



MEMORANDUM

To: Alyson Hunter, City of Marina

From: Tad Stearn, Kimley-Horn

Date: April 9, 2025

Subject: City of Marina General Plan Update – Considerations and Recommendations for Boundary Adjustments and Annexation

Purpose

The information presented in this memo is the work product of a specific task associated with the City of Marina General Plan Update process. The purpose of this information is to inform and guide upcoming decisions regarding the City of Marina’s future sphere of influence boundaries and potential areas for annexation. The information considers preliminary study prepared by city staff and Raimi + Associates, as well as the analysis and recommendations of LAFCO Monterey County in their draft *2024 Municipal Service Review and Sphere of Influence Study – Monterey Peninsula Area Cities* (MSR and SOI Study, October 2024). The information below serves to describe and summarize these areas, as well as identify potential benefits and drawbacks associated with annexation.

Overview of State Planning Law Governing Planning Boundaries and Annexation of Territory

The Cortese-Knox-Hertzberg Act, also known as the Local Government Reorganization Act of 2000 or CKH, is a California law that governs the formation, annexation, and consolidation of local government agencies. The Act gives significant power to Local Agency Formation Commissions (LAFCOs) to review and approve or deny proposed changes to city and special district boundaries – “changes of organization” - with the goal of promoting orderly development and discouraging urban sprawl.

CKH is implemented at the local level and through each county LAFCO. The LAFCO of Monterey County is responsible for regulating the boundaries of cities and special districts, establishing Spheres of Influence, and conducting studies of local government services. The Commission reviews and coordinates logical and timely changes to local government boundaries including

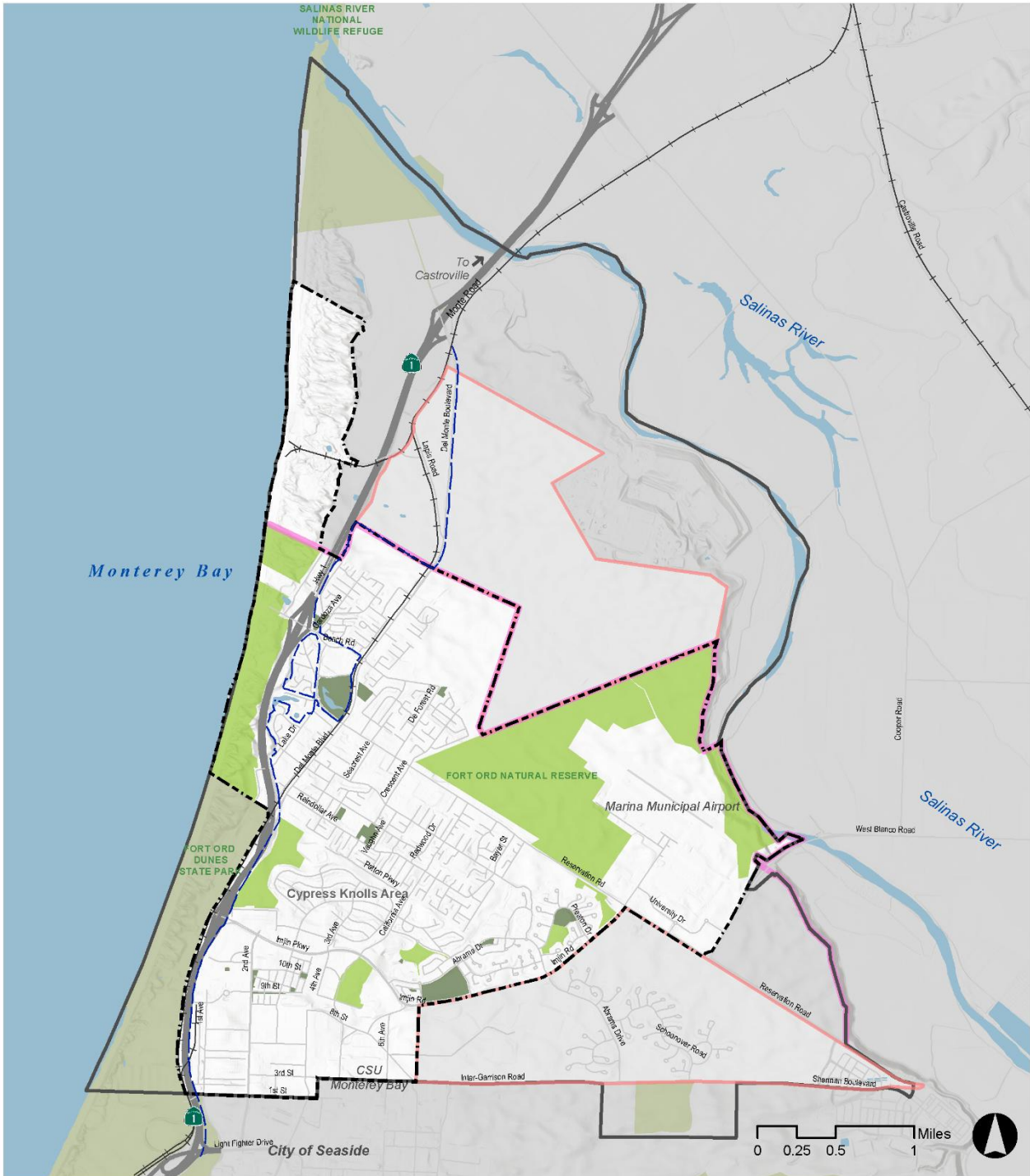
annexations and detachments of territory, incorporation of cities, formation of special districts, and consolidation, merger, and dissolution of special districts.

A "Sphere of Influence" means a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission based on a range of factors including natural resources and ability to provide services. LAFCOs are required to establish spheres of influence for each local government agency, defining and mapping the geographic area where future development is likely to occur. The sphere of influence is essentially the area around a local agency eligible for annexation and extension of urban services within a twenty-year period and is usually clearly identified in a city's General Plan. Cities often define their proposed sphere of influence as part of their long-range policy and planning process. However, the sphere must ultimately be approved by LAFCO.

Spheres of influence may be periodically amended to expand or reduce land area, depending on the goals of the community and growth projections. The City of Marina's sphere of influence is shown in the map below.

Lands within the Marina city limits total about 5,740 acres or nine (9) square miles. LAFCO designated Marina's sphere of influence in 1982 and amended it in 1985 to the boundaries shown in the figure. There have been no sphere changes and no annexations since that time.

Beyond the current city limits, the adopted sphere consists of two unincorporated areas: approximately 1,500 acres north of the city formerly part of the Armstrong Ranch; and a triangular-shaped area of approximately 1,250 acres of former Fort Ord land along the city's southern edge. Prior to the closing of Fort Ord, the area north of the city was considered the most logical direction for growth. In 2000, however, an initiative was adopted by Marina voters that established an Urban Growth Boundary (UGB) for this northern area, essentially serving as a moratorium on development. In 2020, UGB initiative's expiration date was extended to 2040. For these reasons, near term opportunities for annexation are focused on the southern sphere area.



- City Limits
- Sphere of Influence
- Planning Area
- Urban Growth Boundary
- Local Coastal Zone
- Rail_Regional
- Highway
- Roads
- City Park
- Open Space
- Parks Outside the City
- Waterbody



Sources:
 City of Marina (2022);
 CPAD (2021); Urban Footprint (2022);
 ESRI (2022); USGS & NOAA (2016).

According to the CKH Act, "Annexation" means the inclusion, attachment, or addition of territory to a city or district. An annexation of territory generally results in an expansion of city limits to accommodate planned growth as identified in the General Plan and must represent a *logical* expansion and be *physically contiguous* with existing city limits. Annexations can only occur within a city's approved sphere of influence. Similar to changes to a sphere of influence, annexations are proposed and reviewed at the local level but, if approved, must still ultimately be approved by LAFCO before boundaries can be changed. Because annexations assume near-term development or other land use actions, they are commonly associated with a specific development plan or proposal. However, parks, open spaces or agricultural areas may also be annexed for purposes of community benefit or resource protection. Annexation of land can also dramatically affect how taxes are assessed, and how tax revenue is generated and shared between agencies.

Areas Under Consideration for Annexation

City staff and the General Plan Update consultant team have identified four areas outside existing city limits that are under consideration for near term annexation. These areas are discussed in the following pages and shown in the graphic below. All four areas are within or adjacent to the existing southern sphere of influence area.



Area 1: Blanco Road Property

Description: Area 1 consists of approximately 280 acres of undeveloped land immediately east of the MBEST Center, at the northeast corner of Blanco Road and Reservation Road. Reservation Road and Blanco Road represent the city's existing boundary. The site consists of gently rolling topography over an upper plateau that falls off a more densely vegetated slope toward farmland and the Salinas River below. A rural road, Blanco Lane, provides access to a few homes along the ridge of the slope. The upper plateau consists of grassland and scrub habitats. The property is owned by the University of California and the federal government. Area 1 is located within the city's current UGB, but is not within the existing sphere of influence. As such, the property would

require a sphere of influence expansion/modification following the General Plan Update process and prior to annexation.

Key Considerations: The property is designated in the currently adopted (2010) Monterey County General Plan for mixed-use planned development, and is also identified within the County's draft Housing Element as the site for up to 932 housing units to help meet the County's housing unit requirements (RHNA). The City's existing General Plan designates the site for future commercial and industrial uses that would be more compatible with the airport safety zones identified in the Marina Municipal Airport Land Use Compatibility Plan. As noted in the LAFCO MSR and SOI Study, the MBEST East site (aka the Blanco Road Property) is designated for development in both the county and the city, each with its own parameters and standards, but is located immediately adjacent to the city. As such, a key consideration is potentially competing goals and objectives for the property as viewed by both the city and the county.

Benefits and Drawbacks of Annexation: Physically and geographically, this property has significant development potential in terms of a logical land use pattern adjacent to existing city limits, access to city services, relatively level topography atop a bluff with potential views, and access to major regional roadways.

However, as noted above, both the city and county have long range plans for the property with significantly different visions for land use. The county's current focus on housing is understandable but considering the proximity to Marina's amenities and services, this circumstance could form an unintended obstacle to orderly development by creating uncertainty as to what type – and how much - development is allowed or desired in this area. The density and type of development would also be influenced by its proximity to Marina Municipal Airport.

Unincorporated development, or establishing development designations, within a city's sphere can potentially conflict with the city's land use goals and plans. The addition of county residents adjacent to a city can also increase additional demands on a variety of city services such as emergency services, libraries and parks. The Monterey County Regional Fire District (MCRFD) currently services this area, and Marina Coast Water District (MCWD) is currently considering annexation of this property to expand their district boundaries. Any changes to special district boundaries – detachment or annexation and their resulting effects – would require review and analysis by LAFCO.

LAFCO Monterey County Analysis and Recommendation. As it relates to the Blanco Road property, LAFCO recommends coordination between the city, county and affected special districts (such as the MCRFD and MCWD) regarding future growth and development at the city's edges. LAFCO suggests that this coordination and consultation may benefit from development of a Memorandum of Agreement (MOA) between affected parties to: determine how projects within the city's sphere of influence should proceed; identify potential funding agreements for unincorporated development to address increased service demands; and to address financial effects of detaching property from special district tax base (such as the MCRFD) if the property annexes to the city. LAFCO Monterey County has successfully executed and implemented MOAs throughout Monterey County.

Conclusion/Recommendation. The Blanco Road property is a logical priority site for future sphere of influence expansion and annexation into the City of Marina. The site is in an excellent geographic location relative to existing city boundaries, roadways and services, and supports

favorable site conditions. However, constraints such as airport proximity may factor significantly into the type and density of development that could occur in this location. To address potentially conflicting plans with the County of Monterey, staff supports the concept of entering into an MOU to define both planning and financial objectives and solutions. The property, at 280 acres, is large enough to support a planning and development concept that includes a mix of housing, commercial, office and/or public/civic uses, as well as integrated open space and habitat protection. Depending on design and density, some but likely not all of the 900+ housing units identified for this site in the County's draft Housing Element could be accommodated in this location. Should the County's Housing Element obtain approval from HCD soon, as expected, and more modest housing assumptions are planned by Marina following annexation, the City of Marina and Monterey County may need to identify another growth area to accommodate the balance of those state-approved housing units to ensure there is no net reduction in units regionally.

If the property is identified as a priority annexation area, it is not expected that a conceptual land use plan would be developed by the time the City completes the General Plan Update. Such a plan may be years in the making, possibly in the form of a comprehensive Specific Plan. However, the City can make reasonable assumptions for the property within the current General Plan update (GP2045). Two options to do this include: 1) assume specific development thresholds (such as number of anticipated housing units and other uses), and incorporate those assumptions in the General Plan and its environmental impact report; or, 2) assign the property a more flexible designation such as "proposed Sphere of Influence and Annexation" or "Special Project Area", which recognizes the city's objectives but leaves the details – and the associated analysis – to a later date when a concrete proposal is developed. If the latter approach is taken, the General Plan Update EIR could consider development thresholds as a CEQA alternative. Staff recommends this second option. Addressing the future impacts of the property qualitatively within the General Plan EIR is appropriate since ultimate plans for the property have yet to be developed and conducting detailed analysis now would be costly and premature.

Area 2: Former Landfill Site

Description: The former Fort Ord landfill site is approximately 300 acres in size, located within the western portion of the 1,250 acres that make up the city's southern sphere of influence. This area is bounded by Imjin Parkway on the north, Inter-Garrison Road on the south, city limits to the west and the Schoonover Park/East Campus neighborhoods to the east. A gas station and Ord Market are located at the corner of Imjin Parkway and Abrams Drive, at the northeast corner of the site. The site is characterized by a network of internal dirt and paved roads associated with the former landfill, rolling topography, large areas of disturbed vegetation where the landfill is capped, and large areas of less disturbed chaparral and oak woodland habitat.

Key Considerations: As a closed landfill, the site is unsuitable for habitable urban development. However, it could have considerable value as a habitat mitigation site for special status plant species such as sand gilia, which is known to occur on the property. The southwest portion of this area also contains dense oak woodland. Prior attempts to develop this area (Whispering Oaks business park) met strong resistance from environmental advocates. The remaining territory within this southern sphere of influence contains CSUMB's East Campus Housing area.

Benefits and Drawbacks of Annexation: Annexing the site for purposes of habitat management and mitigation could serve a dual purpose of habitat protection and education, while providing a source of revenue if managed as a habitat bank. Several projects in the region (such as Imjin Parkway widening) are seeking habitat restoration areas to meet their mitigation requirements for impacts to several habitat types and protected plant species. Without a clear source of revenue such as habitat banking, annexation of the area could become a maintenance and service liability to the city with limited tax base.

The area including the Ord Market, gas station and immediately adjacent land could provide a redevelopment opportunity for this corner commercial property, and/or a limited expansion of commercial uses. In either case, the long-term environmental conditions associated with the landfill (methane, water quality, soil contamination, etc.) would need to be carefully considered prior to annexation and future development or redevelopment.

The landfill site is also immediately adjacent to the Frederik Park II (FPII) community, which is part of CSUMB's East Campus Housing area. The LAFCO MSR and SOI Study notes that Frederik Park II appears to meet the statewide definition of a disadvantaged unincorporated community (DUC). Under state law, if a greater-than-ten-acre area adjacent to a DUC is proposed for annexation to a city, an annexation application for the DUC must also be filed. If this were to occur, the annexation of the landfill site would need to expand all the way to Abrams Drive and incorporate Frederik Park II, which is publicly owned. This means very little property tax revenue would be generated from Frederik Park II to help fund city services following annexation. City conversations with LAFCO staff indicate that the addition of the FPII site to the future annexation of the landfill property would likely not be supported by LAFCO given the constraints that would be inherent in the action.

LAFCO Monterey County Analysis and Recommendations: As this area is within the boundaries of the MCRFD, detachment from this district with annexation would require an analysis by LAFCO to analyze the financial impacts of that jurisdictional change. As with the other potential annexation areas, LAFCO recommends a MOA as a mechanism negotiate jurisdiction, provision of services, funding agreements and tax consequences. In this case, however, the small gas station/Ord Market site is the only portion of this area currently generating tax revenue. The remainder of the area is and would remain undeveloped, likely resulting in only minor fiscal impacts to special districts such as MCRFD.

Conclusion and Recommendation: City staff should consider this a priority annexation area and further explore the feasibility of creating a habitat bank at this location. Annexation should also assume and encourage future redevelopment of the Ord Market and gas station location for additional opportunities at that corner. A habitat bank (or similar mechanism to monetize the preservation and restoration of habitat) could provide a valuable mitigation site for future redevelopment of the Ord Market area, as well as mitigation and habitat restoration opportunities for other development projects in the city. A habitat bank could be managed by either a public or private entity. However, if Frederik Park II qualifies as a DUC, annexation would be less desirable in the near term. The status of Frederik Park II requires confirmation.

Area 3: East Campus Housing

Description: The East Campus Housing area is located in the central portion of the city's 1,250 acre southern sphere of influence. Consisting of about 350 acres immediately east of the former landfill area, this residential area is made up of a series of residential nodes with attached housing, roughly bounded by Inter-Garrison Road to the south, Imjin Parkway to the north, former landfill to the west and chaparral habitat/open space to the east. The East Garrison neighborhoods are located approximately one half mile further east.

The residential nodes in East Campus area include Schoonover Park and the Frederik Park II area described above, and were originally military family housing. Lands around the residential areas consist of rolling scrub, oak woodland and chaparral habitats typical of lands of the former Fort Ord. These neighborhoods, which include some recreational facilities, dog parks and playgrounds, house mainly CSUMB staff and faculty. The County of Monterey's Draft Housing Element has also identified a 13-acre site within this area for up to 131 housing units. The land is owned by the State of California.

Benefits and Drawbacks of Annexation: At face value, CSUMB's East Campus housing area appears to be a logical location for annexation, as it would absorb existing housing that is generally associated with the City of Marina into the city limits and the city's long range planning efforts. However, as noted in the discussion above regarding the former landfill property, no property tax revenue would be generated to help fund city services following annexation because CSUMB land is publicly owned. In addition, the city's policies and future vision for the area could conflict with CSUMB policies and campus planning until such time that CSU sold or transferred property to another entity.

LAFCO Monterey County Analysis and Recommendations: LAFCO's MSR and SOI Study recognizes the constraints in this area related to both endangered plant species (sand gilia) and related mitigation requirements, as well as the financial constraints related to the limited tax base. As this area is also within the boundaries of MCRFD, additional fiscal impacts to the district could occur if the land is detached with annexation. The result would be a significant increase in demand for city services with almost no incoming revenue to offset that cost. The city would also need to coordinate with Monterey County regarding the planning and disposition of 13-acre parcel identified for housing in the County Housing Element. LAFCO also notes that development in this unincorporated area within the city's sphere could lead to conflicts with the city's land use goals and plans, similar to the potential conflicts at the Blanco Road site.

Conclusion and Recommendation: Given the environmental and fiscal constraints of this residential area, near term annexation is not recommended. Future consideration of annexation would require close coordination and negotiation with CSUMB regarding property ownership, as well as an agreement such as an MOA to address under what circumstances development projects should proceed in this area how they would be funded.

Area 4: East Garrison

Description: The eastern tip of the 1,250 acre southern sphere of influence area in Marina contains about one third of the entire East Garrison planned community. The rest of East Garrison is located outside of the sphere boundary. As noted in the LAFCO MSR and SOI Study, the sphere of influence's line bisecting the East Garrison community was unintentional and unplanned. The designation appears to have been determined simply by extending the sphere to the point where Reservation Road and Inter-Garrison Road meet. LAFCO amended Marina's sphere in this way in 1985, when East Garrison was still part of the former Fort Ord – long before East Garrison was planned or developed as a civilian residential community. East Garrison was ultimately planned, approved, permitted and built as an unincorporated community with most municipal services intended to be provided by its own dedicated community services district (CSD). As of this date, however, the CSD is not independent, and the County of Monterey Board of Supervisors has served as the CSD's interim governing body, with most services and management provided by County Public Works. As a result, a portion of an existing planned community – with County services – is awkwardly located within the city's sphere of influence.

Benefits and Drawbacks of Annexation: While some East Garrison residents have expressed support for the idea of annexation to Marina in recent years, no formal steps have been taken. There is no clear benefit to annexing only a portion of an existing community into the City of Marina, but there are several drawbacks. This area is entirely residential, generating very little tax base but substantial demand for public services. To extend city services, the area would also need to detach from the existing CSD, splitting service responsibilities in a way that is inconsistent with CKH and good planning practice. MCRFD, which services East Garrison, would likely continue providing service in this location due to substantial recent investment in a new fire station but would have to do so with a smaller CSD. Finally, all intervening territory between this part of East Garrison and the existing city limits would also need to be annexed to create a contiguous and logical planning boundary as required by CKH and LAFCO policy. In other words, East Garrison cannot be annexed unless a significant portion of the southern sphere of influence is also annexed.

LAFCO Monterey County Analysis and Recommendations: LAFCO recognizes that the existing sphere designation – with about a third of East Garrison within the City's sphere – is essentially an outdated designation. It does not reflect decisions made, over the last 20 years, to develop East Garrison as a semi-autonomous community that has its own independent community services district providing comprehensive municipal services. Leaving part of East Garrison in the city's sphere is inconsistent with LAFCO policies that promote logical and orderly growth and discourage dividing a community.

Based on this information, one of the recommendations of the LAFCO MSR and SOI Study is to encourage the City of Marina to clarify, as part of its General Plan update, that the City does not intend to annex East Garrison in the foreseeable future, and to consider requesting that LAFCO un-designate the northern third of East Garrison from the City's sphere of influence.

Conclusion and Recommendation: The city's staff and consultants concur with LAFCO's analysis and recommendation that the northern third of East Garrison be removed from the sphere of influence following completion of the General Plan Update.

Other Areas Reviewed for Sphere of Influence Expansion

LAFCO's MSR and SOI Study reviewed two additional areas for potential sphere of influence expansion (in addition to the Blanco Road/UCMBEST property discussed above). These areas, shown below, include property within 1) Fort Ord Dunes State Park, and 2) parcels south of Inter-Garrison Road designated for open space uses in the city's existing General Plan. Both of these locations are within the city's larger Planning Area but are outside the existing sphere of influence. (Note that Area 3 is the Blanco Road property discussed previously).

LAFCO has no specific recommendations regarding these two areas at this time, pending completion of the city's General Plan Update. However, city staff and the consultant team recommend that these areas be removed from consideration for inclusion in the city's sphere. The State Park property will continue to be managed and serviced by the State and would provide little benefit to the city by its inclusion in the sphere of influence (or future annexation). Furthermore, the Coastal Commission retains Coastal Development Permit (CDP) authority of this land and would not likely convey that authority to the city in the event of annexation. The city would, therefore, have little land use authority over this property. Similarly, the parcels south of Inter-Garrison Road should be removed from the city's Planning Area due to geographic location and the fact that other lands are more suitable for future city growth.

