avoid premature farmland conversion or interference with farm operations. New development should be either contiguous to the existing city or located within a new neighborhood developed under a Specific Plan, which sets forth orderly development consistent with the approved Neighborhood Design Guidelines and Standards and Community Character policies."

- 5.3 The City agrees to implement policies that require the City to be consistent with the County of Monterey's "Right-to-Farm" Ordinance and the policies with respect to farming rights and agricultural protection/compatibility found in the County General Plan, and consider revision of the City's Zoning Ordinance to require the recordation of a Right-to-Farm Notice as a condition of discretionary approval for residential development (including lots approved as part of a new residential subdivision) within 200 feet of an established agricultural operation.
- 5.4 The City agrees to develop and implement a plan, in consultation with the County, to separate and re-route truck traffic, primarily associated with agricultural operations, from local traffic routes.

Section 6. Agricultural Land Conservation Program.

6.1 The City agrees to maintain agricultural open space around the City of Gonzales as a means of giving form and definition to the City. The County desires this protection to ensure preservation of the agricultural economy so critical to Monterey County, including its cities. To this end, the City agrees to permit urban development only within the areas designated for urban uses on the City's General Plan Land Use Diagram and as described in this Memorandum of Agreement. Land immediately beyond this boundary should remain in agricultural use utilizing permanent agricultural easements as described below in City's General Plan Implementing Action COS-4.2.1, other mitigation measures that may arise as a result of project-level CEQA review, or any other feasible methods determined by the City to be feasible to preserve agricultural lands and define the limits of urban expansion for the City.

"Implementing Action COS-4.2.1 – Agricultural Easements. Require new development to contribute to the cost of purchase of permanent agricultural easements beyond the permanent urban edges identified in the Land Use Diagram."

- 6.2 Consistent with the City's General Plan Implementing Action COS-4.3.3 (Agricultural Impact Fund), the City agrees to establish an Agricultural Land Conservation Program. The Program includes securing the dedication of agricultural land easements, purchase of banked mitigation credits and/or levying a mitigation fee that could be used to purchase easements on lands outside of the City's General Plan Urban Growth Boundary and Urban Reserve Overlay.
- 6.3 Notwithstanding participation by the City in any other adopted program, by adopting this Agreement, the City agrees to implement an Agricultural Land Conservation Program as follows:

- 6.3.1 To the extent as permitted by law, for the development of land within the City's UGB/SOI as shown on Exhibit 'A', which lands have been annexed to the City and are designated by the California Department of Conservation's Farmland Mapping and Monitoring Program as "Prime" or "of Statewide Importance", but excepting all lands within the area denoted as "Existing Sphere of Influence", the owner/developer/successor-in-interest shall select one or any combination of the following items:
- a) provide the in-kind direct purchase/acquisition of an agricultural mitigation easement at a 1:1 ratio and dedicate the easement to an agricultural land trust or other qualifying entity; and/or
- b) if available, purchase agricultural banked mitigation credits at a 1:1 ratio from a qualifying entity; and/or
- c) pay an in-lieu mitigation fee, which amount shall be determined by the City prior to project approval. The amount of the fee should reasonably be expected to lead to the preservation of agricultural land. Said fee shall be kept by the City in a fund established specifically for agricultural land mitigation purposes; and/or
- d) implement other innovative approaches as approved by the City that results in the preservation of agricultural land within areas targeted by the City.
- 6.3.2 The method for mitigating the loss of agricultural land shall be implemented at the discretion of City to coincide with the time of the recordation of a final subdivision map, except where a final map is clearly labeled as a "Large-lot Subdivision Map" and the map and associated agreement clearly specify that the creation of parcels (a) is for purposes of resale and not intended for development, or (b) does not include any entitlements which would permit development of the subject parcels without recordation of subsequent subdivisions maps or prior to the issuance of a grading permit. The City may consider receiving mitigation fees for individual projects in annual installment payments plus interest on the outstanding balance as long as the full amount is secured by a bond held by the City or other enforceable method of security, in the City's sole discretion.
- 6.3.3 The filing of a parcel map that does not result in the conversion of land zoned for agricultural purposes does not require dedication or payment of in-lieu fees.
- 6.3.4 It is the intent of the City to oversee, collect and manage any and all fees collected through the implementation of its Agricultural Land Conservation Program to ensure the use of the fees and the selected form of mitigation represents the best interest of the City, and that the

form of mitigation is the most effective in addressing the agricultural conservation goals and objectives of the City as expressed in the City General Plan. Such intent is subject to the requirements of the California Environmental Quality Act to provide actual mitigation and to report on utilized mitigation funds.

- 6.3.5 In establishing its Agricultural Land Conservation Program, it is the further intent of the City to establish a Committee, which is appointed by the City Council, to plan the use of mitigation fees and to make recommendations to the City Council on the use of those funds. The Committee's composition shall be determined by the City Council, and could be structured as follows: two members of the City Council, the City's Community Development Director, a representative for Agriculture, a representative of an Agriculture Conservation/Preservation organization, a representative of the Building Industry/Development Community, a representative of the County of Monterey Agricultural Commissioner's Office, and the 3rd District County Supervisor.
- 6.3.6 Any agricultural mitigation fees assessed and collected by the City pursuant to its Agricultural Land Conservation Program may, in the City's sole discretion and reasonably acceptable to the County, be applied to activities designed to preserve and promote agriculture and the agricultural industry in the Greater Gonzales Area, including but not limited to:
- a) Scientific research for addressing agriculture's needs (e.g. food safety). Entities applying for research funding could include universities, colleges, research think tanks, non-profits, industry/business, government and schools;
 - b) Increased agricultural educational programs in the Gonzales Unified School District;
- c) Purchase of permanent agricultural buffers to alleviate potential physical conflicts between existing or planned agricultural uses (either within or outside the UGB/SOI and urban land uses planned within the UGB/SOI;
 - d) Economic programs developed to expand markets for local agricultural products;
 - e) Programs promoting careers in agriculture;
- f) Contributions to non-profit associations dedicated to agricultural education, promotion or preservation.
 - g) Funds for the acquisition of agricultural easements outside the City UGB/SOI.
- 6.3.7 Notwithstanding all of the foregoing measures described in Section 6.3.6 above, City and County agree that the first priority use of agricultural mitigation fees is for the acquisition of permanent conservation easements adjacent to the proposed Sphere of Influence Boundary to the north, south and west, as shown on Exhibit 'A,' through the owner/developer/successor-in-interest securing an easement, as described in Section 6.3.1(a) of

this Agreement, or through the use of mitigation fee funds collected pursuant to Section 6.3.1(c) of this Agreement.

6.4 The County will consider that the City's participation in an Agricultural Land Mitigation Program, for the purpose of this agreement, has been satisfied if the City can prove to County that land immediately adjacent to the City's northern, western and southern boundaries have been permanently secured by the recordation of an agricultural preservation easement or through the sale or dedication of land to a private land trust.

Section 7. Traffic Mitigation Fees.

- Zone that includes the Greater Gonzales Area within 18 months of the effective date of the adoption of the Sphere of Influence by LAFCO. Proper notice shall be provided to the City and all affected property owners of the preparation of such a fee study, when and where discussions regarding the fee will occur and when the fee will be adopted. The City agrees to consider adoption of the County's impact fee program, as may be amended from time to time, to fund improvements to County roads listed in the program. Until the Impact Fee is established, the City agrees to ensure that any new development project in the incorporated area, pursuant to the City's General Plan, that causes traffic impacts on local roads in the nearby unincorporated area, will pay its pro rata fair share to the County as mitigation for impacts on County roads.
- 7.2 The County agrees that for any development within the City's Planning Area Boundary as shown on the City's Land Use Diagram, the County will consult with the City to determine if there are traffic impacts to the City. In the event that there are traffic impacts to the City, the County will require the development to pay its pro rata fair share to the City as mitigation of impacts on City roads. The pro rata fair share shall be determined through a formula calculation prepared along with a project's traffic impact analysis.

Section 8. Tax Sharing.

- 8.1 By signing this Agreement, the City and County agree to discuss the provisions of the Master Tax Sharing Agreement prior to the annexation of any territory located in the City's UGB/SOI, excepting all lands within the area denoted as "Existing Sphere of Influence."
- 8.2 Unless mutually agreed to otherwise by both parties and to the extent allowed by law, the City and County agree that all local taxes collected from annexation of property not consistent with this Agreement shall not accrue to the benefit of the City. To the extent allowed by law,

local taxes collected from areas annexed by the City not consistent with this Agreement shall be distributed in a manner as if the annexed area was not part of the City.

Section 9. Environmental Review, Public Hearing & Local Decision-making.

9.1 The Parties recognize that, with respect to some of the provisions set forth herein, numerous actions must be taken pursuant to State and local laws and regulations before such policies can be implemented. Such actions include, in some instances, the need to complete financial nexus studies, comply with the California Environmental Quality Act (CEQA), the need to hold public hearings and/or otherwise seek public input before reaching binding decisions, and the need to obtain approvals from other agencies such as the Local Agency Formation Commission of Monterey County (LAFCO). For all such provisions, the MOA shall be understood to constitute tentative policy commitments that can only become fully binding after all such legal prerequisites have been satisfied.

[Signatures on a separate page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the day and year first written above, and shall take effect following adoption and the placing of signatures by all Parties.

City of Gonzales,	a Municipal
Corporation	

Maria Orozco

The Honorable Mayor

APPROVED AS TO FORM:

Michael Rodriguez
City Attorney

ATTEST:

René L. Mendez City Clerk County of Monterey, a political Subdivision of the State of California

Louis R. Calcagno

Chair, Board of Supervisors

APPROVED AS TO FORM:

Charles McKee County Counsel

Wendy Strimling, Senior Deputy County

Counsel

ATTEST:

Gail T. Borkowski, CCB

Clerk of the Board

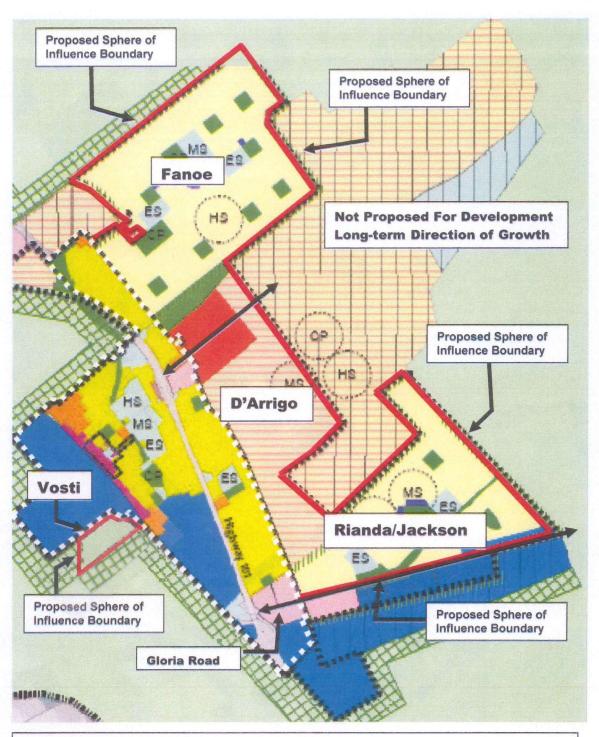
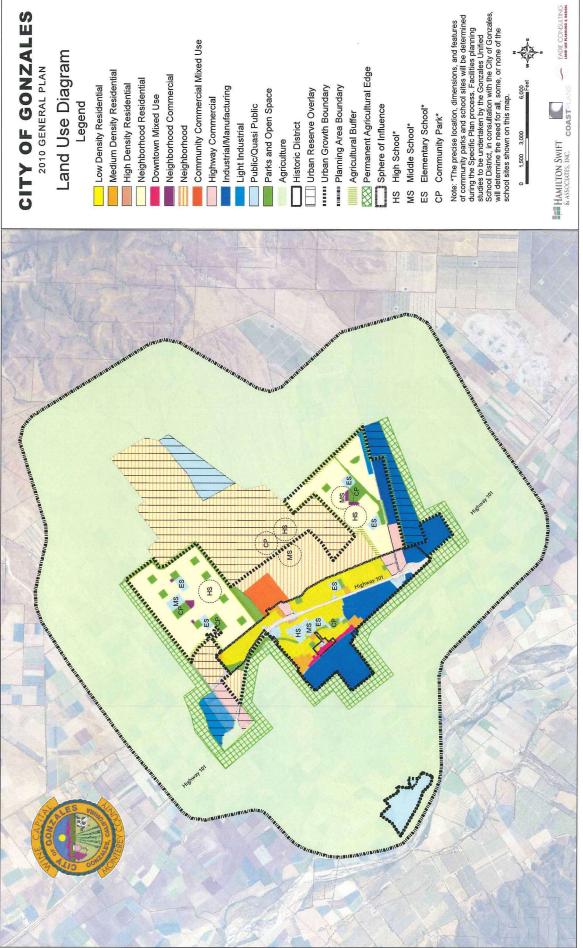


EXHIBIT 'A' CITY OF GONZALES Urban Growth Boundary / Proposed Sphere of Influence

City of Gonzales Existing Sphere of Influence Boundary

City of Gonzales Proposed Sphere of Influence / Urban Growth Boundary

EXHIBIT B

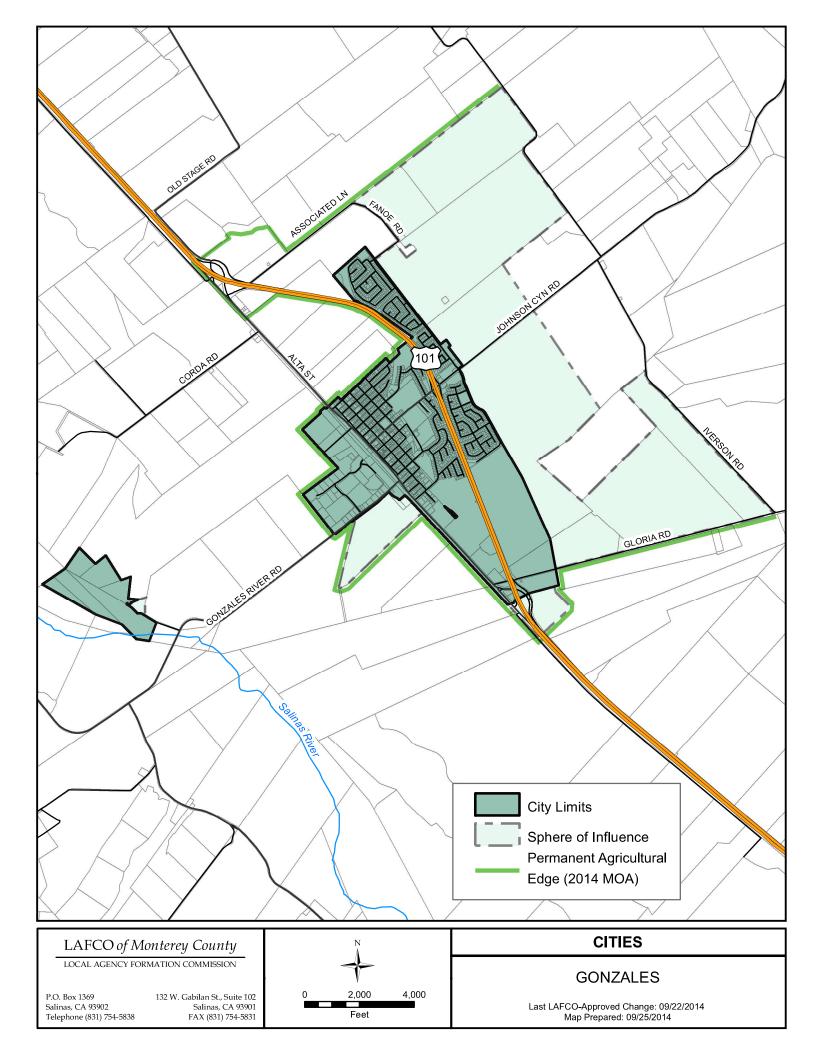


LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

Sphere of Influence Map City of Gonzales

Adopted by LAFCO of Monterey County September 2014



MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF SOLEDAD AND THE COUNTY OF MONTEREY REGARDING WORKING COOPERATIVELY ON COMMON PLANNING, GROWTH AND DEVELOPMENT ISSUES IN ORDER TO BE AS EFFECTIVE AS POSSIBLE IN THE IMPLEMENTATION OF THEIR RESPECTIVE GENERAL PLANS

	This Mem	norandum of A	greement, her	einafter refer	red to as	("Agreem	ent"), is e	entered
into o	n this	_ day of	2016 (the	e "Effective I	Date") by	and betw	een the C	City of
Soleda	d, a Munic	ipal Corporatio	n hereinafter ı	referred to as	("City"),	and Count	y of Mont	erey, a
politic	al subdivisi	on of the State	of California,	hereinafter re	ferred to	as ("Count	y"), and to	gether
hereina	after referre	ed to as the "Par	ties".					

RECITALS

WHEREAS, the Parties declare that it is in their mutual interest to work cooperatively on issues of planning, growth, and development in order to provide more certainty regarding the future direction, extent, and conditions of urban development, to reduce unnecessary conflicts and to reduce costs for future development including affordable housing, to provide for the long term protection of valuable agricultural lands, and to be as effective as possible in the implementation of their respective General Plans; and

WHEREAS, as an expression of the intent to work cooperatively on common issues pertaining to planning, growth and development, the Parties have prepared this Memorandum of Agreement ("Agreement"), which serves to fulfill the requirements of California Government Code Section 56425(b), as an Agreement by and between the Parties regarding the expansion of the boundaries of the City's Sphere of Influence (SOI), and the establishment of planning principles by both Parties to promote logical and orderly development for purposes of the City's application to the Monterey County Local Agency Formation Commission (LAFCO) to update its Sphere of Influence; and

WHEREAS, the Parties recognize, pursuant to California Government Code Section 56425(c) that this Agreement itself does not commit the Parties to any particular form or pattern of development, but rather, if LAFCO's final determination is consistent with this Agreement, then the Agreement would need to be considered for approval by both the City and County after noticed public hearing. Once the Agreement has been adopted by the Parties and their respective general plans reflect the Agreement, then any development approved by the County within the adopted sphere shall be consistent with the terms of the Agreement; and

WHEREAS, this Agreement is not subject to environmental review under the California Environmental Quality Act (CEQA) because numerous actions must be taken pursuant to State and local laws and regulations before such policies can be implemented. Such actions include, in some instances, the need to complete financial nexus studies, comply with the California Environmental Quality Act (CEQA), the need to hold public hearings and/or otherwise seek public input before reaching binding decisions, and the need to obtain approvals from other agencies such as the Local Agency Formation Commission of Monterey County (LAFCO). For all such provisions, the MOA shall be understood to constitute tentative policy commitments that can only become fully binding after all such legal prerequisites have been satisfied; and

WHEREAS, the Parties recognize and understand that individually each has its own growth plans, priorities and approaches; however, it is of mutual benefit to enter into this Agreement to acknowledge their cooperation in a variety of key policy areas.

NOW THEREFORE BE IT RESOLVED, that the Parties find that establishment of this Agreement is an effective and beneficial means of reaching basic agreement regarding future planning, growth and development issues in and around the City of Soledad.

BE IT FURTHER RESOLVED that the Parties declare and agree as follows:

Section 1. Logical & Orderly Development.

- 1.1 The City has adopted the 2005 Soledad General Plan, which establishes a long range development plan for the City that identifies the "ultimate" City area that will enable the City to plan for efficient provision of public facilities and the delivery of services, provide clarity for property owners about the direction of future development and its extent, and direct development away from the best agricultural land.
- 1.2 The County recognizes that the City's long-range plan, as interpreted by the policy commitments found in this document, serves the mutual goal of conserving agricultural lands, by limiting urban development and its impacts on agricultural operations to a defined area. The City General Plan provides certainty for farmers and ranchers outside of the growth area that they can invest in and continue farming on a secure basis, without future pressure to convert their lands for urban development.
- 1.3 The County desires to implement its policies regarding City-Centered Growth (General Plan Policies LU-2.14 through LU-2.19) as discussed in the adopted 2010 County General

Plan, and reinforced by City General Plan Policies L-1 - L-9. The County recognizes that a commitment to City-Centered Growth principles implies long-term reliance on the City to accommodate housing and other urban needs, and relies on the City to be able to designate adequate land for its needs while developing in a logical, compact and orderly manner.

Section 2. Direction of Future Development.

2.1 The City agrees as follows:

- a) To limit future long-term development within the area shown on Exhibit 'A' and designated as "Urban Growth Boundary" (the "**UGB**"). The purpose of the UGB is to bound and enclose the land intended for development within the 2005 Soledad General Plan.
- b) To manage development of land within the UGB utilizing the best available "sustainable" practices. The intent of the City is supported by City's General Plan Policy L-2, which partially reads as follows:

Further annexations to the City may occur when a) a substantial portion of the development capacity within the existing city limits has been developed, b) a substantial public benefit can be realized through the annexation, such as the provision of public open space, additional parkland, or the protection of scenic vistas, or natural resources...

- c) To encourage proposals for infill development on vacant or underutilized sites within the existing City limits east of Highway 101 whenever possible, to avoid urban sprawl and postpone the conversion of agricultural land to urban uses.
- d) To require Specific Plans to include residential densities that ensure a compact urban form that helps protect agricultural land from premature conversion.
- e) To establish a permanent agricultural edge for the purpose of maintaining a clearly defined northwest and southeast boundary between the urbanized incorporated areas of City and the agricultural areas within the unincorporated County as shown on Exhibit 'A' and identified as "Permanent Agricultural Edge". A "Temporary Agricultural Edge" is hereby established east of Bryant Canyon Road, as specifically shown on Exhibit 'A'. The Temporary Agricultural Edge may be eliminated through an amendment to this Agreement.
- f) To utilize agricultural buffers within the UGB to address the compatibility between the development of urban land uses and existing or planned agricultural uses. The City's General Plan requires development within or adjacent to designated agricultural areas to minimize conflicts with adjacent agricultural uses. The County requires an agricultural buffer as typically 200 feet in width and includes other vegetation, walls, or other screening deemed necessary to ensure that property owners on both sides of the buffer may enjoy full and unencumbered use of

their property for its designated use without experiencing significant deleterious effect from neighboring use.

- g) To actively participate with the County, LAFCO and other cities within the Salinas Valley to develop a Valley-wide Agricultural Land Mitigation Program to address the loss of agricultural land due to development and conversion to urban uses.
- h) To utilize permanent agricultural buffers along the UGB to ensure compatibility between the development of urban land uses and agricultural uses in the unincorporated area. The City agrees to actively participate with the County, LAFCO and other cities in the Salinas Valley to develop a Valley-wide Agricultural Buffer Program to ensure compatibility of urban land use with agricultural uses in the unincorporated area.

2.2 The County agrees as follows:

- a) Consistent with County General Plan Policy LU 2.14, mutually work with the City to support the City's proposals to manage its growth and gradually develop within UGB of the City General Plan in accordance with the approval of future Specific Plans that are prepared to implement a logical, orderly development pattern that matches the City's ability to provide urban services.
- b) To consult with the City on development projects that are proposed within a Referral Area as illustrated on Exhibit 'B'. This obligation and agreement to consult shall not apply to structures or other improvements on agricultural land located in the Referral Area which are incidental to existing farming operations, including by way of example only, barns, storage sheds, shops, ranch administrative offices, ingress and egress, and irrigation and pumping facilities. The intent of the County is supported by the County's General Plan Policy LU 2.19, which County intends to implement by 1) minimizing potentially competing development within the City's Planning Area Boundary (See Figure II-1, Soledad General Plan), 2) limiting approval of new agricultural-industrial or commercial projects and by directing such development to the City's agricultural business parks and/or light industrial areas, and 3) referring any discretionary development proposals within the City's Planning Area Boundary to the City for comment and, for larger projects, potential annexation.
- c) To promote long-term conservation of commercial agriculture outside of the Soledad General Plan UGB (Exhibit 'A') and the area outside the development area described in section 2.1(e), above, for the purposes of regional economic stability and to maintain physical separation from other communities in the area, including Greenfield, the state prisons, and Gonzales. The intent of the County is expressed in the County's General Plan Policy LU 2.17.

d) To not support the inclusion of land into a Williamson Act contract within the City's UGB.

Section 3. Specific Planning Actions.

- 3.1 During the negotiation of this Agreement, the Parties identified and discussed specific planning actions that the Parties intend to implement if the Sphere of Influence Amendment as proposed by the City is approved by LAFCO and if this Agreement is subsequently adopted following noticed public hearing, subject to all legal prerequisites as set forth in section 9.1 below. Each of those specific planning actions is described below.
- a) Dole/Camphora Services. The Parties agree that, prior to any future connections of city infrastructure to unincorporated areas northwest of the current city limits, the Parties will discuss entering into an agreement setting appropriate fees for such service.
- b) Adobe Site at Arroyo Seco Interchange (Los Coches Adobe site). The Parties agree to cooperatively identify methods to allow the City to fully utilize the site of the Adobe property at the northwest corner of the Arroyo Seco Road interchange with Highway 101 if the historic structure is able to be reused for a future use and for uses that serve the visiting public, such as a campground, inn, visitor center, use that supports the agricultural industry as an informational or educational use, or supports the winery corridor as outlined in the County General Plan. If the historic adobe cannot be retained, negotiations shall occur between the Parties prior to demolition, and shall include a review by the County's Historic Resources Review Board prior to issuance of any demolition permit. The intent of the discussions and review are to attempt to identify methods that may save the historic structure. The County supports the connection of the City and the Adobe through annexation of appropriate land, including the enlargement of the Adobe property site in order to facilitate the establishment of the public visitor serving uses set forth above.
- c) The Parties agree to discuss the potential for future inclusion of the Heavy Industrial area, in the unincorporated area southeast of the Soledad Correctional Facilities, in the Sphere of Influence in the future. The area shall be considered for future annexation to the City of Soledad, if growth of the City occurs to the west into the Northwest Expansion Specific Plan area.
- d) Agricultural Processing Facilities. If an agricultural processing facility is proposed for construction in the unincorporated area on a parcel adjacent to the City limits or SOI, the Parties shall discuss annexation of the site to the City as part of the discretionary permit actions. The intent of this Agreement is to have the site become part of the incorporated City.
- e) The inclusion of the industrial area along McCoy Road in the City Planning Area Boundary and Sphere of Influence shall be discussed between the Parties as part of any future comprehensive update to the City General Plan.

- f) Maintenance of a Positive Housing and Jobs Relationship. The Parties agree that the County shall continue to direct commercial and industrial growth proposed in the vicinity of the City to vacant City parcels providing the zoning and infrastructure to accommodate such uses, with the exception of the Heavy Industrial zoned land located southeast of the Soledad Correctional Facility, where low intensity agricultural support uses may be allowed by the County so long as City infrastructure is not necessary to allow the use.
- g) By signing this Agreement, the City expresses its intent to not extend urban land uses to the southeast of the new bypass road described in Section 5.4 and into the Northwest Expansion Specific Plan area. However, if the Permanent Agricultural Edge, as described in this Agreement, should ever be proposed to be eliminated to allow the future extension of urban uses, the City shall discuss the matter with the Board of Supervisors prior to any City action; and the City shall require mitigation for the loss of prime agricultural land with an agricultural conservation easement at a ratio of 3:1, with the conservation easement deeded, at the sole discretion of the City, to a nonprofit public benefit corporation organized under Internal Revenue Code section 501(c)(3), or other appropriate legal entity, operating in Monterey County for the purpose of conserving and protecting land in agricultural production. Furthermore, should the Permanent Agricultural Edge be eliminated, the City agrees that, to the extent allowed by law, all local taxes collected from annexation of the property shall not accrue to the benefit of the City. Under that scenario, to the extent allowed by law, local taxes collected from areas annexed by the City shall be distributed in a manner as if the annexed area was not part of the City.
- h) Access Limitations to San Vicente Road. The City agrees to coordinate with the County and plan the arterial roadways along San Vicente Road in a manner that supports the free-flow of both automobile and truck traffic, utilizing method(s) determined by a traffic engineer to be practical, including but not limited to: utilizing the existing City road as a frontage road/by-pass road, round-abouts, directional barriers or medians, trap lanes and right-turn-in and right-turn-out intersections.

The language of this section is to be interpreted in a manner that most facilitates the movement of agricultural vehicles from agricultural fields to the highway, agricultural plants, or rail yards with little to no interference from City traffic.

Section 4. Development Phasing & Annexations.

4.1 The City's adopted 2005 General Plan focuses future urban development to the east of Highway 101 and north/northwest of the current city and provides for the phasing of development through the use of Specific Plans within the area shown on Exhibit 'A'that is

designated as UGB. The timing of annexation applications submitted for consideration by LAFCO will be based upon the approval by the City of a Specific Plan, which includes a phasing plan, a plan for services and public facilities and financing plans that demonstrate compliance with LAFCO Standards.

- 4.2 The City shall develop Specific Plans that specifically address development phasing and sequence of improvements. The phasing programs shall ensure that adequate supporting public services, retail, parks, schools and other uses are in place to support residential, institutional, and commercial uses.
- 4.3 The City shall refer proposals for the preparation of Specific Plans within the UGB to the County for informal review and comment regarding the potential impacts of the proposed project upon the adjacent unincorporated area and associated County facilities. Environmental documents associated with the Specific Plan process shall be referred to the County for formal review and comment.

Section 5. Agricultural Land Compatibility.

- 5.1 The City agrees to maintain agriculture as the core of the local economy by conserving and protecting agricultural lands and operations within its Planning Area Boundary, and where agricultural land is planned for eventual urbanization, to work to keep such land in production up until the time when the land is converted to urban use.
- 5.2 The City agrees to emphasize agricultural land compatibility by implementing the following actions as described in the City General Plan, including:

Policy C/OS-1 – The City shall discourage "leapfrog" development and development in peninsulas extending into agricultural lands to avoid adverse effects on agricultural operations.

Policy C/OS-2 – The City shall retain the agricultural land use designation on lands within its planning area until the land is needed for urban development.

Policy C/OS-3 — The City shall ensure that new development and public infrastructure projects do not encourage expansion of urban uses outside the general plan area into areas designated Agriculture by the Monterey County General Plan.

Policy C/OS-4 – The City shall support the agricultural economy be encouraging the location of agricultural support industries in the City...

Policy C/OS-5 – The City shall require a right-to-farm condition to all future

subdivision maps adjacent to farmlands.

Policy C/OS-6 – The City shall require development within or adjacent to agricultural areas to minimize conflicts with adjacent agricultural uses.

Policy L-1 – Preserve agriculture on large lots outside the City's sphere of influence ...

Policy L-2 – Further annexations to the City may occur when...a substantial portion of the development capacity within the existing city limtes has been developed...

- 5.3 The City agrees to implement policies that require the City to be consistent with the County of Monterey's "Right-to-Farm" Ordinance and the policies with respect to farming rights and agricultural protection/compatibility found in the County General Plan, and consider revision of the City's Zoning Ordinance to require the recordation of a Right-to-Farm Notice as a condition of discretionary approval for residential development (including lots approved as part of a new residential subdivision) within 200 feet of an established agricultural operation.
- 5.4 The City agrees to develop and implement a plan, in consultation with the County, to separate and re-route truck traffic, primarily associated with agricultural operations, from local traffic routes. The City and County agree to mutually work to identify and obtain a new access road from State Highway 146 on the southeast end of the City to connect to Highway 101. The City and County will seek funding sources for construction of this new road while maintaining Business Highway 146 through the City's downtown.

Section 6. Agricultural Land Conservation Program.

- 6.1 The City agrees to maintain agricultural open space around the City as a means of giving form and definition to the City. The County desires this protection to ensure preservation of the agricultural economy so critical to Monterey County, including its cities. To this end, the City agrees to permit urban development only within the areas designated for urban uses on the City's General Plan Land Use Diagram and as described in this Memorandum of Agreement. Land immediately beyond this boundary should remain in agricultural use utilizing permanent agricultural easements, other mitigation measures that may arise as a result of project-level CEQA review, or any other feasible methods determined by the City to be feasible to preserve agricultural lands and define the limits of urban expansion for the City.
- 6.2 The City agrees to establish an Agricultural Land Conservation Program. The Program includes securing the dedication of agricultural land easements, purchase of banked mitigation

credits and/or levying a mitigation fee that could be used to purchase easements on lands outside of the City's General Plan Urban Growth Boundary.

- 6.3 Notwithstanding participation by the City in any other adopted program, by adopting this Agreement, the City agrees to implement an Agricultural Land Conservation Program as follows until the City establishes a Program pursuant to section 6.2 or section 2.1(g):
- 6.3.1 To the extent as permitted by law, for the development of land within the City's UGB as shown on Exhibit 'A', which lands have been annexed to the City and are designated by the California Department of Conservation's Farmland Mapping and Monitoring Program as "Prime" or "of Statewide Importance", but excepting all lands within the area denoted as "Existing Sphere of Influence" and the area west of Bryant Canyon Road, the owner/developer/successor-in-interest shall select one or any combination of the following items:
- a) provide the in-kind direct purchase/acquisition of an agricultural mitigation easement at a 1:1 ratio and dedicate the easement to an agricultural land trust or other qualifying entity; and/or
- b) if available, purchase agricultural banked mitigation credits at a 1:1 ratio from a qualifying entity; and/or
- c) pay an in-lieu mitigation fee, which amount shall be determined by the City prior to project approval. The amount of the fee should reasonably be expected to lead to the preservation of agricultural land. Said fee shall be kept by the City in a fund established specifically for agricultural land mitigation purposes; and/or
- d) implement other innovative approaches as approved by the City that results in the preservation of agricultural land within areas targeted by the City.
- 6.3.2 The method for mitigating the loss of agricultural land shall be implemented at the discretion of City to coincide with the time of the recordation of a final subdivision map, except where a final map is clearly labeled as a "Large-lot Subdivision Map" and the map and associated agreement clearly specify that the creation of parcels (a) is for purposes of resale and not intended for development, or (b) does not include any entitlements which would permit development of the subject parcels without recordation of subsequent subdivisions maps or prior to the issuance of a grading permit. The City may consider receiving mitigation fees for individual projects in annual installment payments plus interest on the outstanding balance as long as the full amount is secured by a bond held by the City or other enforceable method of security, in the City's sole discretion prior to filing the final map or commencement of use.

- 6.3.3 The filing of a parcel map that does not result in the conversion of land zoned for agricultural purposes does not require dedication or payment of in-lieu fees.
- 6.3.4 It is the intent of the City to oversee, collect and manage any and all fees collected through the implementation of its Agricultural Land Conservation Program to ensure the use of the fees and the selected form of mitigation represents the best interest of the City, and that the form of mitigation is the most effective in addressing the agricultural conservation goals and objectives of the City as expressed in the City General Plan. Such intent is subject to the requirements of the California Environmental Quality Act to provide actual mitigation and to report on utilized mitigation funds.
- 6.3.5 In establishing its Agricultural Land Conservation Program, it is the further intent of the City to establish a Committee, which is appointed by the City Council, to plan the use of mitigation fees and to make recommendations to the City Council on the use of those funds. The Committee's composition shall be determined by the City Council, and could be structured as follows: two members of the City Council, the City's Community Development Director, a representative for Agriculture, a representative of an Agriculture Conservation/Preservation organization, a representative of the Building Industry/Development Community, a representative of the County of Monterey Agricultural Commissioner's Office, and the 3rd District County Supervisor. This section applies until the County and City have an Agricultural Land Conservation Program agreed to by both parties.
- 6.3.6 Any agricultural mitigation fees assessed and collected by the City pursuant to its Agricultural Land Conservation Program may, in the City's sole discretion and reasonably acceptable to the County, be applied to activities designed to preserve and promote agriculture and the agricultural industry in the Greater Soledad Area, including but not limited to:
- a) Scientific research for addressing agriculture's needs (e.g. food safety). Entities applying for research funding could include universities, colleges, research think tanks, non-profits, industry/business, government and schools;
 - b) Increased agricultural educational programs in the Soledad Unified School District;
- c) Purchase of permanent agricultural buffers to alleviate potential physical conflicts between existing or planned agricultural uses (either within or outside the UGB) and urban land uses planned within the UGB;
 - d) Economic programs developed to expand markets for local agricultural products;
 - e) Programs promoting careers in agriculture;

- f) Contributions to non-profit associations dedicated to agricultural education, promotion or preservation.
 - g) Funds for the acquisition of agricultural easements outside the City UGB.
- 6.3.7 Notwithstanding all of the foregoing measures described in Section 6.3.6 above, City and County agree that the first priority use of agricultural mitigation fees is for the acquisition of permanent conservation easements adjacent to the Permanent Agricultural Edge/UGB to the east, south and west, as shown on Exhibit 'A,' through the owner/developer/successor-in-interest securing an easement, as described in Section 6.3.1(a) of this Agreement, or through the use of mitigation fee funds collected pursuant to Section 6.3.1(c) of this Agreement.
- 6.4 The County will consider that the City's participation in an Agricultural Land Mitigation Program, for the purpose of this agreement, has been satisfied if the City can prove to County that land immediately adjacent to the City's northwestern, southwestern and eastern boundaries have been permanently secured by the recordation of an agricultural preservation easement or through the sale or dedication of land to a private land trust.

Section 7. Traffic Mitigation Fees.

- 7.1 The County agrees to prepare and consider a Traffic Impact Fee that would include a Zone that includes the Greater Soledad Area within 18 months of the effective date of the adoption of the Sphere of Influence by LAFCO. Proper notice shall be provided to the City and all affected property owners of the preparation of such a fee study, when and where discussions regarding the fee will occur and when the fee will be considered for adoption. The City agrees to consider adoption of the County's impact fee program, as may be amended from time to time, to fund improvements to County roads listed in the program. Until the Impact Fee is established, the City agrees to ensure that any new development project in the incorporated area, pursuant to the City's General Plan, that causes traffic impacts on local roads in the nearby unincorporated area, will pay its pro rata fair share to the County as mitigation for impacts on County roads.
- 7.2 The County agrees that for any development requiring a discretionary permit that would generate traffic through the City (except, on legal lots that existed as of the date of this agreement, single family dwellings), the County will consult with the City to determine if there are traffic impacts to the City. In the event that there are traffic impacts to the City, the County will require the development to pay its pro rata fair share to the City as mitigation of impacts on

City roads. The pro rata fair share shall be determined through a formula calculation prepared along with a project's traffic impact analysis.

Section 8. Tax Sharing.

- 8.1 By signing this Agreement, the City and County agree to discuss the provisions of the Master Tax Sharing Agreement prior to the annexation of any territory located in the City's UGB, excepting all lands within the area denoted by LAFCO on this date as "Sphere of Influence"
- 8.2 Unless mutually agreed to otherwise by both parties and to the extent allowed by law, the City and County agree that all local taxes collected from annexation of property not consistent with this Agreement shall not accrue to the benefit of the City. To the extent allowed by law, local taxes collected from areas annexed by the City not consistent with this Agreement shall be distributed in a manner as if the annexed area was not part of the City.

Section 9. Environmental Review, Public Hearing & Local Decision-making.

9.1 The Parties recognize that, with respect to some of the provisions set forth herein, numerous actions must be taken pursuant to State and local laws and regulations before such policies can be implemented. Such actions include, in some instances, the need to complete financial nexus studies, comply with the California Environmental Quality Act (CEQA), the need to hold public hearings and/or otherwise seek public input before reaching binding decisions, and the need to obtain approvals from other agencies such as the Local Agency Formation Commission of Monterey County (LAFCO). For all such provisions, the MOA shall be understood to constitute tentative policy commitments that can only become fully binding after all such legal prerequisites have been satisfied.

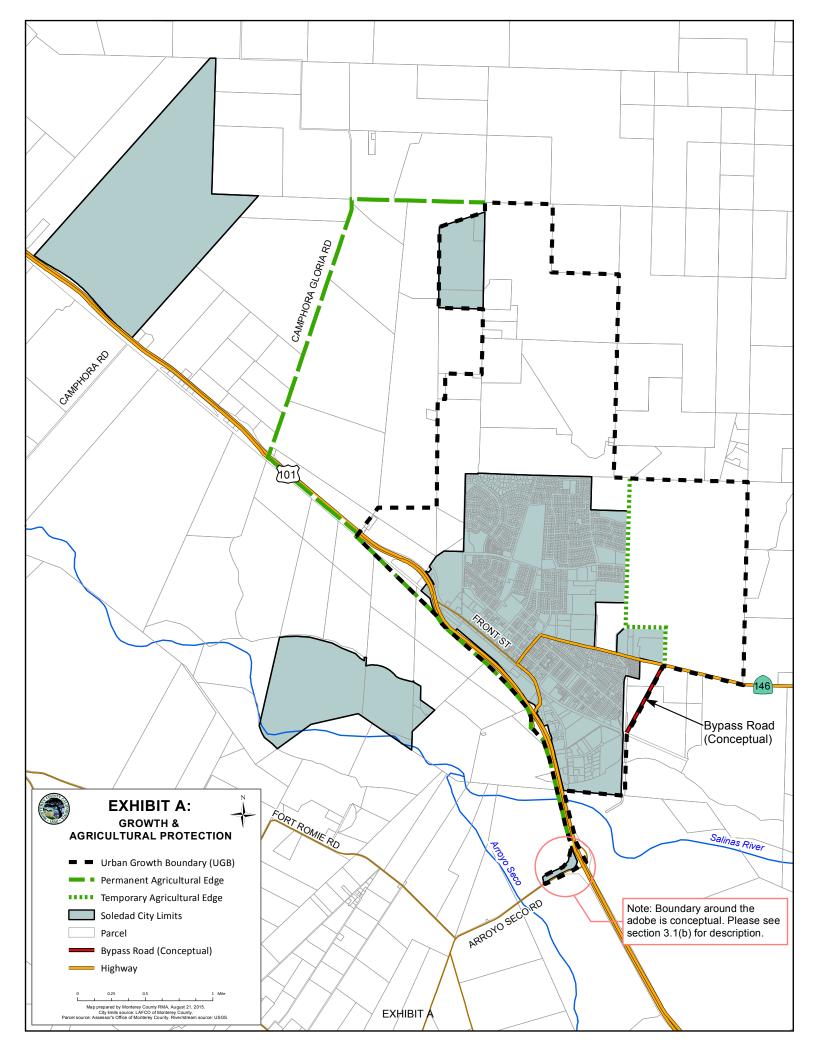
Section 10. Amendment.

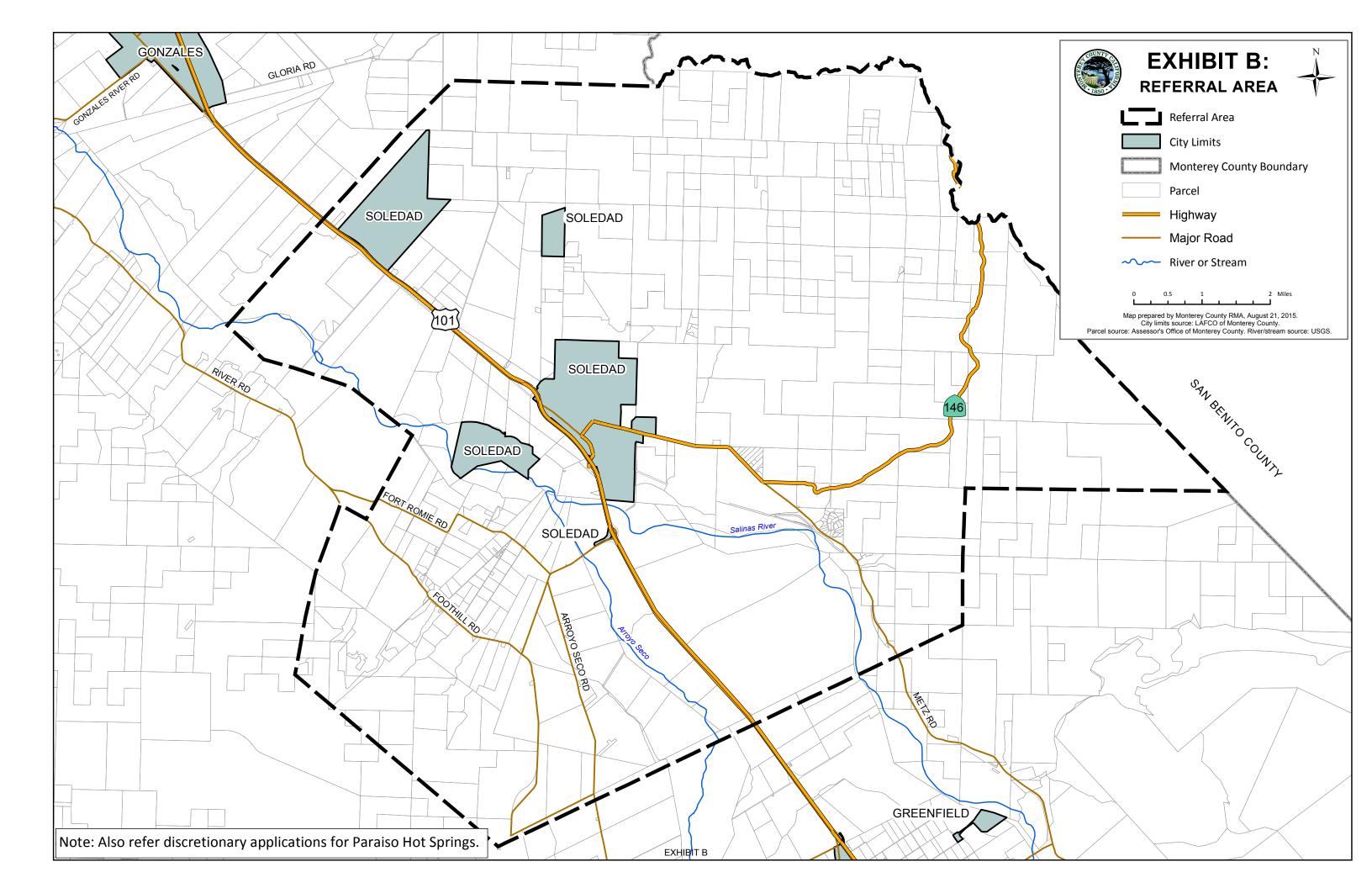
10.1 The parties may desire to amend this Agreement from time to time. Any amendment, representing an alteration, or modification of any of the terms or provisions contained herein, or any amendment adding a new term or condition, shall not be binding upon the parties hereto unless made and executed in writing by the parties hereto and approved by both the County's Board of Supervisors and the Soledad City Council.

[Signatures on a separate page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the day and year first written above, and shall take effect following adoption and the placing of signatures by all Parties.

City of Soledad, a Municipal Corporation	County of Monterey, a political Subdivision of the State of California
Fred Ledesma The Honorable Mayor	Jane Parker Chair, Monterey County Board of Supervisors
APPROVED AS TO FORM:	APPROVED AS TO FORM: Charles McKee County Counsel
Michael Rodriguez City Attorney	By: Wendy Strimling, Senior Deputy County Counsel
ATTEST:	ATTEST:
Adela P. Gonzalez	Gail T. Borkowski, CCB Clerk of the Board
City Clerk	By: Deputy





This page intentionally left blank

EXHIBIT A

ORDINANCE #____ - 2020

AN ORDINANCE OF THE CITY OF SONOMA, CALIFORNIA, AMENDING THE CITY OF SONOMA GENERAL PLAN TO CONTINUE THE URBAN GROWTH BOUNDARY

THE PEOPLE OF THE CITY OF SONOMA DO HEREBY ORDAIN AS FOLLOWS:

Section 1. Statement of Purpose and Effect.

Purpose. In November 2000, the voters of the City of Sonoma passed Measure S which A. amended the then existing General Plan to incorporate into that General Plan an Urban Growth Boundary beyond which certain urban development was not permitted, except under certain circumstances. The stated purpose of that initiative was "to amend the City of Sonoma 1995-2005 General Plan to establish an Urban Growth Boundary ("UGB") for the City of Sonoma. This initiative promotes stability in long-term planning for the City of Sonoma by setting a cornerstone policy within the General Plan establishing the geographic limits of long-term development, while allowing sufficient flexibility within those limits to respond to the City's changing needs over time. The UGB is a line beyond which urban development will not be allowed, except for public schools and public parks. Only uses consistent with the General Plan "agricultural" land use designation as it [existed] on February 25, 2000 (the provision defining such uses is attached hereto as Exhibit A) and the definition of "open space lands" as set forth in Government Code section 65560(b) as of February 25,2000 (attached hereto as Exhibit B) will be allowed beyond the UGB. With certain exceptions, [the] UGB [could not] be amended until December 31, 2020, except by a vote of the people."

This ordinance will renew the UGB by amending the City of Sonoma's 2006-2020 General Plan ("General Plan") to (i) insure the UGB's salutary purposes continue to be served and (ii) extend the operative effect of the UGB until December 31, 2040.

<u>Section 2.</u> Findings. The people of the City of Sonoma find that this ordinance promotes the health, safety, welfare, and quality of life of the residents of the City of Sonoma, based upon the following:

- A. The City of Sonoma's Small-Scale Character. The City of Sonoma was founded in 1835 as a mission town and has maintained its unique historic and small-scale character through development that reveals a strong sense of relationship to its historic features. This ordinance promotes the City's commitment to its small-scale character by concentrating future development largely within existing developed areas.
- B. The City of Sonoma's Agricultural Heritage. The City of Sonoma is surrounded largely by agricultural land and open space. The greenbelt around the City supports a healthy agricultural industry that is the mainstay of the vibrant local economy. This ordinance protects the City's rich agricultural heritage by directing future urban development inside the UGB and promoting uses that foster public health and safety and productive investment in agriculture on lands outside the UGB.
- C. The City of Sonoma's Natural Environment. The physical boundaries surrounding the City of Sonoma include hillsides, agriculture, riparian corridors, and parks, which provide a natural greenbelt that contributes to the scenic beauty of Sonoma. This ordinance protects these natural resources by directing future development inside the UGB and promoting open space uses that are compatible with the natural environment outside of the UGB while encouraging development of affordable housing.

- D. The City of Sonoma's Housing Supply. This General Plan Amendment is not intended to prevent the City from meeting its obligation under state housing or zoning and planning law. This measure re-establishing and extending a UGB is consistent with the objectives of the City's Housing Element and with the other mandatory elements of the City's General Plan. The General Plan and its Housing Element promote efficient and affordable housing development in the City through measures such as the requirement of inclusionary units, density bonuses, encouraging infill development, facilitating the construction of second dwelling units, and seeking to diversify housing opportunities in the City. As a result, it is fully expected that the residential and other land use policies and provisions established by the General Plan are sufficient to address the expected increase in the City's population. This ordinance will not impede the City's ability to continue to meet the housing needs of all economic segments of the population, including very low, lower and moderate-income households. It will promote this goal by directing housing development into areas where services and infrastructure can be provided more cost-effectively. This measure allows the City Council to amend the UGB for the purpose of bringing land into the UGB without a public vote for development of housing which is 100% affordable (provided that 51% of the units are affordable to low and/or very-low income families), in recognition of the fact that sometimes it is necessary for a local government to take special steps to provide opportunities for very low- and low-income housing. This measure also allows the City Council to bring land into the UGB without a public vote in order to avoid an unconstitutional taking of private property without compensation.
- E. The City of Sonoma's Economy. Carefully planned non-residential development in the City of Sonoma can help match jobs with housing opportunities in the area, by taking into account both housing costs and prevailing wages. A true balance of jobs and housing will reduce traffic congestion, improve air quality, and lessen pressures for urban sprawl. This ordinance promotes the City of Sonoma's economy by fostering and protecting the small-scale character of the City while allowing appropriate economic development in accordance with the City's unique local conditions.
- F. Inapplicability to Sonoma's Sphere of Influence. Although the passage of Measure S established and this measure re-establishes and renews the UGB in the same location as the City's sphere of influence line ("SOI") as it existed as of February 25, 2000, the UGB renewed and reestablished by this measure is not intended to and shall in no way inhibit the Local Agency Formation Commission from changing or altering the City's SOI line in accordance with state law. The two lines (the UGB line and the City's SOI line), although coterminous as of one point in time, are independent one from the other in legal significance and purpose. Whereas the SOI line may be altered by the Local Agency Formation Commission in accordance with the provisions of state law, the UGB is a local land use policy of the City and shall not be repealed or altered except as expressly provided in this measure.

Section 3. General Plan Amendment.

The people of the City of Sonoma hereby adopt the following amendment to the text and maps of the land use element of the City of Sonoma 2006-2020 General Plan, adopted October 2006, as amended through June 29, 2020 ("General Plan"). It is the intent of the people of the City of Sonoma that Sections 3(A) and 3(B), below, are each part of the amendment to the General Plan adopted by this measure.

A. General Plan Land Use Plan Map Amendment:

All figures and maps in the General Plan of the City of Sonoma adopted October 2006 (and as amended) illustrating the Urban Grown Boundary ("UGB") are amended to show an Urban Growth Boundary in a location identical to the line designating the location of the Urban Growth Boundary as shown in the attached Exhibit C.

B. General Plan Text Amendments:

1. Explanation of Urban Growth Boundary.

The following text replaces the text at page 8 of the General Plan Community Development Element after the section entitled "URBAN GROWTH BOUNDARY:"

URBAN GROWTH BOUNDARY

The People of the City of Sonoma approved an Urban Growth Boundary (UGB) in 2000 and renewed and re-established that same UGB in 2020 for an additional twenty-year period to protect the unique, small-scale character of the City and the agricultural and open space character of the surrounding areas. The UGB is a line beyond which urban development will not be allowed. "Urban development" shall mean development requiring one or more basic municipal services including but not limited to, water service, sewer, improved storm drainage facilities, fire hydrants and other physical public facilities and services; provided, however, that public parks, public schools, agricultural land uses and open space land uses beyond the UGB that are provided with municipal or public services shall not be defined as "urban development." Except to support the uses listed in the proviso of the immediately preceding sentence, except as to properties located within the boundaries of the Thornsberry Assessment District, and except as to properties whose owner(s) have, as of June 29, 2020, a vested right or contractual right (based on an enforceable contract with the City) to receive City water service, City water service may not be extended to urban development outside of the UGB. "Agricultural land uses" shall mean those uses consistent with the 1995-2005 General Plan "agricultural" land use designation as it existed on February 25, 2000 and "open space land uses" shall mean "open space lands" as defined in Government Code section 65560(b) as of February 25, 2000. The UGB is established by the policies implementing Goal CD-1; its location is shown in this General Plan's Land Use Plan map.

Sonoma's UGB reflects a commitment to focus future growth within the City in order to prevent urban sprawl into the agriculturally and environmentally sensitive areas surrounding the City. The UGB protects the health, safety, welfare, and quality of life of the residents of Sonoma by concentrating future residential, commercial, and industrial growth in areas already served by urban services. The policies implementing the UGB allow sufficient flexibility within its limits to respond to the City's changing needs over time. The UGB complements General Plan policies promoting additional housing opportunities, emphasizing infill development, and supporting a thriving downtown center.

2. Re-establishment of Urban Boundary Goal.

Goal CD-1 on page 19 of the General Plan Community Development Element is hereby restated as set forth below.

Goal CD-1: Establish and maintain a definitive urban growth boundary (UGB), which shall be set forth on the Land Use Plan map, beyond which only uses compatible with preserving agriculture and open space resources shall be allowed.

3. Adoption of Urban Growth Boundary Policies.

The following Policy 1.5 and Implementation Measure 1.5.1 replace Policy 1.5 and Implementation Measure 1.5.1 appearing on pages 20 and 21 of the General Plan Community Development Element:

- Urban Growth Boundary: An Urban Growth Boundary (UGB) is established at the location shown on this General Plan's Land Use Plan map. The UGB is a line beyond which urban development will not be allowed. "Urban development" shall mean development requiring one or more basic municipal services including but not limited to, water service, sewer, improved storm drainage facilities, fire hydrants and other physical public facilities and services; provided, however, that, public parks, public schools, agricultural land uses, and open space land uses beyond the UGB that are provided with municipal or public services shall not be defined as "urban development." Except to support the uses listed in the proviso of the immediately preceding sentence, except as to properties located within the boundaries of the Thornsberry Assessment District, and except as to properties whose owner(s) have, as of June 29, 2020, a vested right or contractual right (based on an enforceable contract with the City) to receive City water service, City water service may not be extended to urban development outside of the UGB. "Agricultural land uses" shall mean those uses consistent with the 1995-2005 General Plan "agricultural" land use designation as it existed on February 25, 2000 and "open space land uses" shall mean "open space lands" as defined in Government Code section 65560(b) as of February 25, 2000.
- 1.5.1 UGB Implementation: Until December 31, 2040, the following General Plan provisions, as adopted by the 2020 City of Sonoma Urban Growth Boundary Ordinance, may not be amended except by a vote of the people: (i) the section entitled "URBAN GROWTH BOUNDARY" in the Community Development Element; (ii) Goal CD-1; (iii) Community Development Element Policy 1.5; and (iv) this Implementation Measure 1.5.1. Until December 31, 2040, the location of the UGB depicted on the Land Use Plan map may be amended only by a vote of the people, or by the City Council pursuant to the procedures set forth in subparagraphs a. through c. below.
- a. To comply with state law regarding the provision of housing for all economic segments of the community, the City Council may amend the location of the UGB depicted on the Land Use Plan map to accommodate lands to be designated for residential uses provided that no more than five (5) acres of land may be brought within the UGB in any calendar year, and that no more than a total of twenty (20) acres may be brought within the UGB under this provision prior to December 31, 2040. In determining how much acreage any single development proposal encompasses for purposes of this subparagraph a the total acreage specified in the development application shall control. Such an amendment may be adopted only if the City Council makes the following findings based on substantial evidence:
- (1) That the land is immediately adjacent to (a) the existing UGB, and (b) water and sewer service lines; and
- (2) That 100% of the proposed development will consist of affordable housing units consistent with the Housing Element of this General Plan; provided, however, that at least 51% of the housing units shall be affordable to low- and/or very low-income families. For affordable rental housing units, "low income" and "very low income" are defined to have the same meaning ascribed to those terms in Cal. Health & Safety Code, section 50053, as it may be amended from time to time. In 2020, said section 50053 defines "low income" as 60% of the area median income (adjusted for family size) as determined by the State Department of Housing and Community Development ("HCD") and defines "very low income" as 50% of the area median income (adjusted for family size) as determined by HCD. For affordable for-sale housing units, "low income" and "very law income" are defined to have the same meaning ascribed to those terms in Cal. Health & Safety Code, section 50093,

as it may be amended from time to time. In 2020, said section 50093 defines "low income" as 80% of the area median income (adjusted for family size) as determined by HCD and defines "very low income" as 50% of the area median income (adjusted for family size) as determined by HCD; and

- (3) That there is no available vacant or undeveloped residentially designated land within the UGB to accommodate the proposed development.
- b. Upon request of an affected landowner with a pending development application, the City Council may amend the location of the UGB depicted on the Land Use Plan map if it makes both of the following findings based on substantial evidence:
- (1) That the application of any aspect of the UGB depicted on the Land Use Plan map and the application of Policy 1.5 and/or Implementation Measure 1.5.1 would constitute an unconstitutional taking of a landowner's property, and
- (2) That the amendment and associated land use designation will allow additional land uses only to the minimum extent necessary to avoid such a taking of the landowner's property.
- c. Prior to amending the location of the UGB pursuant to subparagraphs a. or b. of this policy, the City Council shall hold at least one noticed public hearing for the purpose of receiving testimony and evidence from the applicant and the public on the proposed amendment and any findings proposed in connection with such amendment. This hearing shall be in addition to any other public hearings regularly required for a General Plan amendment. To be effective, any vote by the City Council to amend the UGB pursuant to subparagraphs a. or b. above, must secure the favorable vote of at least four councilmembers.
- d. The General Plan may be reorganized, and individual provisions may be renumbered or reordered in the course of ongoing updates of the General Plan in accordance with the requirements of state law, but the following General Plan provisions shall continue to be included in the General Plan until December 31, 2040, unless earlier repealed or amended by the voters of the City or, with respect to the location of the UGB as depicted on the Land Use Plan map, by the voters of the City or pursuant to the procedures set forth in subparagraphs a. through c., above: (i) the section entitled "URBAN GROWTH BOUNDARY" in the Community Development Element; (ii) Goal CD-1; (iii) Community Development Element Policy 1.5; (iv) the location of the UGB depicted on the Land Use Plan map; and (v) this Implementation Measure 1.5.1.
- e. Except as is expressly permitted in this ordinance, the City, and its departments, boards, commissions, officers and employees, shall not grant or approve any general plan amendment, zoning amendment, specific plan, specific plan amendment, rezoning, subdivision map, conditional use permit, application, building permit, variance, encroachment permit, water service extension, outside water service area agreement, annexation, discretionary or ministerial land use or development approval or any other entitlement (collectively "permits") for or with respect to urban land uses outside of the UGB. All City departments, boards, commissions, officers and employees shall act on all referrals from other agencies regarding the extension or connection of municipal or public services such as sewer or water service, outside the UGB consistent with the requirements and proscriptions of this Implementation Measure and Policy 1.5. Any general plan amendment, zoning amendment, rezoning, specific plan, specific plan amendment subdivision map, conditional use permit or any other entitlement approved by the City on land brought within the UGB under paragraphs a. or b. of this Implementation Measure 1.5.1

must be consistent with the findings made in connection with that land's inclusion within the UGB.

- (1) All City departments, boards, commissions, officers and employees shall act on applications for permits on, for or with respect to properties outside the UGB consistent with the requirements and proscriptions of this implementation Measure and state law in a manner that avoids any approval of such applications by operation of state or other law.
- (2) All City departments, boards, commissions, officers and employees shall act on all referrals from other agencies regarding the extension or connection of municipal or public services such as sewer or water service, outside the UGB consistent with the requirements and proscriptions of this Implementation Measure and state law in a manner that avoids any approval of such extensions or connections by operation of state or other law.

Section 4. Implementation.

- A. Effective Date. Upon the effective date of this ordinance, the Community Development Element of the City of Sonoma 2006-2020 General Plan is amended in accordance with the provisions of Section 3 of this ordinance, except that if the four amendments of the mandatory elements of the General Plan permitted by state law for any given calendar year have already been utilized in 2020 prior to the effective date of this ordinance, this general plan amendment shall be the first amendment of the City's 2006-2020 General Plan on January 1, 2021 and take effect on January 1, 2021. At such time as this general plan amendment amends the City of Sonoma's 2006-2020 General Plan, any provisions of the City of Sonoma Zoning Ordinance, as reflected in the zoning ordinance text itself or in the City of Sonoma Zoning Map, inconsistent with this general plan amendment shall be null and void and deemed unenforceable.
- B. Other City Ordinances and Policies. The City of Sonoma is hereby authorized and directed to amend the General Plan, all specific plans, the development code, and other ordinances and policies affected by this ordinance as soon as possible and in the manner and time required by any applicable state law to ensure consistency between the goals, objectives and policies adopted in Section 3 of this ordinance and other elements of the City's General Plan, all specific plans, the development code, and other City ordinances and policies.

Section 5. Exemptions for Certain Projects.

This ordinance shall not apply to any of the following: (1) any project that has obtained as of the effective date of this ordinance a vested right pursuant to state or local law to proceed without complying with this ordinance. Nothing in this ordinance precludes the use of density bonuses in accordance with state law.

Section 6. Construction and Severability.

This ordinance shall be broadly construed in order to achieve the purposes stated in this ordinance. This ordinance shall be interpreted so as to be consistent with all federal and state laws, rules, and regulations. If any section, subsection, sentence, clause, phrase, part, or portion of this ordinance is held to be invalid or unconstitutional by a final judgment of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the ordinance. The voters hereby declare that this ordinance, and each section, sub-section, sentence, clause, phrase, part, or portion thereof would have been adopted or passed even if one or more sections, subsections, sentences, clauses, phrases, parts, or portions are declared invalid or unconstitutional. If any provision of this

ordinance is held invalid as applied to any person or circumstance, such invalidity shall not affect any application of this ordinance that can be given effect without the invalid application.

Section 7. Amendment or Repeal.

Except as otherwise provided herein, this ordinance may be amended or repealed only by the voters of the City of Sonoma at a City election.

Section 8. Publication.

The Clerk of the City of Sonoma is hereby directed to cause the following summary of the ordinance to be published by a newspaper of general circulation, published and circulated in the City of Sonoma:

Contingent upon majority voter approval, this ordinance will renew the City's existing urban growth boundary until December 31, 2040.

THIS ORDINANCE WAS APPROVED BY THE FOLLOWING VOTE OF THE PEOPLE ON NOVEMBER 3, 2020:

NO	5
Adopted by declaration of the vote effective2020.	by the City Council of the City of Sonoma on
	Logan Harvey, Mayor
	ATTEST:
	Rebekah Barr, City Clerk
APPROVED AS TO FORM:	
Jeffrey A. Walter, City Attorney	

EXHIBIT A

The following language appears at page 17 of the Community Development Element of the City of Sonoma 1995-2005 General Plan:

Agricultural: This designation is to protect remaining tracts of productive agriculture within city limits, including grazing lands, truck farms, vineyards, and crop production.

Density: 1 unit per 10 acres (excluding second units). Density bonus of 25%.

Intensity. 30-foot height limit (excluding agricultural processing facilities, which may be higher subject to use permit review) and a maximum coverage of 30%.

EXHIBIT B

GOVERNMENT CODE SECTION 65560

Sec. 65560. Definitions

- (a) "Local open-space plan" is the open-space element of a county or city general plan adopted by the board or council, either as the local open-space plan or as the interim local open-space plan adopted pursuant to Section 65563.
- (b) "Open-space land" is any parcel or area of land or water which is essentially unimproved and devoted to an open-space use as defined in this section, and which is designated on a local, regional or state open-space plan as any of the following:
- (1) Open space for the preservation of natural resources including, but not limited to, areas required for the preservation of plant and animal life, including habitat for fish and wildlife species; areas required for ecologic and other scientific study purposes; rivers, streams, bays and estuaries; and coastal beaches, lakeshores, banks of rivers and streams, and watershed lands.
- (2) Open space used for the managed production of resources, including but not limited to, forest lands, rangeland, agricultural lands and areas of economic importance for the production of food or fiber; areas required for recharge of ground water basins; bays, estuaries, marshes, rivers and streams which are important for the management of commercial fisheries; and areas containing major mineral deposits, including those in short supply.
- (3) Open space for outdoor recreation, including but not limited to, areas of outstanding scenic, historic and cultural value; areas particularly suited for park and recreation purposes, including access to lakeshores, beaches, and rivers and streams; and areas which serve as links between major recreation and open-space reservations, including utility easements, banks of rivers and streams, trails, and scenic highway corridors.
- (4) Open space for public health and safety, including, but not limited to, areas which require special management or regulation because of hazardous or special conditions such as earthquake fault zones, unstable soil areas, flood plains, water sheds, areas presenting high fire risks, areas

required for the protection of water quality and water reservoirs and areas required for the protection and enhancement of air quality. (Added by Stats. 1972, c. 251, p. 501, Sec. 2, cff. June 30, 1972.)

EXHIBIT C

LAND USE MAP