




VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT

Meeting Date: July 19, 2023
 (Continued from May 17, 2023)

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer 

SUBJECT: Sphere of Influence Review:
 LAFCo 23-11S Ventura Port District

Recommendation:

Adopt Resolution LAFCo 23-11S (Attachment 2) making determinations and reviewing the sphere of influence for the Ventura Port District (Port District or District) pursuant to Government Code Section 56425(g), including that a sphere of influence update is not necessary.

District Information:

Formed in 1952, the Ventura Port District is an independent special district that was formed and operates under the State of California Harbors and Navigation Code (HNC). In the Municipal Service Review (MSR) for the Ventura Port District accepted by the Commission in 2007, the Commission recognized that “The District is authorized to provide all services consistent with the provisions of Harbors & Navigation Code Sections 6200 – 6372, including the powers to own property and acquire, construct, operate, develop and regulate land and facilities for the operation of ports. This includes real estate, property management, marketing and accounting services, and Harbor Patrol, maintenance and dredging programs.”

The Port District is an “enterprise district”¹ which owns and operates Ventura Harbor. The majority of the District’s operating revenue comes from rent payments from lessees of the parcels of land in Ventura Harbor and tenant space in Ventura Harbor Village. The District also receives a pro-rata share of property taxes levied within the District boundary.

¹ Enterprise districts operate in a manner similar to a private business in that all or most facilities and services are self-supporting through user charges or fees.

COMMISSIONERS AND STAFF

COUNTY	CITY	DISTRICT	PUBLIC
Jeff Gorell	Jenny Crosswhite, Vice-Chair	Raul Avila	Pat Richards, Chair
Janice S. Parvin <i>Alternate</i>	John C. Zaragoza <i>Alternate</i>	Mary Anne Rooney <i>Alternate</i>	<i>Alternate</i>
Matt LaVere	Susan Santangelo	Mohammed A. Hasan	David J. Ross
Executive Officer Kai Luoma	Deputy Executive Officer Andrea Ozdy	Office Manager/Clerk Richelle Beltran	Legal Counsel Jeffrey Barnes

The District boundary includes all of the land area within the City of Ventura and some small land areas outside the City's boundary. In addition, the City's boundary extends three nautical miles (3.5 miles) off the coast, generally aligning the State's boundary, and nearly all of the ocean area within the City of Ventura is also within the boundary of the Port District. The District is different from most other types of districts in that, pursuant to the HNC, any territory annexed into the City of Ventura is automatically annexed into the District, without any separate action by LAFCo. In such cases, a corresponding change to the sphere of influence is implied. Thus, as the City of Ventura has grown, so has the District. For this reason, the District's sphere of influence has over the years closely matched the City's sphere.

Background:

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.), the Commission was required to determine and adopt a sphere of influence (or "sphere") for each city and special district on or before January 1, 2008. A sphere of influence is defined in Government Code Section 56076 as the probable physical boundary and service area of a local agency, as determined by the Commission. Every five years thereafter, the Commission must, as necessary, review and update each sphere of influence (Government Code Section 56425(g)).

2007 Municipal Service Review and Update and 2012 Sphere of Influence Review

Ventura LAFCo first established the Port District's sphere of influence in 1982 to be coterminous with that of the City of Ventura. Based on recommendations contained in the 2007 MSR report for the Port District, the Commission updated the District's sphere in November 2007 which reduced the area of the District's sphere to generally match the City's sphere of influence (which between 1982 and 2007 had been reduced in area). The Commission reviewed the District's sphere in 2012 and determined that no changes were warranted.

2017 Sphere of Influence Review

The Commission again reviewed the Port District's sphere in November 2017. As part of this review, LAFCo staff consulted with the General Manager of the Port District to ascertain whether any changes had occurred with respect to the Port District's planned service area since the 2012 sphere review and to determine whether changes to the District's probable future service area may be necessary. Based on information provided by Port District staff and a comprehensive review of the existing boundaries and sphere for the Port District, no issues were identified. As such, the Commission determined that the current sphere boundary accurately reflected the District's anticipated service area, and the District's sphere remained unchanged

2019 Sphere of Influence Review

In September 2018, LAFCo staff became aware that since 2015 the Port District had been pursuing federal and/or state permits to allow it to develop and operate a 2,000-acre mussel farm of the Ventura coast. The mussel farm was originally envisioned to be located within State waters (i.e., three nautical miles (3.5 miles) off the coast); however, in response to concerns expressed by various fishing interests, in late 2017 the Port District relocated the proposed site of the mussel farm beyond State waters to federal waters (i.e., outside of State jurisdiction)). Because the jurisdictional boundaries and sphere of influence for the District extend off the coast to align with the State's boundary, the site of the proposed mussel farm was located outside the boundaries and sphere of influence for the District. This information was not made available to LAFCo staff as part of the 2017 sphere of influence review and, thus, was not considered by the Commission as part of its 2017 review. Based on the new information that the Port District was proposing to expand its service area to territory outside its sphere of influence, the 2017 sphere no longer reflected the District's desired service area. Moreover, the plan to exercise functions outside of its jurisdictional boundaries would trigger Government Code Section 56133, requiring approval by the Commission. Thus, in 2018 and 2019, the Commission conducted a follow-up sphere of influence review to determine if an update to the District's sphere to include the territory of the proposed mussel farm was warranted.

As part of the sphere of influence review, the Commission determined that: (1) the Port District did not have the legal authority to operate a mussel farm outside the State of California (i.e., in federal waters), and (2) the development and operation of the mussel farm outside the District's boundaries and sphere of influence would require LAFCo approval pursuant to Government Code Section 56133; however, because LAFCo is a state agency, it has no authority to extend a sphere of influence outside state jurisdiction or authorize the District's development/operation of the mussel farm outside state jurisdiction. As a result, the Commission determined that the current sphere of influence continued to represent the current and probable boundaries and service area of the District and made no changes to it.

Discussion:

Sphere of Influence Evaluation

Based on the work plan established by the Commission, review/update of the District's sphere of influence is to be initiated during 2023. LAFCo staff consulted with District staff to discuss the sphere of influence, and to determine: (1) if the District has experienced any changes to its service needs or areas since LAFCo's most recent evaluation of its sphere of influence, and (2) if the District staff anticipates any service changes that would warrant adjustment of the sphere boundaries.

As explained in the analysis under Written Determinations below, it appears that the existing sphere of influence boundary continues to reflect the District's current and probable service

area. Therefore, no changes to the sphere of influence for the District are recommended. The sphere of influence review involving no changes is not subject to the California Environmental Quality Act (CEQA) because it “will not result in a direct or reasonably foreseeable indirect physical change in the environment” (CEQA Guidelines Section 15060(c)(2)).

Written Determinations

Government Code Section 56425(e) requires that, in determining the sphere of influence of an agency, the Commission consider and prepare a written statement of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* (Section 56425(e)(1))

The District is different from most other types of districts in that, pursuant to the HNC, any territory annexed into the City of Ventura is automatically annexed into the District, without any separate action by LAFCo. In such cases, a corresponding change to the sphere of influence is implied. Thus, as the City of Ventura has grown, so has the District. For this reason, the District’s sphere of influence has over the years closely matched the City’s sphere and consists of a range of land uses, including urban development within and adjacent to the City.

- (2) *The present and probable need for public facilities and services in the area.* (Section 56425(e)(2))

The District owns and operates Ventura Harbor and continues to provide the functions and services associated therewith. These include, but are not limited to, ensuring that the harbor’s entrance channel and inner harbor are kept open and that breakwaters and jetties are maintained; maintaining harbor facilities, including docks and the buildings/improvements in Harbor Village; and providing Harbor Patrol services. The existing need for District facilities and services is expected to continue for the foreseeable future.

- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* (Section 56425(e)(3))

It appears that the District’s facilities have the capacity to effectively accommodate demand and that the functions and services that the District provides are adequate. The District continues to be financially stable. Since 2017, each year’s adopted budget shows that operating income has exceeded operating expenditures. No significant infrastructure deficiencies have been identified and the District appears to be in compliance with budgeting, audit and financial reporting requirements.

- (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. (Section 56425(e)(4))*

The District's sphere of influence includes the unincorporated community of Saticoy, which the Commission has determined to be a disadvantaged unincorporated community (defined in Government Code Section 56033.5 as communities having an annual median household income that is less than 80 percent of the statewide annual median household income). However, the District's facilities, functions and services are limited to within and around the Ventura Harbor. The District provides no services to the community of Saticoy.

- (5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. (Section 56425(e)(5))*

The review of the District's sphere of influence is not considered an update (i.e., a modification) to the sphere. Additionally, the District does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.

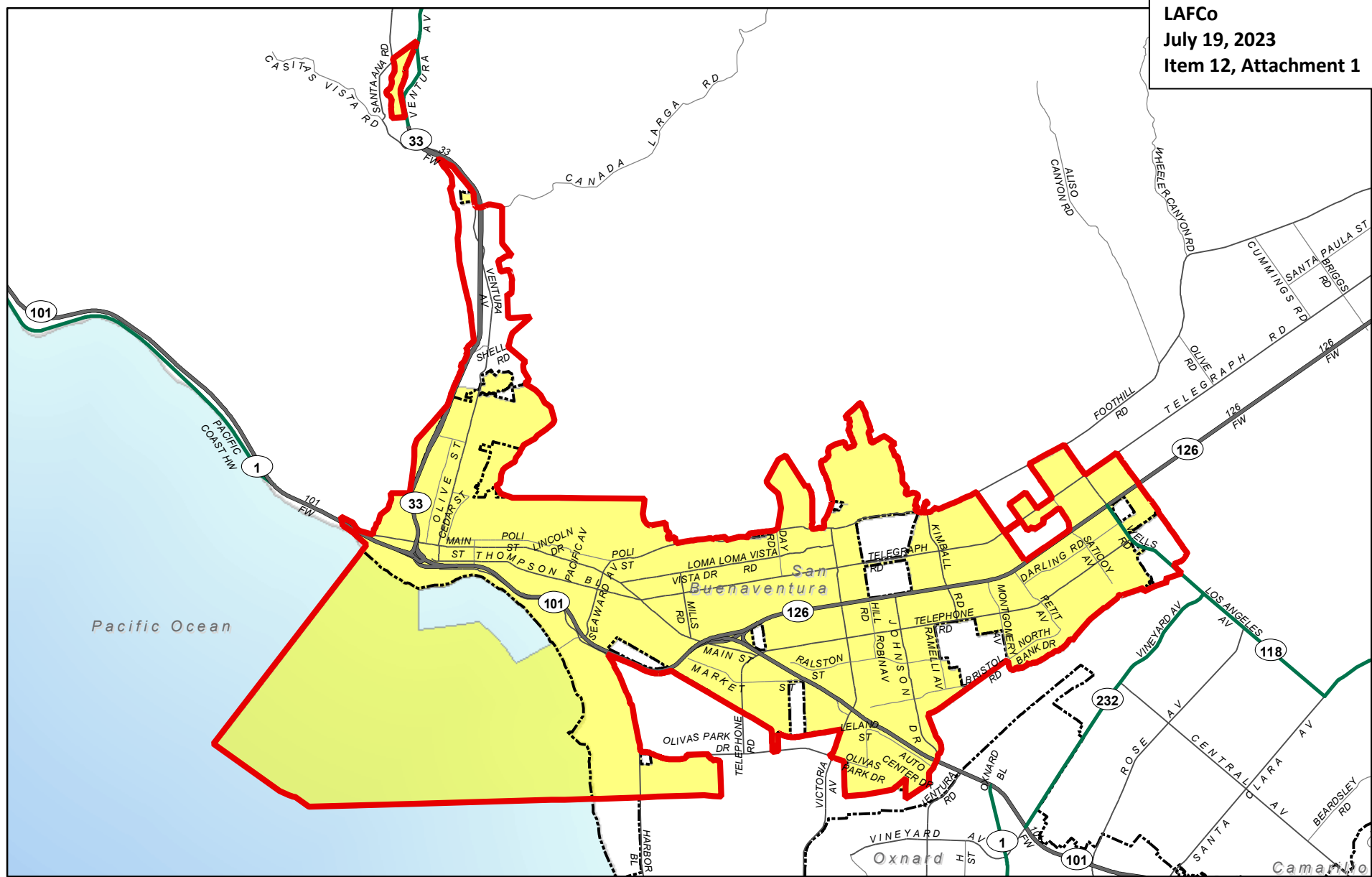
Notice of Public Hearing

This matter has been noticed as a public hearing pursuant to Government Code Section 56427. Additionally, all affected agencies have been notified of the public hearing.

Attachments:

1. Existing Sphere of Influence Map for the Ventura Port District
2. LAFCo 23-11S Resolution

LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.



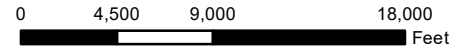
Legend

- District Sphere - 22,858 acres
- City Boundary
- District Boundary - 20,127 acres

Ventura Port District

Current as of October 16, 2019

Prepared by County of Ventura - IT Services Department - GIS Services
 State Plane Coordinate System California Zone V - NAD 27
 This map was compiled from records and computations



LAFCO 23-11S

**RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION
COMMISSION MAKING DETERMINATIONS AND REVIEWING
THE SPHERE OF INFLUENCE FOR THE VENTURA PORT DISTRICT**

WHEREAS, Government Code § 56425 et seq. requires the Local Agency Formation Commission (LAFCo or Commission) to develop and determine the sphere of influence of each local governmental agency within the County; and

WHEREAS, Government Code § 56425(g) requires that on or before January 1, 2008, and every five years thereafter, the Commission shall, as necessary, review and update the sphere of influence of each city and special district; and

WHEREAS, the Commission most recently accepted a Municipal Service Review (MSR) report for the Ventura Port District (District) on November 21, 2007; and

WHEREAS, the Commission updated (i.e., made modifications to) the sphere of influence for the Ventura Port District (District) in 2007, and reviewed (i.e., made no modifications to) the sphere in 2012, 2017, and 2019; and

WHEREAS, the Commission desires to review the sphere of influence for the District; and

WHEREAS, no change in regulation, land use, or development will occur as a result of reviewing the sphere of influence for the District; and

WHEREAS, at the times and in the manner required by law, the LAFCo Executive Officer gave notice of the consideration of this item by the Commission; and

WHEREAS, the sphere of influence review item was duly considered at a public hearing on July 19, 2023, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony for and against the sphere of influence review including, but not limited to, the LAFCo Staff Report dated July 19, 2023, and recommendations; and

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Commission as follows:

- (1) The LAFCo Staff Report dated July 19, 2023, and recommended review of the sphere of influence for the District are adopted; and
- (2) The subject sphere of influence review is assigned the following distinctive short form designation:

LAFCO 23-11S VENTURA PORT DISTRICT SPHERE OF INFLUENCE REVIEW; and

- (3) An update (modification) to the sphere of influence for the District is not necessary; and
- (4) The Commission has considered the criteria set forth in Government Code § 56425(e) and determines as follows:

a. *The present and planned land uses in the area, including agricultural and open-space lands. (§ 56425(e)(1))*

The District is different from most other types of districts in that, pursuant to the HNC, any territory annexed into the City of Ventura is automatically annexed into the District, without any separate action by LAFCo. In such cases, a corresponding change to the sphere of influence is implied. Thus, as the City of Ventura has grown, so has the District. For this reason, the District's sphere of influence has over the years closely matched the City's sphere and consists of a range of land uses, including urban development within and adjacent to the City.

b. *The present and probable need for public facilities and services in the area. (§ 56425(e)(2))*

The District owns and operates Ventura Harbor and continues to provide the functions and services associated therewith. These include but are not limited to: ensuring that the harbor's entrance channel and inner harbor are kept open and that breakwaters and jetties are maintained; maintaining harbor facilities, including docks and the buildings/improvements in Harbor Village; and providing Harbor Patrol services. The existing need for District facilities and services is expected to continue for the foreseeable future.

c. *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. (§ 56425(e)(3))*

It appears that the District’s facilities have the capacity to effectively accommodate demand and that the functions and services that the District provides are adequate. The District continues to be financially stable. Since 2017, each year’s adopted budget shows that operating income has exceeded operating expenditures. No significant infrastructure deficiencies have been identified and the District appears to be in compliance with budgeting, audit and financial reporting requirements.

d. *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency. (§ 56425(e)(4))*

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e. *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. (§ 56425(e)(5))*

The review of the District’s sphere of influence is not considered an update (i.e., a modification) to the sphere. Additionally, the District does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.

- (5) The sphere of influence for the District is hereby reviewed and is generally depicted in Exhibit A, “Ventura Port District,” attached hereto; and

- (6) LAFCo staff is directed to have the official Geographic Information System (GIS) sphere of influence data maintained for the Ventura LAFCo by the Ventura County Information Technology Services Department as the official sphere of influence record for the District updated consistent with this action.

This resolution was adopted on July 19, 2023.

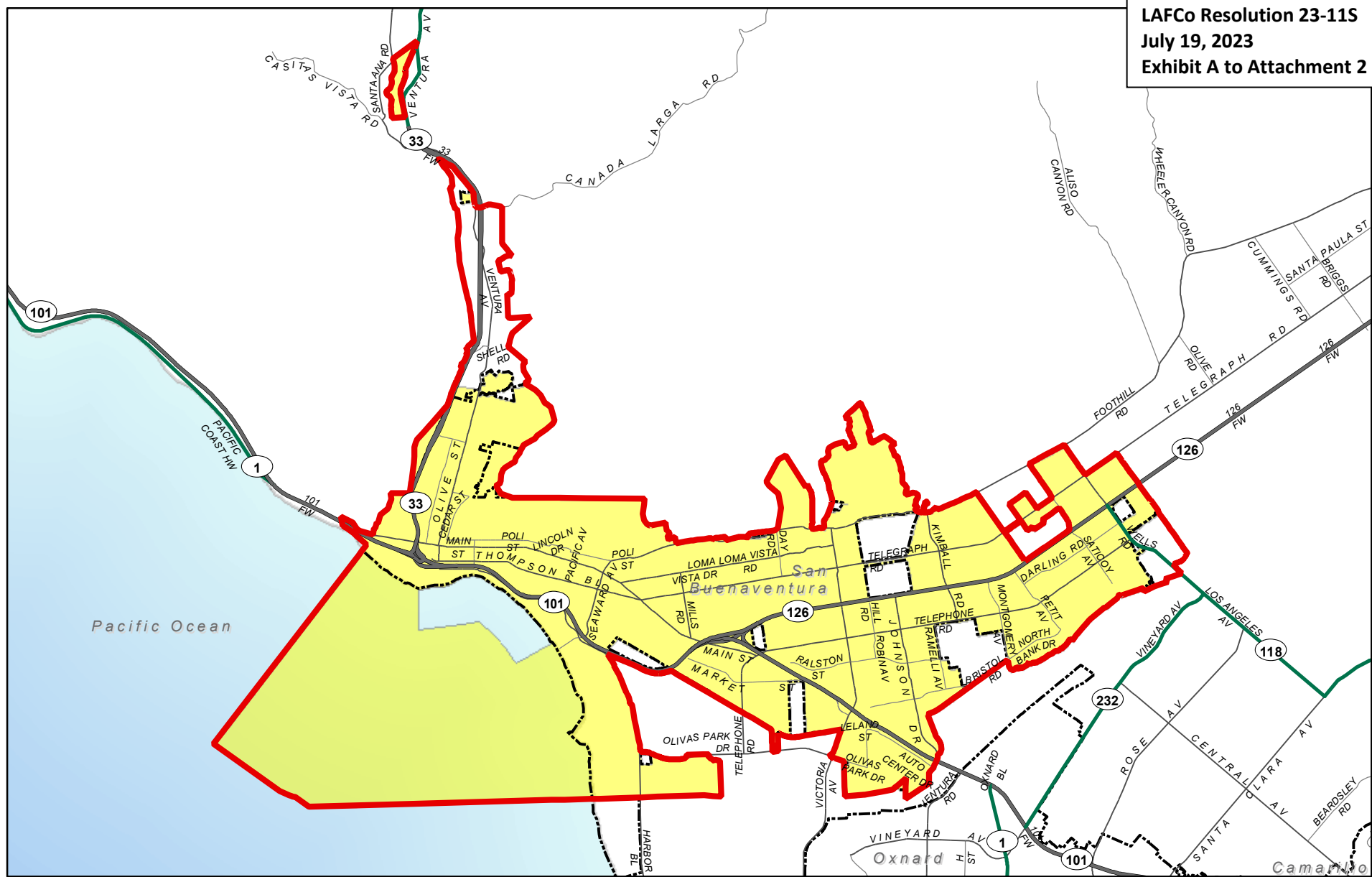
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Commissioner Crosswhite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Gorell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner Parvin	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Commissioner Rooney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner Zaragoza	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Hasan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner LaVere	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Alt. Commissioner Santangelo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7-19-23
Date

Pat Richards
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

c: Ventura Port District
Ventura County Information Technology Services Department



Legend

- District Sphere - 22,858 acres
- City Boundary
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Ventura Port District

Current as of October 16, 2019

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