



October 3, 2024

Justin Meek, Assistant Community Development Director  
City of Watsonville  
250 Main Street  
Watsonville, CA 95076

**Subject: Notice of Preparation of an Environmental Impact Report for the proposed City of Watsonville 2050 General Plan**

Dear Mr. Meek:

Thank you for this opportunity to comment on the Notice of Preparation of a draft Environmental Impact Report (EIR) for the City's 2050 General Plan Update. The notice of preparation envisions future development for up to 5,980 new residential units and 1.725 million square feet of non-residential development. About 72% of the proposed development (4,320 residential units) is within city limits. However, it appears that the remaining 1,660 proposed units (28%), specifically Area A (Buena Vista Area) and Area G (West of Highway 1) are located outside the City's existing sphere of influence, as designated by the Local Agency Formation Commission of Santa Cruz County (LAFCO). Development of currently unincorporated areas would be subject to LAFCO's approval of future sphere amendments and annexation proposals at a later date.

Under the California Environmental Quality Act (CEQA), LAFCO is a Responsible Agency for this proposal, and will have regulatory authority for future applications for the proposed annexation application. It is in this role that LAFCO is commenting on the EIR.

**Comments on Scope of the Draft EIR:**

**1. Conformance to State LAFCO Law and Locally Adopted LAFCO Policies**  
(Please provide an analysis in the draft EIR).

LAFCO's statutory authority is derived from the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code section 56000, et seq.). Among LAFCO's purposes are: Discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (section 56301). The Cortese-Knox-Hertzberg Act identifies factors that must be considered, and determinations that must be made, as part of LAFCO's review of annexation proposals. These provisions of law are the legislative basis for LAFCO's locally adopted Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization ("LAFCO Policies"), most recently updated March 6, 2024, which guide LAFCO's review and consideration of requests for annexation and other boundary changes. The full text of LAFCO's adopted Policies is available on LAFCO's web site: <https://santacruzlafco.org/about/policies-procedures/>.

If the EIR is approved, LAFCO will likely be requested, at a future date, to consider approval of one or more sphere amendments and/or annexation proposals for currently unincorporated sites in the proposed development areas, in accordance with the Cortese-Knox-Hertzberg Act and local LAFCO policies. As a CEQA Responsible Agency, LAFCO plans to use the City's environmental document to fulfill CEQA clearance for the annexation, and to support the evaluation of the proposal's consistency with the applicable LAFCO laws and policies, including adopted "Preservation of Open-Space and Agricultural Lands" and "City Jobs & Housing" policies, among others.

The City's Notice of Preparation makes no reference nor recognizes that the proposed development areas outside the city limits must also be evaluated for their consistency with LAFCO's sphere and annexation policies, including policies related to the logical expansion of urban boundaries and logical expansion of urban services and utilities.

LAFCO requests that the draft EIR being prepared include an analysis of the EIR's conformance to the full range of LAFCO's adopted policies and related State laws, to the extent such analysis is possible based on information currently available about potential long-term future development of currently unincorporated sites. LAFCO staff can provide examples of similar analyses from other recent proposals. A more detailed, site-specific, and updated analysis to LAFCO laws and policies should also be anticipated as a required part of subsequent, project-level CEQA documents when future proposals are brought forward to LAFCO. Provision of this information in current and future CEQA documents will help ensure that the Commission will have adequate information to act in its role as a CEQA Responsible Agency, when future Sphere amendments or annexation proposals for areas within the EIR are submitted to LAFCO.

## **2. Inclusion of Existing Extraterritorial Service Agreements (ESAs)**

(Please address the general plan's consistency with the City's existing ESAs).

Our records indicate that the City of Watsonville has 17 active extraterritorial service agreements (ESAs) in place in accordance with Government Code Section 56133. The first ESA was approved in 1995 for the provision of water services, and the most recent ESA was approved in 2021 for water and sewer services. These agreements were approved to address health and safety issues and are meant to be precursors to annexation in the future. Attachment A shows the location of the ESAs. As the map shows, all 17 ESAs are located within the City's sphere, planning area, and immediately adjacent to the City's jurisdictional boundary.

At present, the general plan update does not reference the provision of sewer or water service to areas outside the city limits under these ESAs. Therefore, LAFCO is requesting that the City identify, catalog, and reference the ESAs within their general plan to reflect the current service delivery to the affected parcels outside the city but within its existing sphere boundary and planning area. Including these ESAs into the general plan would allow the City to plan for future annexations, if and when appropriate.

**3. Conformance to the Adopted County Urban Services Line**

(Please address the general plan's consistency with the County's USL).

Please include in the draft EIR an analysis of the general plan's consistency with the adopted 1979 County Urban Services Line, which does not appear to be discussed in the Notice of Preparation. Implementation of the general plan update may require revisions to the adopted USL and support from the County. Because such revisions would likely involve the potential for future sphere and annexation proposals, and would directly pertain to LAFCO's legislative purposes, LAFCO would like to have a role in any future modifications to the adopted USL.

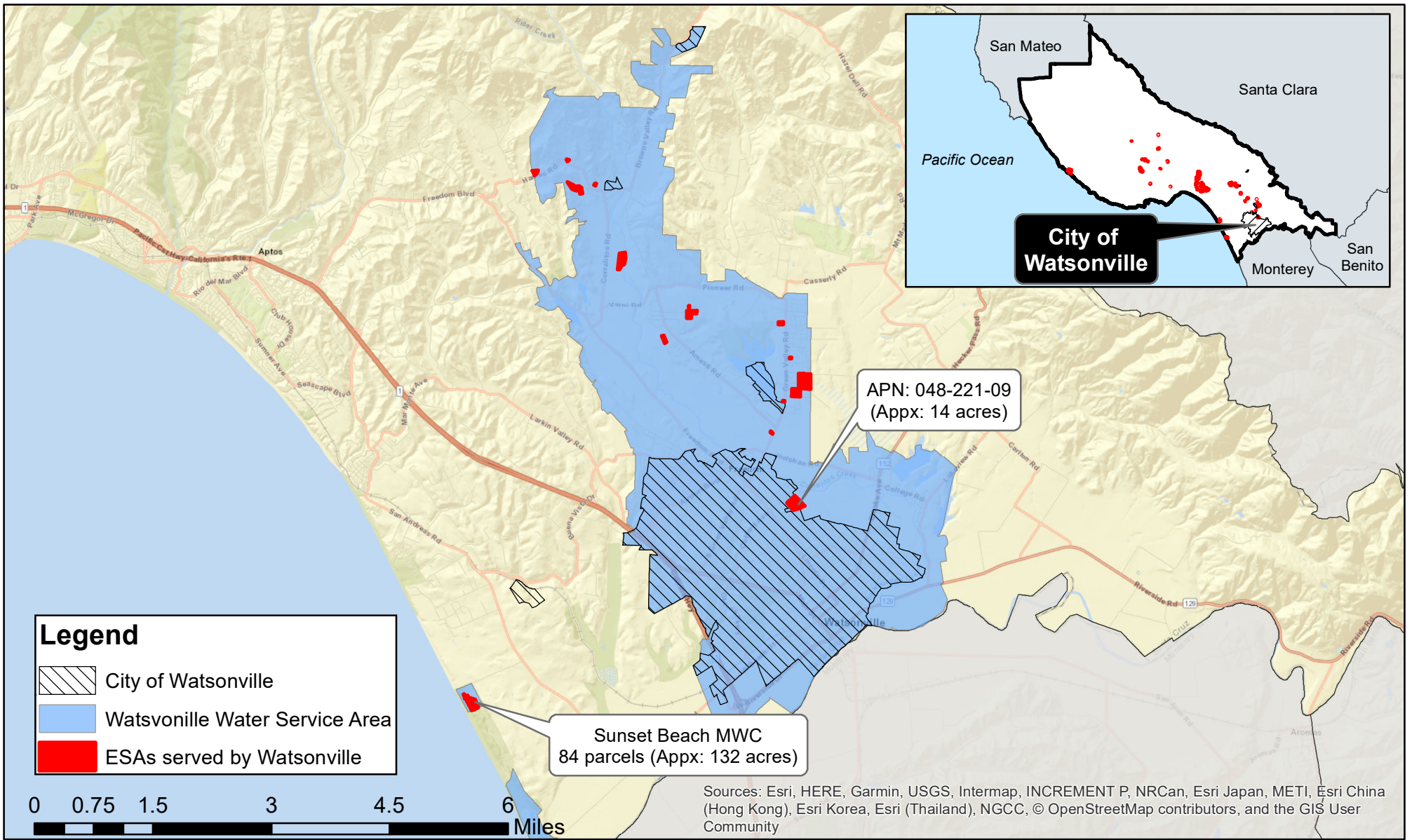
Thank you again for this opportunity to comment on this proposal. Please continue to keep us informed throughout the process. I would be happy to meet with you and your consultants for more detailed discussions.

Sincerely,

Joe A. Serrano  
Executive Officer

Attachment:

A) ESA Map



# City of Watsonville List of Extraterritorial Service Agreements (17 in total)

The City of Watsonville has 17 ESAs on file. These ESAs provide services to 152 parcels totalling approximately 209 acres.