

# LAFCO *of Monterey County*

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LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

## City of Seaside 2011 Municipal Service and Sphere of Influence Review

Adopted on January 24, 2011

### **INTRODUCTION**

This report provides information about the municipal services and Sphere of Influence boundaries of the City of Seaside. 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)). 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 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 seven cities on the Monterey Peninsula.

The analysis, conclusions and recommendations in this report were prepared with information provided by, and in consultation with, the City of Seaside. Data sources, including Elements of the City's General Plan and the Fiscal Year 2010-11 budget, are available for review in the office of LAFCO.

### **EXECUTIVE SUMMARY**

Part One of this report contains information about the municipal services provided by the City of Seaside. 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. All of these determinations can be made for the City of Seaside. The Executive Officer recommends that the Commission conduct a public hearing and adopt the updated service review information for the City of Seaside. A draft Resolution will be prepared that supports this recommendation.

Part Two of the report reviews the Sphere of Influence of the City of Seaside. The review corresponds to four statutory determinations that need to be made for a Sphere update. Exhibit A is a map of the City's current City limits and Sphere of Influence. The adopted Sphere is identical to the City's municipal boundaries; they include a portion of the former Fort Ord. The City limits contain a total of approximately 5,740 acres<sup>1</sup>.

Seaside's current focus is on revitalizing portions of the central core of the City and on developing incorporated portions of the former Fort Ord. The 2004 General Plan does not anticipate an expansion of the City's Sphere of Influence. However, the Cities of Seaside, Del Rey Oaks, and Monterey are considering a few minor changes to their respective Spheres of Influence and City limits to conform to property ownership. Because the cities are not yet ready to formally initiate these minor proposals, the Executive Officer recommends that the Commission affirm the currently adopted Sphere of Influence (Exhibit A) for Seaside with no changes at this time. A draft Resolution will be prepared that supports this recommended action.

## **PART ONE: MUNICIPAL SERVICE REVIEW**

In 2007, the Local Agency Formation Commission of Monterey County conducted its first Municipal Service Review of the City of Seaside. 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**

The California Department of Finance<sup>2</sup> estimates that the City's population was 34,628 in 2010, making it the most populous city on the Monterey Peninsula. This is a 4.6% increase over the 2000 U.S. Census population of 33,097. The Association of Monterey Bay Area Governments (AMBAG) projects that Seaside will continue to grow modestly to 35,709 in 2025, a 3.1% increase. The population is then anticipated to drop slightly to

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<sup>1</sup> This excludes the portion of the City that extends into Monterey Bay.

<sup>2</sup> California Department of Finance, Table 2: E-4 Population Estimates for Cities, Counties and State, 2001-2010, with 2000 Benchmark.

35,549 in 2035. The 2004 Seaside General Plan estimates a City build-out population of approximately 43,000<sup>3</sup>.

AMBAG also projects that the City's employment base will grow from 6,840 jobs in 2005 to 9,224 in 2025 and 10,848 in 2035.

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

Seaside's 2004 General Plan emphasizes the opportunities for revitalization of the City's central core and development in incorporated portions of former Fort Ord. The General Plan includes goals, policies, and implementation plans for the City and other service providers to provide adequate public facilities and services. The plan includes sections on water and sewer, solid waste, drainage, fire protection and law enforcement, parks and open space, schools, and libraries.

The City adopted a six year Capital Improvement Program (2008-09 through 2013-14) in 2008. While the national recession has slowed the achievement of program goals, the document remains a guide for capital improvements. 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 review of the biennial City and the Redevelopment Agency budget.

The City directly provides fire protection and emergency medical services; hazardous materials response; parks / open space / recreation; road maintenance; street lighting; community development (planning, building, engineering and redevelopment activities), and police protection.

The City is responsible for local flood control facilities and the Monterey County Water Resources Agency is responsible for regional flood control facilities. Sewer services are primarily provided through the Seaside County Sanitation District, which also provides sanitary sewer service to the Cities of Del Rey Oaks and Sand City. The City of Seaside contractually provides staff to this District. Sanitary sewer service to portions of the former Fort Ord is provided by the Marina Coast Water District.

Solid waste generated in Seaside is collected by Seaside Waste Management, a private firm under contract with the City. Collected waste is disposed of by the Monterey Regional Waste Management District.

The Seaside Municipal Water System, operated by the City, provides water to the Del Monte Heights area from three existing wells. The remainder of the central core of the

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<sup>3</sup> 2004 General Plan Land Use Element, page LU-14.

City is serviced by the California American Water Company (“Cal Am”). Water in much of the former Fort Ord area is provided by the independent Marina Coast Water District.

Water service provided by the Cal Am and the Seaside Municipal Water System is constrained due to the overdraft status of the Seaside Basin and a determination that water has been unlawfully diverted from the Carmel River. The Monterey Peninsula Water Management District has determined a water allocation for each jurisdiction within the District. This allocation system imposes a limit on future water availability within each city. The Marina Coast Water District, the Monterey County Water Resources Agency, and Cal Am are proposing a Regional Water Project to increase the supply of water through desalination. The City is participating with other Monterey Peninsula cities to ensure that Monterey Peninsula ratepayers are represented in these plans.

Portions of the former Fort Ord are still being used, and under the control of, the U.S. Army. In these areas of the City of Seaside, much of the infrastructure and public services provided are controlled by the Army. This includes streets, police service, and fire protection facilities. The Presidio of Monterey Fire Department contracts to provide fire protection services to the California State University at Monterey Bay, which straddles the Marina-Seaside City limits line.

The City regularly conducts a Strategic Planning Retreat to examine its strengths, weaknesses, opportunities, and threats. Weaknesses and challenges that have been disclosed in this process are a lack of road maintenance, a shortage of athletic fields, a lack of maintenance of City facilities, and extended Fire Department response times in portions of the former Fort Ord.

Deferred maintenance on the City’s road network is an unfunded liability of approximately \$10 million. The City is exploring ways to expand the police station and to expand or relocate the library. The City is also exploring efficient ways to comply with storm water collection and treatment requirements.

### **3. Financial Ability of Agency to Provide Services**

In a May 20, 2010 memorandum, the City Manager presented the City Council with a proposed biennial budget that “reflects the transition to a new ‘normal’ which will require the City to operate with a skeletal staff and extremely limited financial resources in the foreseeable future.” The adopted budget estimates 2010-11 general fund revenues of \$18,110,000. While the proposed budget projected expenditures of \$19,500,000, the operating budget adopted by the Council on June 17 reduced expenditures to match expected revenues. The adopted biennial Capital Improvement Program budget totaled \$18.2 million for the two years, which was significantly below the \$83.6 million that had been projected for these years in the Six Year Capital Improvement Program adopted in 2008.

In budgeting for public needs, the City remains focused on the following strategic goals that were adopted for 2009-12:

- Maintain a diverse and stable fiscal and economic base;
- Maintain public safety and quality of life in the City;
- Lead the effort to resolve the water shortage, and
- Achieve fiscal health (and wellness).

The current City budget reflects the reduced service levels tied to reductions in staff and resources. Severe reductions were made in every department. While every effort has been made to maintain critical municipal services, the City Manager's memorandum stated that "there are some things that the City will not be able to do in the next two years."

Key sources of revenue for the City's General Fund Budget are the sales tax (including the transaction tax), the transient occupancy tax, and the utility user tax. Seaside's portion of the basic 7.25% sales tax provides approximately 25% of general fund revenues. An additional 1% sales tax transaction tax approved by voters in 2008 represents an additional 14% of projected revenues. The majority of taxable goods continue to be motor vehicles sold in the City's Auto Center. Property taxes account for approximately 22% of general fund revenues, and the utility user tax represents an additional 13%.

#### **4. Status of, and Opportunities for, Shared Facilities**

The City of Seaside coordinates with other local agencies to implement cost-efficient service delivery. The Seaside Fire Department provides fire suppression and prevention services to the City of Del Rey Oaks. The Fire Department also has automatic aid agreements with the City of Monterey mutual aid agreements with fire service providers county-wide. In 2005, a consolidation of the Seaside and Marina Fire Department was studied but not adopted. However, the City is participating in discussions with the Cities of Monterey, Pacific Grove, and Carmel-by-the-Sea about the formation of a joint power authority for fire protection services.

The City participates in the county-wide dispatch and emergency communications system. Seaside also participates in the "Monterey Peninsula Regional Special Response Unit." This joint unit, composed of police officers from six Monterey Peninsula Cities and Cal State Monterey Bay, lessens the Peninsula's reliance on the County's other SWAT units located a 30-minute drive away in Salinas.

The provision of services to the Presidio and the Ord Military Community is done through the Presidio Municipal Services Agency. This joint-powers agency was formed by the Cities of Seaside and Monterey.

The City cooperates with other local jurisdictions to provide storm water management activities through the Monterey Regional Storm Water Group. The Regional Water Quality Control Board has issued a General Permit to this regional joint effort.

A number of regional special districts provide municipal services to Seaside residents. These include:

- Monterey Peninsula Airport District;
- Monterey Peninsula Regional Park District;
- Monterey Regional Waste Management District (landfill);
- Monterey Regional Water Pollution Control Agency;
- Monterey-Salinas Transit District, and
- North Salinas Valley Mosquito Abatement District

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

The City of Seaside is a General Law City with a Council/Manager form of government. The five-member City Council is a legislative and policy-making body that is elected on a nonpartisan basis to represent the residents of Seaside.

The Mayor is elected every two years in a general election held in November of even-numbered years. Serving with the Mayor are four members of the City Council who have overlapping terms; every two years, two members of the City Council are also selected by the voters through a general election. Members of the City Council, including the Mayor, are not subject to term limits.

The City Manager is appointed by the City Council to manage the daily operations of the City and is responsible for making policy recommendations to the City Council and implementing City Council policy directives.

Policy decisions are made at City Council meetings, which are publicized through the media, through mailings, and by use of the City web site. City Council meetings are broadcast live to all Seaside residents who subscribe to Comcast cable television service. These broadcasts are archived on the City website.

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

In 2006, the Local Agency Formation Commission adopted policies encouraging mitigation for regional traffic impacts and encouraging well-ordered, efficient urban development patterns. Consistent with these policies, the City requires mitigation of regional traffic impacts through contributions to a regional transportation improvement fund. The Land Use Element of the 2004 General Plan states that while Seaside is housing-rich, the City strives to achieve a more beneficial balance between jobs and

housing while maintaining a range of housing opportunities available to all economic segments of the community. The City has also identified a mixed use category to promote pedestrian and transit oriented activity centers with residential, commercial, office, and civic uses.

### **Service Review Conclusion and Recommendation**

All of the required service review determinations can be made for the City of Seaside. The Executive Officer will recommend that the Commission adopt this updated service information for the City of Seaside. A draft Resolution will be prepared with determinations that support this recommendation.

## **PART TWO: SPHERE OF INFLUENCE REVIEW**

Exhibit A is a map of Seaside's current City limits and Sphere of Influence. The Sphere of Influence was adopted by LAFCO in 1983, and is identical to the City limits. No expansion of the City limits or Sphere has occurred since 1983. The Sphere of Influence and City boundary are constrained on the north (Marina), west (Sand City, Fort Ord Dunes State Park and Monterey Bay), and south (Monterey, Del Rey Oaks). The City could theoretically expand eastward into unincorporated County territory of the former Fort Ord, but much of this undeveloped land is designated for habitat management within the County General Plan.

Following is a review of the City of Seaside Sphere of Influence. The review is organized by 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**

The Seaside General Plan lists the projected development capacity for the City<sup>4</sup>. Approximately one third (34%) of the City's 4,504 acres are designated for open space and recreation. Most of this area is dedicated to habitat management within the former Fort Ord. An additional third (33%) of the City is designated for residential development; just over half of this area is reserved for low density single family homes with the rest is for medium and high density residential uses. One quarter of the City is designated for public and institutional use. Most of the public lands are for the U.S. military and for the California State University at Monterey Bay, which straddles the boundaries of Seaside and Marina. The remaining land is designated for commercial (5%) and mixed uses (3%).

Following the national downturn in the economy, the City conducted public forums that identified a need to increase the amount of land available for job development within

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<sup>4</sup> Table LU-2, Seaside General Plan, August 2004, page LU-17.

the City. As a result, the City may, in the future, consider proposals to locate commercial, industrial or visitor-serving uses in areas of the former Fort Ord that are now planned for housing. The 1997 Fort Ord Reuse Plan provides a framework for that portion of the City within the boundaries of the former Army base. Any land use proposed within the jurisdiction of the Fort Ord Reuse Authority will be reviewed for consistency with this plan.

There is no active farmland in, or adjacent to, the City's Sphere of Influence.

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

The City provides a wide variety of municipal services. The 2004 General Plan includes goals, policies, and implementation plans for public facilities and services, such as water and sewer, solid waste, drainage, fire protection, law enforcement, schools, and libraries. A General Plan Policy requires that new development fund its share of community services and facilities. 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 on 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**

Seaside is in the process of implementing a number of area plans that include capital improvements. These plans include the Broadway Avenue and Fremont Boulevard Improvement Plans, the Redevelopment Implementation Plan for the "Merged Project Area," and the Seaside Auto Mall Master Plan. The City is also exploring the concept of a 250,000 square foot convention center on 92 acres east of the Bayonet and Black Horse Golf Courses.

Although the implementation of these plans is difficult with the current economic situation, the City has a continued its commitment to maintain service levels in the important areas of public safety, recreation, senior services, street maintenance, and park improvements for Seaside residents and businesses.

## **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**

For purposes of this review, a relevant "community of interest" is any group or entity in an unincorporated area that shares common social or economic interests with a city, and that could be potentially annexed to a city or added to a city's Sphere of Influence.

The Seaside Sphere of Influence is the same as the City limits. There are no relevant unincorporated communities of interest.



## **Potential Changes to the Sphere of Influence and City Limits**

The City does not anticipate any request for major Sphere of Influence amendments.

The Cities of Seaside, Del Rey Oaks, and Monterey, are considering a joint application to LAFCO to “clean-up” their Spheres of Influence and municipal boundaries. These technical changes would involve an exchange of approximately 12 acres between the cities. The purpose is to align the boundaries more closely with parcel lines and ownership patterns. The timing for this minor proposal will depend on the planning, environmental review, and implementation processes and schedules of the three cities.

A minor boundary adjustment may be proposed at some time in the future along the City’s southwestern boundary with Sand City. This change may be initiated by a property owner whose parcel is divided by the City limit line.

It is possible that future development in the former Fort Ord may require an adjustment to Seaside’s Sphere of Influence or City limits. For example, the proposed Central Coast State Veterans Cemetery and the Monterey Horse Park may overlap jurisdictional boundaries.

The timing for these anticipated Sphere proposals will depend on planning, environmental review, and implementation processes and schedules of Seaside, other affected cities, and the County of Monterey.

## **Sphere of Influence Review Conclusion and Recommendation**

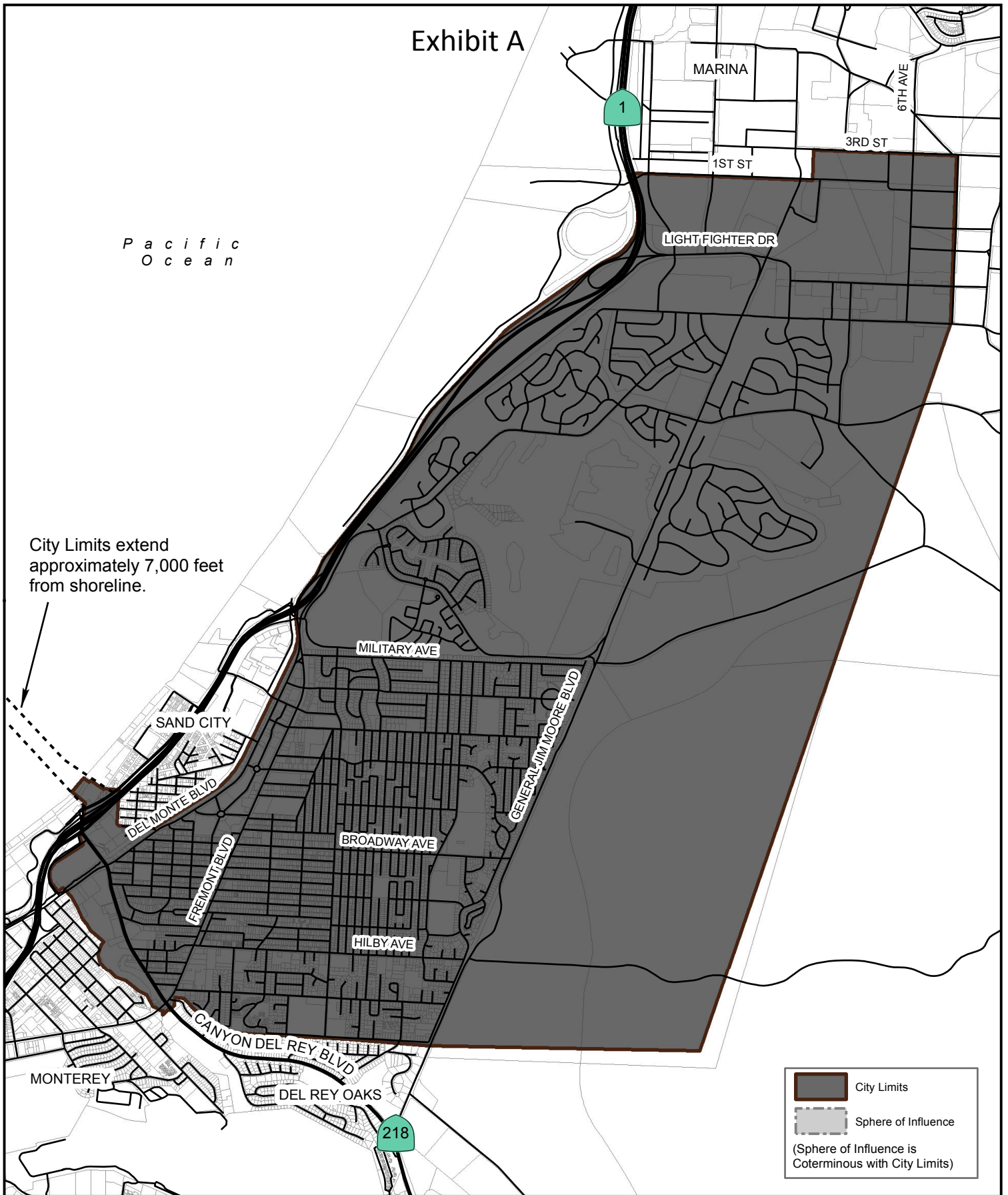
Because the City is not yet ready to request LAFCO to consider any formal Sphere proposals, the Executive Officer recommends that the Commission affirm the currently adopted Sphere of Influence for the City of Seaside (Exhibit A) with no changes at this time. A draft Resolution will be prepared that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

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

# Exhibit A

Pacific  
Ocean

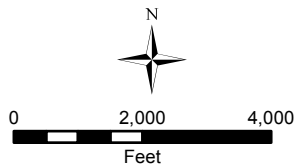
City Limits extend  
approximately 7,000 feet  
from shoreline.



**LAFCO of Monterey County**  
LOCAL AGENCY FORMATION COMMISSION

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## City Boundaries

### SEASIDE

Last LAFCO-Approved Change: 08/23/1983  
Sphere of Influence Affirmed: 01/24/2011  
Map Prepared: 01/31/2011