LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

City of Soledad
2010 Municipal Service and Sphere of Influence Review

Adopted on September 27, 2010

EXECUTIVE SUMMARY

This report provides information about the municipal services and Sphere of Influence boundaries of the City of Soledad. It is for use by the Local Agency Formation Commission in conducting a statutorily required review and update process.

State law requires that the Commission conduct periodic reviews and updates of the Sphere of Influence of each city and district in Monterey County (Government Code section 56425(e)). The law also requires the Commission to update information about municipal services before adopting Sphere updates (Government Code section 56430). In 2009, the Commission adopted a comprehensive work program to carry out these requirements. The Commission's current focus of review is the five cities of the Salinas Valley.

Part One of this report contains information about the municipal services provided by the City of Soledad. Information has been gathered about the capacity of services, the ability to provide services, the accountability for service needs, and the efficiency of service provision. The information is organized by six statutory determinations that need to be made by the Commission. The Executive Officer recommends that the Commission conduct a public hearing and adopt the update service review information for the City of Soledad. A draft Resolution will be prepared that supports this recommendation.

Part Two of the report reviews the Sphere of Influence of the City of Soledad. Exhibit A is a map of the City's currently adopted Sphere of Influence and City Limits. A Sphere of Influence is the probable extent of the City's boundary and service area. The Sphere is an important tool used by LAFCO to encourage the orderly formation and growth of local government agencies, preserve open space and agricultural lands, discourage urban sprawl, and encourage the efficient provision of services. The Sphere review in this report corresponds to four statutory determinations that need to be made for a Sphere update.

The Soledad Sphere of Influence was adopted by LAFCO in 1994, following the City's adoption of a new General Plan in 1993. The last update of the City's Sphere was a 92-acre expansion for a portion of the Miravale II project in 2004. For the most part, the City's Sphere boundaries are the same as the City limits. The current Sphere does not provide adequate area for future expansion needs over the next twenty years.

In 2005, the City adopted a comprehensive General Plan update. The City anticipates that it will initiate several Sphere amendment proposals pursuant to its General Plan. The timing of these Sphere proposals will depend on the City's planning, environmental review and implementation processes and schedules. One step was taken in early September 2010, when the City Council authorized its staff to initiate an early consultation process with LAFCO regarding the Miravale III Specific Plan area.

Because the City of Soledad is not yet ready to initiate formal Sphere amendment proposals, the Executive Officer recommends that the Commission affirm the currently adopted Sphere of Influence (Exhibit A) with no changes at this time. A draft Resolution will be prepared that supports this recommended action.

The analysis, conclusions and recommendations in this report were prepared with information provided by, and in consultation with, the City of Soledad. Data sources, including reference documents and a detailed survey completed by the City, are available for review in the office of LAFCO.

PART ONE: MUNICIPAL SERVICE REVIEW

In 2006, the Local Agency Formation Commission of Monterey County conducted its first review of services provided by the City of Soledad. This report presents a brief update. The information is organized by six determinations that need to be made for a municipal service review:

1. **Growth and Population Projections for the Affected Area**

   Soledad's population was estimated at 27,929 in 2010, as estimated by the California Department of Finance[1],a 21% increase over the 2000 population of 23,015. While this percentage increase is more than twice the county-wide decennial increase, it is close to the 18.9% increase experienced by the four south Salinas Valley cities. The Association of Monterey Bay Area Governments projects that the population will grow to 36,392 by 2025 and 41,405 by 2035. This projected increase is significantly higher than the county-wide growth rate, but it is lower than for any other Salinas Valley city except Salinas. An estimated 10,000 of the City's residents live in one of the two prisons

[1] California Department of Finance, Table 2: E-4 Population Estimates for Cities, Counties and State, 2001-2010, with 2000 Benchmark

operated by the State Department of Corrections. Although they are not contiguous with the rest of the City, the prisons are inside the City limits.

2. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, including Infrastructure Needs or Deficiencies

The City's 2005 General Plan includes goals and policies that provide a framework for orderly growth and development and emphasize the provision of services and facilities concurrent with need. The City annually reviews the present and planned capacity of public facilities and the adequacy of services, including any infrastructure needs or deficiencies. This is done through the City's Annual Budget, Capital Improvement Program and Capital Budget. The City Council's review and update of these documents ensures that city services, facilities and infrastructure will address existing demands and projected growth. The City's water recycling facility is currently permitted for processing 5.5 million gallons per day, which is in excess of demand. Adequate potable water is provided through the City's four municipal wells, which have a combined pumping capacity of about 4,300 gallons per minute.

The City of Soledad provides a broad range of public facilities and services. City services include: fire protection; law enforcement and police; parks, recreation facilities, open space; street construction; street maintenance; street lighting; street sweeping; landscaping and landscape maintenance; retail water; wholesale water; water treatment; water replenishment; water conservation; sanitary sewer collection; sanitary sewer treatment; recycled/reclaimed water; pump station maintenance; storm drain maintenance; surface water disposal and flood control.

The City has identified a number of existing service deficiencies. These include police and fire stations that are considered inadequate, a deficiency of approximately 34 acres in improved park facilities, older water mains and fire hydrants in the older part of town that are in need of replacement, and older sidewalk ramps that need to be upgraded. The City has plans to resolve most of these inadequacies, including completed plans for a new or expanded fire station, a police station upgrade, development of an existing unimproved park site, and replacement of older water mains and hydrants.

3. Financial Ability of Agency to Provide Services

The City Manager's transmittal letter for the 2009-10 Fiscal Year Budget stated that the City "continues basic services within the prudent financial means of the City." The adopted 2009-10 General Fund operating budget showed reduced revenues and expenditures of 14.5%, equivalent to an approximately $1.2 million reduction from 2008-09 levels. Although the current 2010-11 Fiscal Year General fund operating budget shows a 6.4% increase, this increase may be attributed more to a change in fund allocations than to an increase in revenue. Soledad continues to experience a reduction in revenues. In the past two years, the City has responded to this by reducing pay and

benefits for staff, eliminating 15 positions ("full time equivalents"), consolidating City Departments, and implementing furloughs for non-safety departments.

4. Status of, and Opportunities for, Shared Facilities

The City of Soledad coordinates with other local agencies to implement cost-efficient service delivery. The Soledad Fire Department provides fire suppression and prevention services to the Mission Soledad Fire Protection District. The Fire Department also has automatic aid agreements with California Training Facility Fire Department and the Greenfield Fire Protection District, and mutual aid agreements with fire service providers county-wide. The City participates in the county-wide dispatch and emergency communications system. Soledad worked cooperatively with the other Salinas Valley cities and the County to secure the regional designation of a State Enterprise Zone.

Soledad is participating in the Monterey County Joint Gang Task Force with the FBI and state and local law enforcement offices. The City, along with the other three south Salinas Valley cities, is also participating in an attack against crime dubbed the "Four Cities for Peace Plan." The City provides wastewater treatment facilities to the Correctional Training Facility and Salinas Valley State Prison, as well as the Dole agricultural processing facility located in the unincorporated County. Solid waste is collected by Tri-Cities Disposal and Recycling, which was formed through a joint-member agreement between Gonzales, Soledad, and Greenfield. The City participates in the Monterey Bay Self Insurance Authority, a joint powers authority providing insurance to member cities.

5. Accountability for Community Service Needs, including Government Structure and Operational Efficiencies

The City Council consists of an elected Mayor holding a two-year term and four Council Members elected at large for four-year overlapping terms. Public meetings and City operations are widely publicized through the media, through mailings and by use of the City web site. The City Council has used public hearings on the City's budget as a forum for discussing ways to increase operational efficiencies while maintaining municipal services.

6. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

The City has agreed to require that proposed developments mitigate their regional traffic impacts through contributions to a regional transportation improvement fund. The 2005 General Plan requires the development of Specific Plans that would support the development of integrated areas by mixing residential, neighborhood retail, open space, and public uses while making it possible to travel by transit, bicycle, or foot, as

well as by automobile. The General Plan also states, when feasible, that Specific Plan areas should help to achieve the City's jobs/housing balance.

Soledad is now updating the Downtown Specific Plan to incorporate provisions for passenger rail service and mixed use commercial / office/ residential land uses. This work began in the Spring of 2010, when Soledad received assistance from Cal Poly (SLO) graduate Planning students to conduct a visioning process and develop four urban design concepts. The City is now seeking funding to complete this process.

The Executive Officer will recommend that the Commission adopt this updated service information for the City of Soledad. A draft Resolution will be prepared with determinations that support this recommendation.

PART TWO: SPHERE OF INFLUENCE REVIEW

The last comprehensive revision of the Soledad Sphere was adopted by LAFCO in 1994, following the City's adoption of a new General Plan in 1993. The most recent amendment to this Sphere was a 92-acre expansion to accommodate a portion of the Miravale II project in 2004. Exhibit A is a map of the currently adopted Sphere of Influence and City limits. For the most part, the City's Sphere of Influence is the same as the City limits, and does not provide adequate area for probable needs for City growth over the next twenty years.

The City of Soledad updated its General Plan in 2005. The adopted General Plan includes several large planning areas that are anticipated to be added to the City's Sphere of Influence. The General Plan commits the City to pursuing applications with LAFCO for Sphere amendments consistent with the General Plan, and to executing a Memorandum of Understanding with Monterey County formulating the land use management strategy for the City's Sphere. In addition, the City has identified several other Sphere amendments that it also intends to initiate, pending completion of local planning and environmental processes. In September 2010, the City Council took a step toward implementation of its General Plan by authorizing its staff to begin early consultation with LAFCO on the Miravale III Specific Plan area.

Following is a review of the City of Soledad Sphere of Influence. The review is organized by the four determinations that need to be made for a Sphere update:

1. **The Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

   Excluding vacant land, 58% of Soledad is currently used for residential uses. Commercial and industrial uses consist of 6% and 11% of the available land. The City is surrounded by productive agricultural land, primarily categorized as "prime farmland" by the State

Department of Conservation. A significant portion of neighboring lands is protected by Williamson Act restrictions.

The existing City limits contain approximately 3,000 acres. The 2005 General Plan anticipates the development of five expansion areas on 3,254 acres that would more than double the City's area. Only small portions of these expansion areas are within the City's existing Sphere of Influence. To implement the anticipated development, the City will initiate several Sphere of Influence amendments, the timing of which will depend on the City's implementation processes and schedule.

2. The Present and Probable Need for Public Facilities and Services in the Area

The City provides a wide variety of municipal services. The 2005 General Plan includes goals and policies for the development of streets and highways, bicycle and pedestrian circulation, truck routes, parklands, public services and public facilities. New developments will be responsible for the payment of impact fees to ensure the adequacy of municipal facilities and services. The City Council examines the community's need for public facilities and services during annual budget deliberations. The City's budget is based on responding to the needs of the community and to providing service level enhancements where affordable.

3. The Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

Public facilities and services are being improved, or planned for improvement, to meet the needs of future populations to the extent allowed with the City's current budgetary constraints. The City reviews service levels, and plans for their improvement, through its Capital Improvements Plan and annual operating budget and through adopted master plans for water, sewer, storm drainage and parks. The upgrade and expansion of Soledad's wastewater treatment plant was completed in January 2010. The plant capacity was elevated from 3.1 million gallons per day to 5.5 mgd. With completion of the project, the plant meets the effluent limits adopted by the State Water Resources Control Board of California.

4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines that They are Relevant to the Agency

The current Soledad City limit and Sphere of Influence includes two State prisons, the Correctional Training Facility and Salinas Valley State Prison, with inmate populations of approximately 6,350 and 3,800. Approximately 34 units of staff housing also exist on the State-owned property. Although the public infrastructure at these State facilities operates fairly independently, the City contractually provides wastewater treatment services.

Two older farm-labor housing developments exist just south of the state prisons, on the east side of Highway 101. The Camphora development is planned for reconstruction by the non-profit developer, South County Housing, with the assistance of the County Redevelopment and Housing Office. The property is not contiguous with the City limits, and so is not eligible for a Sphere amendment or annexation to the City. However, the City recently provided a "will serve" letter regarding the provision of sanitary sewer services to the property. A request will be made to LAFCO to approve an "out of jurisdiction service agreement" between the City and the developer.

For information only, the City anticipates initiating a series of Sphere of Influence amendment proposals to implement the growth projected in the 2005 General Plan. The first large planning area to be proposed for a Sphere expansion will be the 920-acre, mixed use Miravale III area north of the City limits. As mentioned above, the City Council recently authorized its staff to begin an early consultation process with LAFCO regarding this planning area.

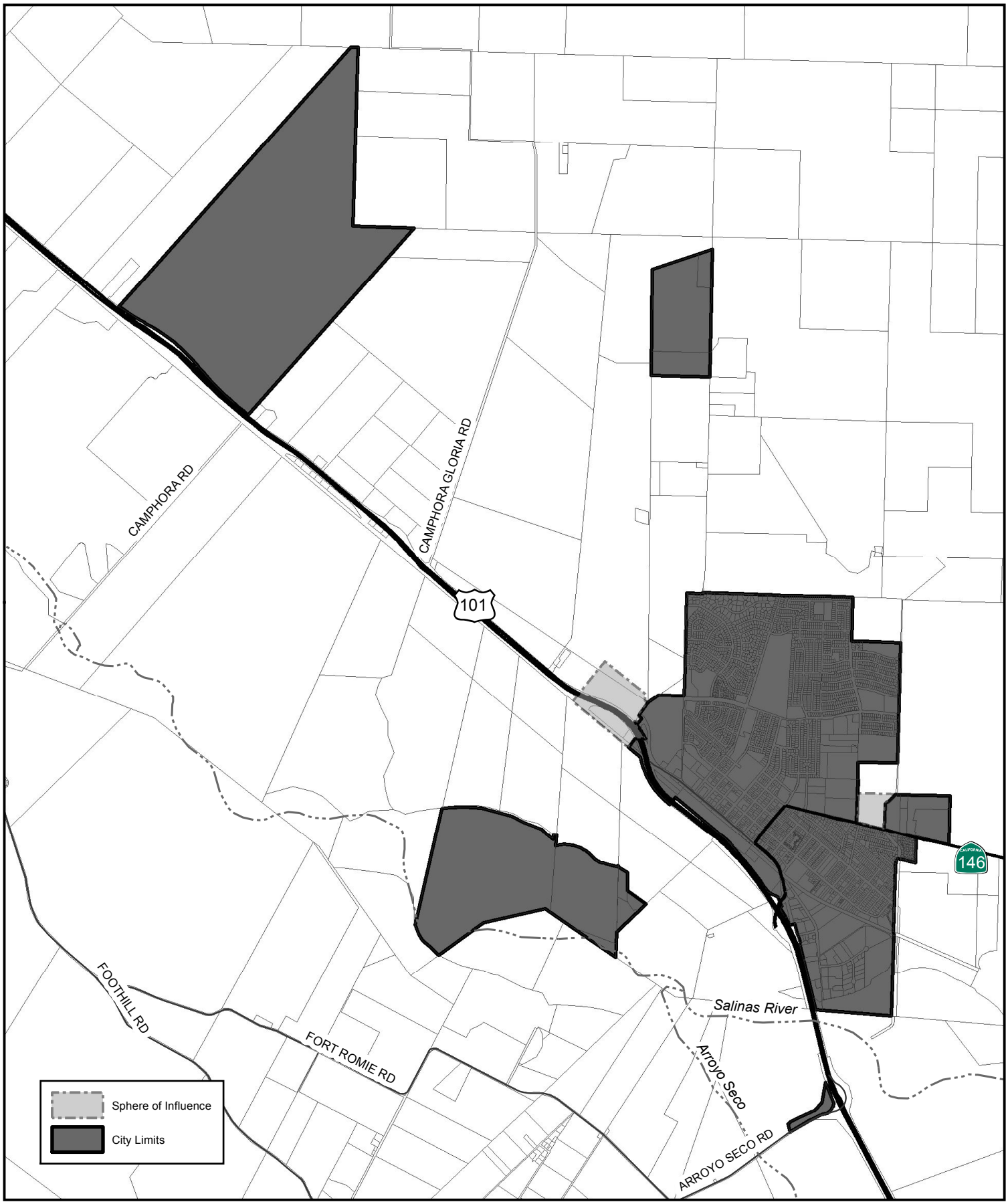
Other potential applications for Sphere amendments include proposals to:

a) Allow development of the final portion of the Miravale II project along the City's eastern edge. LAFCO started to process that proposal in 2004 but work was put on hold due to drainage channel issues that are not yet resolved;
b) Accommodate safety improvements at the Front Street freeway interchange;
c) Facilitate a 4.35± acre expansion of the commercial area planned within the 2006 Soledad Entry Commercial Annexation, and
d) Facilitate the City's construction of two new roadways, to extend Gabilan Drive northward and to connect Metz Road with Front Street on the south side of the City.

The timing for all of the anticipated Sphere proposals will depend on the City's planning, environmental review and implementation processes and schedules. The Soledad General Plan establishes the commitment of the City to engage in a City-County consultation and agreement process prior to submittal of formal Sphere applications to LAFCO.

Because the City is not yet ready to request LAFCO to consider formal Sphere proposals, the Executive Officer recommends that the Commission affirm the currently adopted Sphere of Influence for the City of Soledad (Exhibit A) with no changes at this time. A draft Resolution will be prepared that provides the necessary determinations for this action.

Exhibit A: Currently Adopted Sphere of Influence and City Limits Map, City of Soledad.



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Feet

City Boundaries

SOLEDAD

Last LAFCO-Approved Change: 12/24/06
Sphere of Influence Affirmed: 9/27/10
Map Prepared: 9/27/10