

City Council Agenda Item

City Council Meeting Date: January 16, 2024

TO: Dean Albro, City Manager

FROM: Brian Halvorson, Planning Manager

b halvorson@ci.lompoc.ca.us

SUBJECT: Approval of an Addendum to the Burton Ranch Specific Plan Final

Environmental Impact Report (FEIR) and Introduction of Ordinance No. 1709(24) Approving a Third Amendment to the Burton Ranch

Development and Annexation Agreement (SP 04-01)

Recommendation:

The Planning Commission recommends the City Council:

- 1) Hold a public hearing; and
- 2) Approve an Addendum to the Burton Ranch Specific Plan FEIR¹:
- 3) Introduce, for first reading by title only with further reading waived, Ordinance No. 1709(24) approving a Third Amendment to the Burton Ranch Development and Annexation Agreement and (Attachment 1).

Background:

The Burton Ranch Specific Plan (BRSP) Development Area is located on eleven parcels located at the northeast perimeter of the City Limits at the intersection of Highway 1 (Purisima Road) and Harris Grade Road. The Specific Plan area allows a total of 476 residential dwelling units and the project would include a combination of single family and multi-family dwelling units with a community park provided within the development. During the approval process for the BRSP and annexation request, the City Council and the applicants agreed to a Development Agreement (DA) as shown in Attachment 2. The project area was annexed and approved by the City Council by Ordinance No. 1520(06) on May 31, 2007, with an initial seven-year term. The annexation and DA included a requirement for the Mission Hills Community Services District (MHCSD) to provide utilities (water/sewer) to the project site.²

¹ Exhibit A to Attachment 1.

² Although the MHCSD will provide both water and sewer service within the project area, a one connection point (off of Highway 1) to an existing City-owned bonded sewer line along Highway 1 will receive sewage from the development and which will then be treated at the Lompoc Regional Wastewater Reclamation Plant.

The first amendment to the DA (Attachment 3) was approved by the City Council by Ordinance No. 1602(14) on May 31, 2014, and extended the DA by five years to May 31, 2019. The DA vested the BRSP in the event the property or portions of the property were sold; adopted a Maintenance Annuity Fee of \$1,500 per dwelling unit to supplement City services; and froze development impact fees at the 2007 rate for the term of the DA.

On February 21, 2019, the City received a request for a second amendment (Attachment 4) to allow a five-year time extension of the DA to May 31, 2024. At that time, no other changes were requested. However, staff recommended adding a provision stating any other discretionary entitlements approved for the project, such as architectural review and tentative subdivision maps, shall remain in effect and shall not expire until the expiration date of the DA. The City Council approved the second amendment on May 7, 2019.

The Planning Commission held a public hearing on November 8, 2023, to consider the noted addendum and time extension and recommended approval to the City Council as shown in Attachment 5.

Discussion:

As attached to Ordinance No. 1709(24), the third requested amendment would extend the life of the development agreement an additional ten years with a new expiration date of May 31, 2034. Similar to the second extension, the third amendment also includes a provision stating any other discretionary entitlement approved for the project, such as architectural review and tentative subdivision maps, shall remain in effect and shall not expire until the expiration date of the DA.

Additional terms of the agreement are amended to reflect the City agrees not to increase development impact fees (including Quimby Fees adopted pursuant to Government Code Section 66477) for the Project subject to this Agreement until May 31, 2031; provided, the Parties understand and agree the City recently amended its inclusionary housing fee regulations pursuant to Ordinance No. 1703(23) and those fees and the process for determining, paying and not refunding those fees shall apply as provided in that Ordinance; and in addition the sewer and electricity fees for the Project's pro rata share of the relevant bonded lines shall be as reasonably determined by the City Council based on costs at the time of installation.

In addition, prior to the issuance of any residential building permit for the Project, the Owners shall provide to the City proof the Mission Hills Community Services District (MHCSD) has made payment due to the City, as required by the Wastewater Services Agreement (WWSA), dated June 29, 2023, between the City and MHCSD relating to the amortized debt schedule and capital reserve discussed in the WWSA. Lastly, the third amendment also reflects a reorganization of ownership in the Burton Ranch project area.

Environmental Determination:

The FEIR (EIR 02-01) for the Burton Ranch Specific Plan (SCH # 2002091045) was adopted and in accordance with Section 15164 of the CEQA Guidelines, an Addendum to the 2005 Burton Ranch Specific Plan Final EIR has been prepared to document

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changes in the project description since the 2005 Final EIR was originally prepared. The Addendum finds none of the conditions described in CEQA Guidelines Section 15162 calling for a subsequent EIR have occurred, and, therefore, no additional environmental review is required for the project.

Fiscal Impact:

The Planning Division has processed this amendment through applicant paid deposits including separate environmental review as required. There was no impact to the General Fund from the processing of this amendment.

Conclusion:

Approving the Addendum and adopting Ordinance No. 1709(24) would extend the Development Agreement an additional 10 years to allow the necessary time needed for the construction of residential development projects in the BRSP Development Area.

Respectfully submitted,
Brian Halvorson, AICP, Planning Manager
APPROVED FOR SUBMITTAL TO THE CITY MANAGER:
Christie Alarcon, Community Development Director
APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:
Dean Albro, City Manager

- Attachments: 1) Ordinance No. 1709(24)
 - 2) Development and Annexation Agreement
 - 3) First Amendment to Development Agreement
 - 4) Second Amendment to Development Agreement
 - 5) Planning Commission Resolution No. 994 (23)