

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

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TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **Policy Development Key Areas:**
? Water Availability Policies
? Infill/ Smart Growth Principles
? Regional Fair Share Housing Allocation

RECOMMENDATION

Appoint a Commission Sub-committee on Policy Development to provide your Executive Officer with conceptual direction for the development of criteria and standards regarding water availability, infill/smart growth, and regional fair share housing, as well as other relevant factors to be considered in the evaluation of future Sphere of Influence and Change of Organization proposals.

DISCUSSION

Recent legislative changes now require Local Agency Formation Commissions to make certain findings related to water availability and fair share housing needs. There are also other areas of importance that a Commission may consider during the evaluation of proposals including General Plan consistency (Sec. 56375 et. seq.). LAFCo must consider open space and agricultural uses, discouragement of urban sprawl and encouragement of orderly development, and it may also consider in-fill and smart growth policies of local jurisdictions. Currently, there are no adopted Commission policies or principles regarding new mandates to guide either staff, proponents or Commissioners in the process of making determinations.

The desired outcome of policy development is to be able to provide the criteria by which to evaluate future proposals with respect to regional growth. It is within the purview of your Commission to adopt general policies, OR to adopt very specific requirements regarding these issues.

For example, one policy that your Commission may consider would be the adoption of policy that requires a city to adopt, prior to the submission of a proposal for a Sphere of Influence Amendment or Annexation, policies that address and institute infill and smart growth principles. In this case, your Commission **could** defer to specific policies as developed and determined by the local jurisdiction based on local community standards and interests.

The Merced LAFCo has adopted the following policy:

Policy 7: Utilize considerations consistent with the Cortese-Knox-Hertzberg Act of 2000 when evaluating agricultural and open space impacts on an individual annexation level.

Implementation: Utilize the following criteria in the review of annexation requests:

- a. Consider the amount of existing vacant land within the City that is available for similar types of development to the proposed annexation. Make a comparison of existing vacant and available land to the amount of land needed to accommodate growth needs over a ten year period as established in the City's General Plan or other official projection such as that adopted by the Merced County Association of Governments. The City must provide evidence why the consideration of existing vacant land is not appropriate based on such factors as location, limitations to infrastructure, development constraints, agricultural viability, economic market conditions, or unique characteristics of the annexation project.
- b. If the annexation involves the conversion of prime agricultural land or identified valuable open space land, consider alternatives to the annexation that avoid or reduce the impacts.
- c. If annexation will result in urban development adjacent to existing agricultural lands, consider measures to minimize potential conflicts such as land use transitions or buffers and "right to farm" notification to future residents."

Your Commission may, however, determine it more appropriate to establish specific requirements that define minimum standards that must be met. Your Commission has the purview to adopt more specific standards that assess and determine what is considered minimum standards, i.e., an adequate water supply and the infrastructure necessary to provide service to an expanding territory prior to approving a proposed annexation. For example, the Water Forum Agreement is a MOU that establishes water purveyors' sustainability yield of water supply through 2030. This is a voluntary agreement to define the water supply of an agency based on projected demand. Your Commission may choose to establish policies in addition to this Agreement.

I am requesting direction from your Commission regarding how general or specific the development of your policies should be focused. It is possible that the development of extremely rigid policies may not be in the best interests of your Commission. The legislative mandate to review water availability, smart growth policies, fair share housing, the protection of open space and agricultural land, as well as a host of other issues that can be viewed in terms of regional growth issues, were made with the underlying belief that it is necessary to find a balance between conflicting issues. Each project is unique and requires solutions that may depend upon conditions that differ with each project. A degree of flexibility may be necessary to obtain optimum balance in fulfilling the conditions of legislative mandate as well as possible options and solutions necessary to meet housing demand based on the projected population growth within Sacramento County.

If your Commission assumes that cities are responsible and can develop local policies that address the economic, political, environmental and social issues of their jurisdictions that also address regional needs, then more general policies may suffice. However, the struggle lies in the ability to develop a regional perspective that might conflict with local needs. Your Commission is mandated to ensure that basic resources are available prior to a change of boundary and subsequent development. Your Commission decision regarding how focused you might choose to make that assurance is the basis of the Commission's ability to make findings and determinations regarding your review of the mandated issues. The goal is to find the balance between promoting sound regional policies and policies that leave local jurisdictions discretion in adopting and contributing to the solution of regional growth issues in order to address local community needs and identity. Each city has its own culture and community expectations regarding the timing and rate of growth. The development of Sacramento LAFCo policies should include consultation with the County and cities as well as with other LAFCOs.

PROPOSED PROCESS

- (1) Staff will survey and obtain from other LAFCo's and city General Plans examples of policies similar to those your Commission may consider for adoption.
- (2) The Commission Sub-committee on Policy Development will provide general direction for policy development to staff.
- (3) Staff will develop and draft proposed guidelines for policies.
- (4) Staff will solicit comment from affected agencies, stakeholders and the community through mailings and workshops.
- (5) Staff will present policy recommendations to the Commission for adoption based on the Hertzberg requirement that the Commission review the issues of water availability, infill/smart growth, fair share regional housing, and other relevant issues, as determined by the Commission, from a review of law, existing public policy, applicable General Plan policy, and any public comment staff has received.

PB:Maf

(Policy Development)