APPENDIX A

NOP AND RESPONSES TO THE NOP

City of Los Banos
At the Crossroads of California

Notice of Preparation

SUBJECT: **Notice of Preparation of a Draft Environmental Report**

Lead Agency:

Agency Name: City of Los Banos
Street Address: 520 J Street
City/State/Zip: Los Banos, CA 93635
Contact: Stacy Souza Elms
Senior Planner

Consulting Firm (if applicable):

Firm Name: EMC Planning Group Inc.
Street Address: 301 Lighthouse Ave, Suite C
City/State/Zip: Monterey, CA 93940
Contact: Richard James, AICP
Principal

The City of Los Banos will be the Lead Agency and will prepare an environmental impact report for the project identified below. We need to know the views of your agency as to the scope and content of the environmental information that is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the EIR prepared by our agency when considering your permit or other approval for this project.

Project description: The City of Los Banos certified an EIR and adopted the *City of Los Banos 2030 General Plan Update* on July 15, 2009. Figure 5-4 Farmland, erroneously showed portions of the area within the Urban Growth Boundary as Urban and Built-up Land when these areas were actually farmland. The City proposes to correct the error with a General Plan amendment and is preparing a supplemental EIR to re-analyze the General Plan's impacts on agricultural resources. A formal initial study was not prepared.

Due to the time limits mandated by State law, your response must be sent at the earliest possible date but **not later than 30 days** after receipt of this notice.

Please send your response to Stacy Souza Elms, Senior Planner at the City of Los Banos address shown above. We will need the name for a contact person in your agency.

Project Title: City of Los Banos 2030 General Plan Update Amendment

Project Location: Los Banos (**City (nearest)**) Merced (**County**)

Date **May 10, 2016**

Signature [signature]

Title **Senior Planner**

Telephone **(209) 827-7000 ext. 133**

Reference: California Code of Regulations, Title 14, (CEQA Guidelines) Sections 15082(a), 15103, 15375.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE DISTRICT 10 DIRECTOR
P.O. BOX 2048, STOCKTON, CA 95201
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Serious drought.
Help save water!

June 3, 2016

10-MER-165/152 Various Locations
State Clearinghouse # 2016051033
City of Los Banos 2030 General Plan Update Amendment

Ms. Stacy Souza Elms
Senior Planner
City of Los Banos - Community Development Department
520 J. Street
Los Banos, CA 93635

Dear Ms. Souza Elms:

Thank you for the opportunity to review the above-referenced document, the City of Los Banos 2030 General Plan Update Amendment (SCH# 2016051033). The Department has the following comments:

The Department recognizes that there is a strong link between transportation and land use. Growth and development can have a significant impact on traffic and congestion on State transportation facilities. In particular, the pattern of land use can affect both total vehicle miles traveled and the number of trips per household. In order to create more efficient and livable communities, the Department encourages the applicant to work towards a safe, functional, interconnected, multi-modal system integrated with "smart growth" type land use planning. While recognizing that topographic and environmental constraints may preclude a strict interconnected grid street network, roads which are routed in parallel can provide an alternative to using the interregional roads or highway, thereby helping to alleviate congestion on State facilities.

We suggest that the City continue to coordinate and consult with the Department to identify and address potential cumulative transportation impacts that may occur from this project and other developments near this geographical location.

If you have any questions, please contact Steven Martinez at (209) 948-7936 (email: steven.r.martinez@dot.ca.gov) or me at (209) 941-1921. We look forward to continuing to work with you in a cooperative manner.

Sincerely,

FOR

TOM DUMAS, Chief
Office of Metropolitan Planning

c: State Clearinghouse

LAFCo
of Merced County

Local Agency Formation Commission
2222 M Street
Merced, CA 95340
Phone (209) 385-7671 / Fax (209) 726-1710
www.lafcomerced.org

June 6, 2016

Stacy Souza Elms, Senior Planner
Community and Economic Development Department
City of Los Banos
520 J Street
Los Banos, CA 93635

RE: NOP of the Supplemental Draft Environmental Impact Report on the Agricultural Impacts of the City of Los Banos 2030 General Plan

Dear Ms. Souza Elms:

It is commendable that the City is taking appropriate steps to identify the valuable agricultural resources within and adjacent to the city limits. As the agency who will review boundary change proposals and consider sphere of influence updates involving the City, the LAFCO of Merced County will be using this Supplemental EIR and the previously certified EIR on the General Plan in our role as a "responsible agency." There are several important considerations which should be recognized as this document is prepared.

The CEQA Guidelines, in Appendix G, identifies impacts to agricultural resources as potentially significant when it involves conversion of the top three categories of farmland identified by the California Resources Agency, Department of Conservation, in their Farmland Mapping and Monitoring Program. However, the State also adopted another definition of "prime agricultural land" for use by Local Agency Formation Commissions under Government Code section 56064. This definition was established prior to establishment of the Farmland Mapping and Monitoring Program, and identifies five separate measures which qualify land as prime – ranging from the USDA classification system, to how many animal units per acre the land can support, to the dollar value of the crop production per acre of the property. It has been argued that these measures are to be used by LAFCO in the evaluation of proposals under Section 56000 et. seq. of the Government Code and in consideration of alternatives, rather than as a CEQA threshold. The Program EIR should clearly define the threshold it is using for identifying what is considered a significant impact on agricultural resources. A copy of the local LAFCO Policy on agricultural resources is attached which references this State definition.

When considering measures to mitigate the impact from the conversion of agricultural resources, the document must recognize a commonly used tool to obtain agricultural conservation easements on similar quality farmland to the quality of the farmland being converted by urban development. Such programs are in common use in Merced County, in neighboring counties including Stanislaus and Santa Clara, and in many jurisdictions across the state. While requiring conservation easements does not always constitute full mitigation for the loss of farmland, such mitigation is recognized as at least a partial mitigation of the impact.

At the same time, many jurisdictions do not support requiring agricultural mitigation requirements, and see conservation easements as an unreasonable cost on new development. Historically, the LAFCO of Merced County has followed the conclusion of the lead agency when acting in its capacity as responsible agency on governmental boundary changes and sphere of influence amendments. When mitigation has been required, the Commission will also adopt this as a mitigation measure during project approval, but the Commission has also relied on a city's statement of overriding considerations when the conversion of impacts to agricultural resources has not been mitigated.

If this latter approach is to be considered by the City during approval of the General Plan Amendment, when making findings to override the significant impact, please carefully consider Public Resources Code section 21081(a)(3). A lead agency can determine "specific economic, legal, social, technological, or other considerations" make the mitigation infeasible, if evidence is provided in the record as proof of these benefits. While this may be challenging to accomplish, a solid foundation of evidence will be important in order for LAFCO to consider adoption of overriding considerations as an alternative to mitigation.

One final comment is offered about the status of the long-standing Sphere of Influence Revision No.3 application filed with LAFCO in August 2011 (LAFCO File No. 1002C). I will be conferring with the Commission regarding whether this application, which has been "on hold" since the initial Commission public hearing on March 22, 2012, will continue to be processed with the addition of this supplemental EIR, or whether a new application will need to be filed.

Thank you for providing a copy of the Notice of Preparation, and I look forward to reviewing the Draft Supplemental EIR.

Sincerely,

Bill Nicholson

Bill Nicholson
Executive Officer

Enclosure:
Merced LAFCO Agricultural Policies

cc: LAFCO Commissioners
LAFCO Counsel

CHAPTER II: MERCED COUNTY LAFCO POLICIES

The Cortese/Knox/Hertzberg Act requires that by January 1, 2002, each LAFCO will have established written policies and procedures that incorporate the Legislature's intent to encourage and provide for planned, well-ordered, efficient urban development pattern which discourages urban sprawl, preserves open space and prime agricultural lands, provides housing for person and families of all incomes, and addresses the efficient extension of governmental services (§56300).

The Merced County LAFCO Commission has adopted the following policies:

A. AGRICULTURAL POLICIES

OBJECTIVE I. A: Prime agricultural land is protected and conserved while ensuring there are adequate areas for efficient and orderly growth.

Policy 1: In determining whether a City or Special District Annexation would affect prime agricultural land, the Commission shall apply the definition of "prime agricultural land" established under Section 56064 of the Cortese/Knox/Hertzberg Reorganization Act of 2000:

Land that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

a. Land that, if irrigated, qualifies for rating as Class I or Class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not the land is actually irrigated, provided that irrigation is feasible.

b. Land that qualifies for rating 80 through 100 Stories Index Rating.

c. Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July, 1967, developed pursuant to Public Law 46, December 1935.

d. Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars ($400) per acre.

e. Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred ($400) per acre for three of the previous five calendar years.

Implementation: The qualifications listed in items a – e shall be used in review of all boundary changes and sphere of influence revisions. However, the applicant or property owner may submit a soil analysis that demonstrates how soil has been degraded to a less than "prime" classification. The soil analysis should focus on the actual soil rather than the specific crops that may be planted. As an option, the analysis could address the soil and its ability to support crops typically grown in the area on similar soils. The cost of the soil analysis shall be borne by the applicant or property owner.

Policy 2: At the time of adoption of a sphere of influence for a city or urban service district, efforts to direct growth away from large concentrations of prime agricultural land shall be demonstrated, recognizing that some conversion of prime lands may be inevitable.

B. SPHERE OF INFLUENCE REVISION POLICIES

OBJECTIVE II. A: Create an urban land use pattern in the city that provides adequate areas for growth while ensuring the efficient delivery of services.

Policy 1: A City's sphere of influence boundary should be large enough to accommodate approximately 20 years of projected growth as well as territory that represents special communities of interest for the City.

Policy 2: LAFCO will recognize areas outside the sphere of influence boundary that reflect unique coordinated planning areas agreed to between the City, County and/or urban service district which are designated "area of interest", "joint planning area" or similar designation as identified in the City and County General Plans.

Policy 3: Cities should adopt phasing policies in their General Plans which identify priorities for growth and annexation which meet the joint objectives of extending urban services in an economic and efficient manner and avoiding the premature conversion of prime agricultural lands or other valuable open space resources.

Policy 4: Where the City and County have reached agreement on proposed sphere of influence boundaries and development standards the Commission will accept the sphere unless the Commission identifies an inconsistency with the requirements of the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

Implementation: When the Commission performs a periodic review of a City's sphere of influence, or when a sphere of influence revision has been submitted at the request of a City, the current City General Plan will be evaluated to identify adopted growth, development phasing, and municipal service delivery policies. The Commission will also utilize information contained in the "service review" document that has been prepared by LAFCO consistent with Government Code Section 56430. The Commission will also consider any revenue sharing agreement mutually adopted by the City and County, which contains land use and growth policies.

OBJECTIVE II. B: The future urbanization of a City is reviewed comprehensively at the sphere of influence amendment stage rather than during the review of individual annexation requests.

Policy 5: The following criteria will be applied to cities requesting a sphere of influence amendment which is included in their General Plans and Policies that address both the Cortese/Knox/Hertzberg Act and Merced County LAFCO policies:

a. Does the General Plan identify the City's desired sphere of influence boundary and all planned land uses in the expanded sphere?

b. Does the City's General Plan contain policy regarding the phasing of future annexations which is consistent with the policies of Merced County LAFCO and the Cortese/Knox/Hertzberg Act?

MERCED COUNTY

DEPARTMENT OF COMMUNITY
AND ECONOMIC DEVELOPMENT

Mark J. Hendrickson
Director

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June 8, 2016

Ms. Stacy Souza Elms, Senior Planner
City of Los Banos
520 J Street
Los Banos, CA 93635

RE: Notice of Preparation of a Supplemental Environmental Impact Report for the City of Los Banos 2030 General Plan Update Impacts to Agricultural Resources

Dear Ms. Elms:

The County has received a copy of the Notice of Preparation of a Supplemental Environmental Impact Report for the Los Banos 2030 General Plan Update, addressing impacts to agricultural resources.

It is our understanding that the City-adopted General Plan, which has not yet been approved by LAFCO, contained errors in identifying agricultural resources. Specifically, an area being considered by the Presidential Annexation to the City was misidentified as urban, as opposed to the current agricultural use. It is our understanding that a General Plan Amendment and Supplemental EIR are being prepared to correct this error.

Merced County adopted an Agricultural Mitigation Ordinance on April 26, 2016, which outlines the procedure for mitigating for the loss of agricultural land as a result of conversion and urban development. A copy of the ordinance is attached for your reference.

Merced County's adopted General Plan Policy AG-2.2, Agricultural Land Mitigation states:

> Protect productive agricultural areas from conversion to non-agricultural and urban uses by establishing and implementing an agricultural mitigation program that matches acres converted with farmland acres of similar quality to those converted preserved at a 1:1 ratio. Coordinate with the six cities in Merced County and the Merced Local Agency Formation Commission (LAFCo), consistent with LAFCo's statutory mission to preserve agricultural land and open space, to establish consistent standards and mitigation for the loss of farmland. In addition, the Land Evaluation and Site Assessment Model (LESA model) may be used to determine whether the conservation land is of equal or greater value than the land being converted.

Merced County therefore respectfully encourages the City of Los Banos to consider the protection of agricultural lands through enactment of an agricultural mitigation ordinance itself, and in the interim, consider applying agricultural mitigation to any annexations and development of agricultural lands to urban uses at a minimum 1:1 ratio to help preserve our important agricultural soils.

We appreciate the opportunity to comment on the proposed action.

Sincerely,

Mark Hendrickson
Director

cc: James L. Brown, Merced County CEO

APPENDIX B

ADOPTED GENERAL PLAN FIGURE 5-4

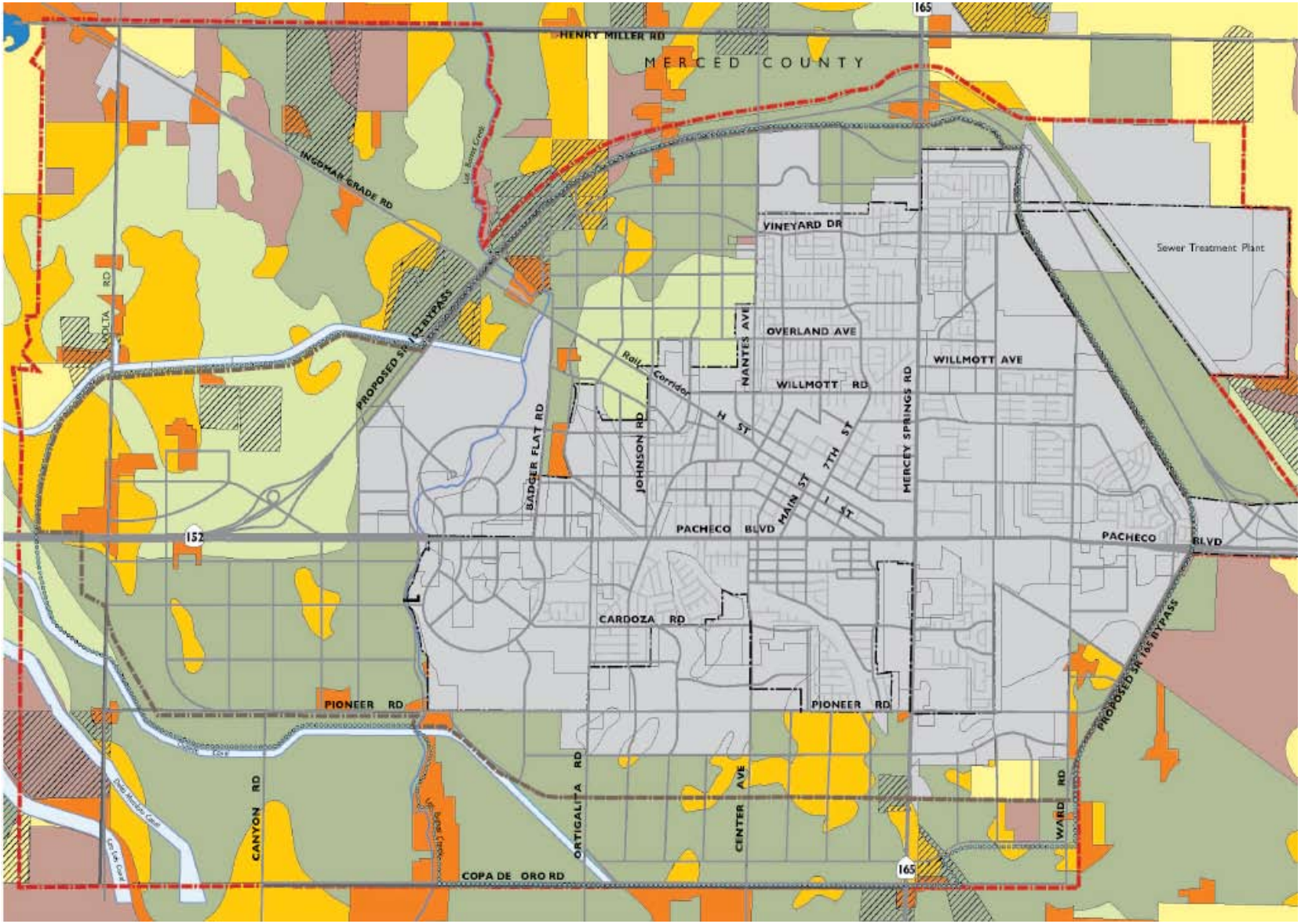
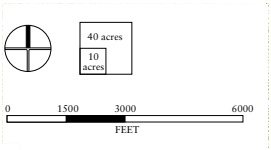


Figure 5-4

Farmland

- Prime Farmland
- Farmland of Statewide Importance
- Farmland of Local Importance
- Grazing Land
- Unique Farmland
- Water
- Other Land
- Urban and Built-Up Land
- Williamson Act
- Planning Area
- Sphere of Influence
- Urban Growth Boundary
- City Limits

Source:
California Department of Conservation, 2006



APPENDIX C

PROPOSED REVISIONS TO GENERAL PLAN 5-4

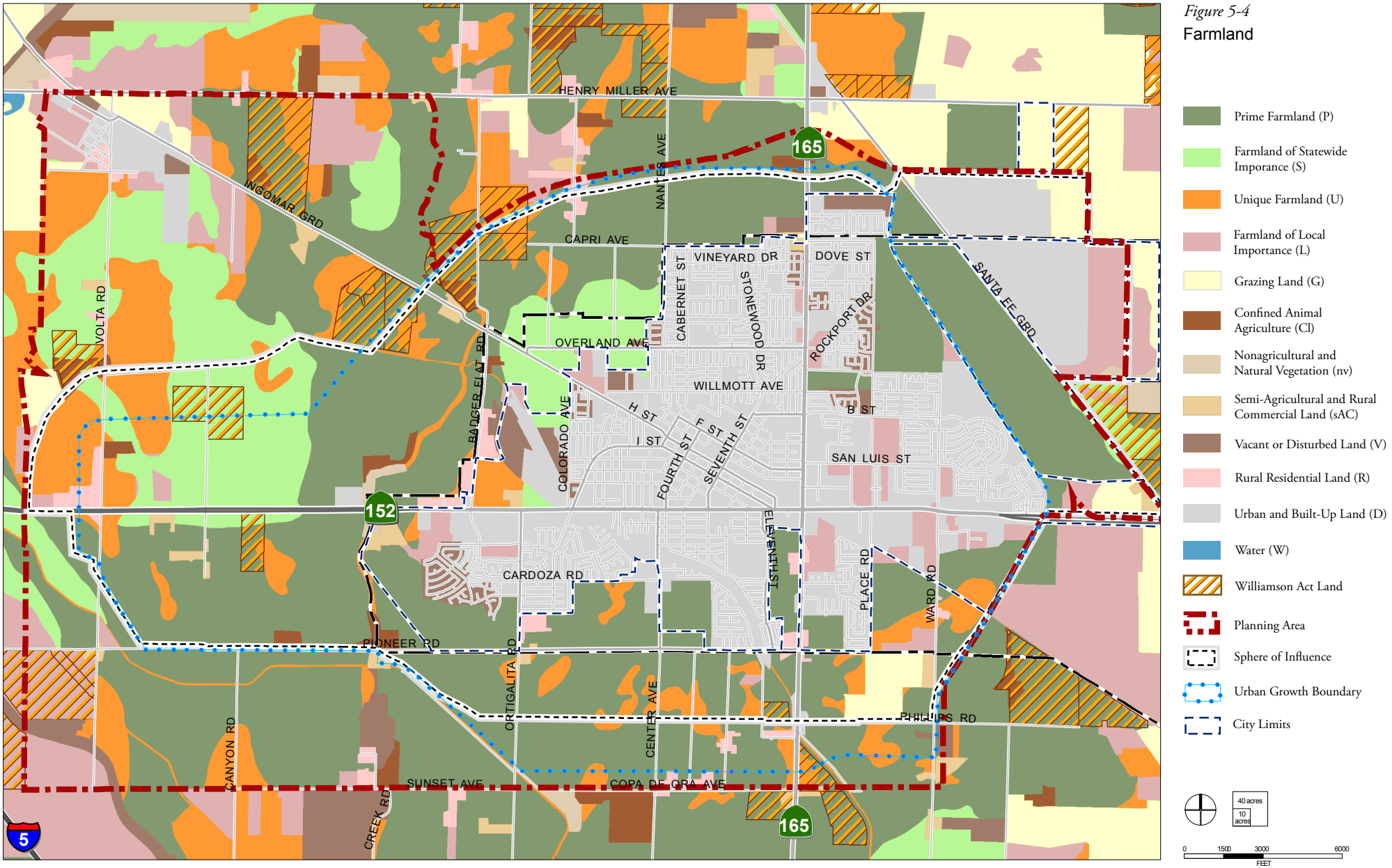


Figure 5-4
Farmland

Source: California Department of Conservation 2013, Merced Data Special Services 2015

APPENDIX D

PROPOSED GENERAL PLAN TEXT AMENDMENT

5.4 Land Resources

Agriculture is the most prominent open space use in the Los Banos Planning Area. Agriculture also is an important contributor to the city's economy.

Agriculture

Agriculture Production

Agriculture lands are one of Los Banos' most important resources. According to California Agricultural Statistics Review, 2014-2015 ~~County Agricultural Commissioners Reports~~, Merced County's gross agriculture production was recorded at $~~2.3~~4.4 billion in ~~2005~~2014, ranking fifth in California, as presented in Table 5-5, Gross Agricultural Production for Merced County, 2002-2014. The top ~~five~~ four leading commodities include milk, almonds, cattle & calves, and chickens ~~, tomatoes, cattle, and almonds~~. Although gross agriculture production value growth has ranged widely from ~~0.3~~negative four ~~-~~to over ~~23~~ 31 percent over the past ~~five~~ thirteen years, on average it has grown by ~~8~~ 11 percent per year. The preservation of agriculture resources is important to the economic vitality of both the city and the region.

Farmlands

As illustrated in Figure 5-4, Prime Farmland comprises a total of ~~10,331~~9,132 acres (approximately ~~47~~ 42 percent of the Planning Area) with this land dispersed throughout the Planning Area. After accounting for Urban and Built-Up Land, concentrated within existing City Limits, Farmland of Statewide Importance occupies the third most significant proportion of the Planning Area, comprising approximately 2,294~~2,476~~ acres. The majority of Farmland of Statewide Importance is nestled in the northwest portion of the City Limits and in the western portion of the Planning Area. There are a wide variety of crops or uses on each of the farmland types located with the Planning Area. Common crops include cotton, tomatoes, cantaloupes, alfalfa, grazing, fruit/nut trees, row crops. Other uses include dairies, cattle stockyards, slaughterhouses, sheep/cattle grazing, agricultural processing facilities, packing sheds, etc. Table 5-6 lists the acreage and percent of farmland by category within the Planning Area.

Table 5-5 Gross Agriculture Production for Merced County, ~~2000~~-2002-2014~~2005~~

Year	Gross Dollar Value (Thousands)	Percent Change From Prior Year
~~2000~~	~~1,538,545~~	~~<1~~
~~2001~~	~~1,703,039~~	~~11~~
2002	1,730,720	2
2003	1,918,230	11
2004	2,365,494	23
2005	2,388,058	1
2006	2,284,460	- 4
2007	3,001,666	31
2008	2,999,701	--
2009	2,460,475	-18
2010	2,733,492	11
2011	3,259,868	19
2012	3,280,206	<1
2013	3,799,070	16
2014	4,429,987	17
Average Growth		11~~8~~

Source: California Agriculture Statistic Service, Accessed at: http://www.co.merced.ca.us/Archive.aspx?AMID=36

Note: Includes totals without timber.

Agriculture Protection Issues

Merced County's inventory of agricultural land decreased from 1,158,655~~1,166,032~~ acres in 2012~~2002~~ to 1,157,906 ~~1,162,954~~ acres in ~~2004~~2014—a total of 749 ~~3,078~~ acres. ~~According to the California Department of Conservation, this decrease was partly due to the fact that 5,511 acres of prime farmland was reclassified as farmland of local importance. This reclassification was a result of agricultural land being left idle for three update cycles, the delineation of dryland grain areas throughout the county, or the addition of low-density housing (ranchettes) and confined animal agriculture facilities.~~

Table 5-6 Existing Farmland within the Planning Area

Type	Acreage	Percent of Total Planning Area
Urban/Built-up Land	5,070 ~~9,802~~	23 ~~45~~
Prime Farmland	9,132 ~~6,195~~	42 ~~28~~
Farmland of Statewide Importance	2,294 ~~2,222~~	11 ~~10~~
Farmland of Local Importance	1,417 ~~858~~	64
Unique Farmland	2,167 ~~1,833~~	10 ~~8~~
Grazing Land	449 ~~346~~	2 ~~2~~
Other Land	1,367 ~~641~~	6 ~~3~~
TOTAL	21,896 ~~21,896~~	100 ~~100~~

Source: Department of Conservation: Division of Land Resource Protection, 2014

As summarized in Table 5-7, over 3,895~~6,500~~ acres of agricultural land in the County was converted to nonagricultural use from –2002 to 2010~~1994 to 2004~~. More specifically, this conversion resulted in a reduction of 424 ~~1,834~~ acres of prime farmland—less than half a percent of the total inventory of prime agriculture land in Merced County in -2010~~2004~~. Since 2010, the California Department of Conservation no longer collects this information on conversion of agricultural land to nonagricultural uses due to a lack of program resources.

Agricultural land area within the Los Banos Planning Area will be converted to urban uses ~~over the next 23 years~~ during the planning period through 2030 in order to accommodate projected growth. For that reason, the Land Use Element of the General Plan establishes an Urban Growth Boundary and encourages compact development to reduce unnecessary conversion of agricultural lands.

Table 5–7: Agriculture Land Converted to Nonagricultural Use in Merced County, ~~1994-2004~~ 2002-2010

Farmland Categories	~~1994~~ 2002	~~1996~~ 2004	~~1998~~ 2006	~~2000~~ 2008	~~2002~~ 2010	Total Acreage
Prime Farmland	~~571~~ 167	~~510~~ 136	~~248~~ 75	~~202~~ 15	~~167~~ 31	~~1,834~~ 424
Farmland of Statewide Importance	~~65~~ 40	~~65~~ 45	~~45~~ 41	~~40~~ 41	~~40~~ 43	~~300~~ 210
Unique Farmland	~~106~~ 76	~~78~~ 68	~~91~~ 57	~~91~~ 39	~~76~~ 39	~~510~~ 279
Farmland of Local Importance	~~424~~ 799	~~350~~ 581	~~845~~ 538	~~878~~ 548	~~799~~ 516	~~3,877~~ 2,982
Grazing Land	-	-	-	~~1~~	-	~~10~~
Total Agriculture Land	~~1,166~~ 1,082	~~1,003~~ 830	~~1,229~~ 711	~~1,212~~ 643	~~1,082~~ 629	~~6,522~~ 3,895

Source: California Department of Conservation, Division of Land Resource Protection, 2014~~06~~. http://www.conservation.ca.gov/dlrp/fmmp/products/Pages/ReportsStatistics.aspx

Note: Since 2010, the California Department of Conservation no longer collects this data.

Guiding Policies

POSR-G-8 Promote preservation of agriculture within the Planning Area.

Implementing Actions

POSR-I-28 Work with the County and with the Grasslands Water District to preserve agricultural uses outside the Urban Growth Boundary.

POSR-I-29 Require developers of residential developments adjoining agricultural land provide, fund and maintain a sufficient physical buffer to ensure that agricultural practices will not be adversely affected.

POSR-I-30 Require property developers adjacent to sites where agricultural uses are being conducted to inform subsequent buyers of potential continued agricultural production and the lawful use of agricultural chemicals, including pesticides and fertilizers.

POSR-I-31 Require anti-vandalism designs (appropriate fencing or other landscape features) to ensure that new development has conditions that minimize increased vandalism of adjacent agricultural activities outside the Urban Growth Boundary.

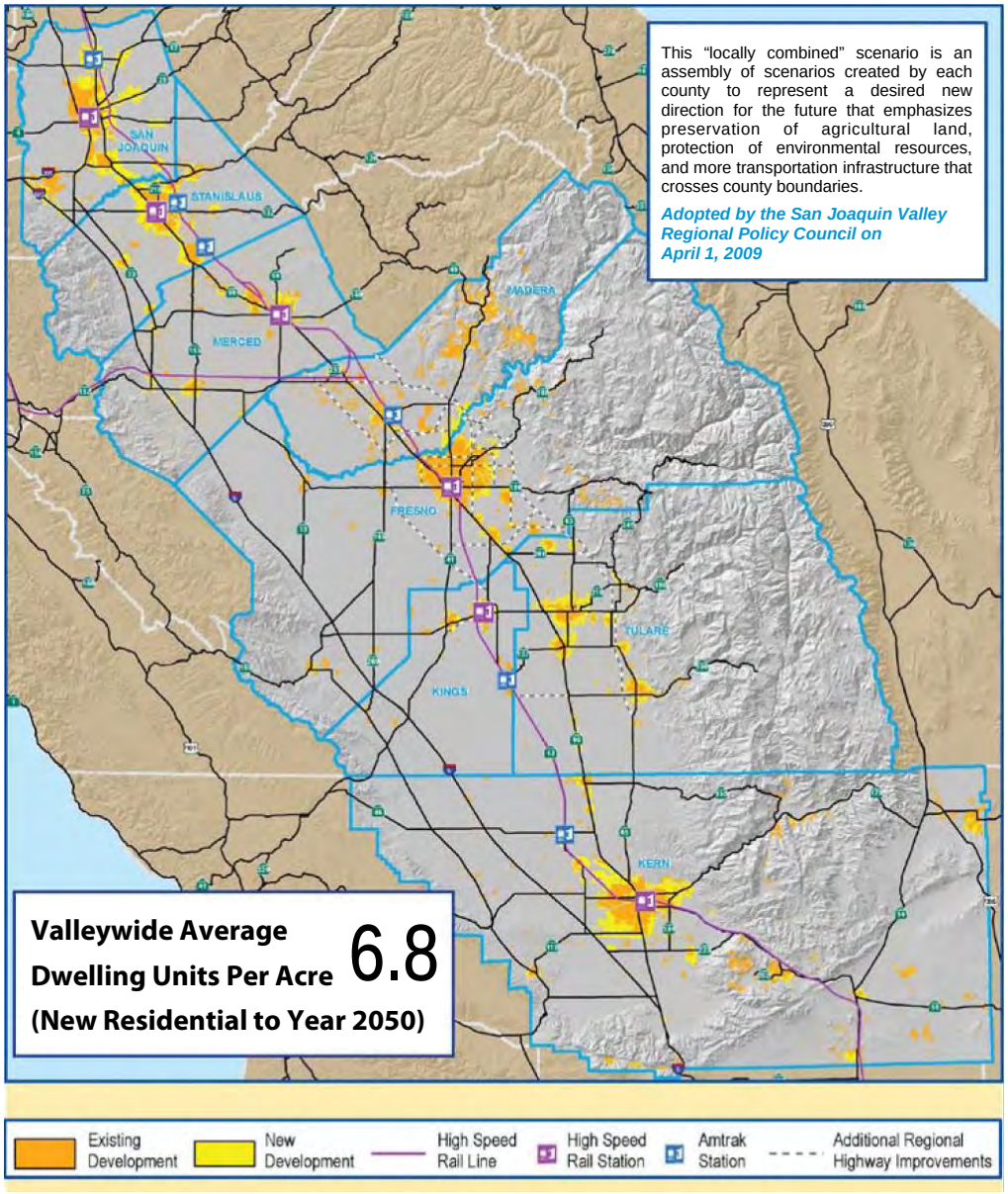
POSR-I-32 Attempt to retain water rights in all annexed areas so that agricultural production can continue on annexed land until the time of development. These rights will then be made available to meet urban water demands, or where feasible, be exchanged for ground water recharge opportunities as part of a comprehensive water recharge program.

APPENDIX E

SAN JOAQUIN VALLEY ADOPTED 2050 GROWTH SCENARIO

THE VALLEY BLUEPRINT 2050 GROWTH SCENARIO

The 2050 growth scenario diagram illustrates how the region's transportation network of highways, high speed rail, and Amtrak stations connect major population centers. By concentrating new development around areas with existing development and transportation network access, it emphasizes preservation of agricultural land, protection of environmental resources, and provision of transportation infrastructure that connects the region. The target density of 6.8 units per acre is the average of target densities selected by each of the eight counties, which ranged from 8.6 units per acre in Merced to 4.7 units per acre in Madera, based on county-specific preferences. The box below shows the residential density targets selected by the eight counties.

County	2050 Target Density
Fresno County	8.0
Kern County	6.0
Kings County	7.4
Madera County	4.7
Merced County	8.6
San Joaquin County	7.7
Stanislaus County	5.6
Tulare County	5.3

SAN JOAQUIN VALLEY ADOPTED 2050 GROWTH SCENARIO