

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
1112 I Street, Suite 100
Sacramento, California 95814
(916) 874-6458

March 3, 2004

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **Airgas NCN, Inc. Reorganization (05-02) - Annexation to the City of Sacramento, and Detachment from Southgate Recreation and Park District, Sacramento Metropolitan Fire District, County Service Area No. 1, and County Water Agency Zones 12, 13, 40 and 41 [CEQA: Negative Declaration]**

CONTACT: Donald J. Lockhart AICP, Assistant Executive Officer (916) 874-2937

RECOMMENDATION

1. Consider the Mitigated Negative Declaration and Mitigation Monitoring Plan previously certified by City of Sacramento, as the CEQA lead agency, and direct the Executive Officer to file the Notice of Determination with the County Clerk.
2. Adopt the Resolution approving the Airgas NCN, Inc. Reorganization - Annexation to the City of Sacramento, and Detachment from Southgate Recreation and Park District, Sacramento Metropolitan Fire District, County Service Area No.1, and County Water Agency Zones 12, 13, 40, and 41.
3. Direct the Executive Officer to set the Conducting Authority hearing on the proposed Reorganization for April 7, 2004, after the required 30-day reconsideration period.
4. Set the effective date of annexation to be upon filing of the Certificate of Completion by the Executive Officer.
5. Authorize your Chair to sign the Resolution making these determinations.

FPPC Disclosure

No parties to this reorganization have declared any contributions to any members of the Commission.

Project Proponents

Airgas NCN, Inc.
c/o Lynn F. Oates
6790 Florin Perkins Rd. Suite 300
Sacramento, CA 95828

City of Sacramento
c/o Matt Anderson,
Associate Planner
1231 I Street
Sacramento, CA 95814

This reorganization has been landowner initiated, in conjunction with related land use entitlements, including pre-zoning, to be processed by the City of Sacramento. Airgas NCN, Inc. seeks to consolidate its business operations, located elsewhere within the City Sacramento, to this single location.

The final public hearing for the land use entitlements was held at the September 30, 2003 City Council meeting. At that time, the Council approved a resolution initiating the Airgas Annexation and related Detachments, approved the Prezoning of the property, approved the Property Tax Exchange Agreement with Sacramento County, and ratified the Mitigated Negative Declaration and Mitigation Monitoring Plan.

Project Location

The affected territory consists of two parcels totaling 14.8+ acres, at 6815 and 6725 Florin Perkins Road in South Sacramento. A legal description of the boundaries of the proposed project is included with the Resolution as Attachment A.

Project Description

The reorganization consists of Annexation to the City of Sacramento and Detachment from Southgate Recreation and Park District, Sacramento Metropolitan Fire District (SMFD), County Service Area #1, and County Water Agency Zones 12, 13, 40, and 41.

The property has been be pre-zoned to Heavy Industrial, Development Plan Review (M-2S-R,) by the City Council on September 30, 2003. The pre-zoning will become the effective zoning upon the filing of the Certificate of Completion by the Executive Officer.

The affected territory is surrounded on the west, east and north by the city boundary. The proposal does not split ownership or lines of assessment. Approval of the reorganization will eliminate an irregular service boundary and an isolated, unincorporated pocket, within the City of Sacramento Sphere of Influence.

Property Tax Revenue Agreement

This landowner initiated reorganization does not represent an attempt by the City to annex only revenue-producing property. The affected territory is currently largely vacant, and not developed to its highest and best use.

A city annexation of unincorporated territory is subject to Section 99 of the Revenue and Taxation Code regarding the distribution of property tax after the annexation is complete.

If a reorganization would affect the service area or service responsibility of one or more special districts, the County Board of Supervisors shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. Further, prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the Board shall consult with the affected districts, and provide adequate opportunity to comment on the negotiation. [Sec. 99(b)(1)(B)(5)]

County staff has indicated that the required consultation did take place, including the distribution of the County Board of Supervisors staff report to the affected districts, prior to Board deliberation.

LAFCo is not a party to the property tax negotiations. However, the affected city and county must present resolutions adopted by each entity agreeing to accept the exchange of property tax revenues in order for the project to be set for public hearing. [Sec. 99(b)(1)(B)(6)]

The County Board of Supervisors approved the Property Tax Sharing Agreement between the City and the County of Sacramento on September 19, 2003. The City Council approved the same agreement on September 30, 2003. There was no testimony opposing the agreement.

This agreement calls for a transfer of property taxes from special districts and the County Library to the county's General Fund and the City of Sacramento. This agreement follows an approach consistent with the Memorandum of Understanding for the Natomas area whereby property tax is pooled and divided equally between the County and City.

The existing annual tax to be divided between affected agencies is \$570. Based on the property tax exchange agreement, the City and County will receive \$285 annually each. However, the property tax value will increase based on the value of the new improvements developed by Airgas.

Airgas Annexation Property Tax Changes		
	Current Share	Share After Annexation
Agency / Fund		
County General Fund	17.39693%	28.38469%
Sacramento Water Agency	1.56661%	0
County Library	1.60445%	0
County Road Fund	0.07782%	0
Sacramento Metro Fire District	30.12520%	0
Southgate Park District	5.99838%	0
City of Sacramento	0	28.38469%

The Agreement was reached through the process proscribed by State law, consistent with your adopted policies regarding revenue neutrality (Section IV, 4.D.1.d.)

Concerns expressed by two independent special districts - Southgate Recreation and Park District and the Sacramento Metropolitan Fire District - have prompted the City to conduct separate negotiations directly with those affected districts. The City continues to discuss the reorganization with Southgate Recreation and Park District and SMFD. (It should be noted that the Florin County Water District also opposes the reorganization, however the affected territory is not within the district’s service boundary, as such it is not an affected district.)

The City of Sacramento has stated that, as appropriate, it intends to be responsive to the concerns of the affected independent special districts. Affected special districts will be included in a meet and confer process.

Both the City Council and Board of Supervisors have initiated a joint approach by the County Executive’s Office and Sacramento City Manager’s Office to work with the affected special districts which may be impacted by future annexations regarding mitigating impacts of the transfer of tax revenue and service responsibility from the districts to the City.

While there is no requirement for LAFCo to participate in the property tax sharing discussions, your staff is working with all affected parties, and will bring a separate report back to your Commission addressing revenue distribution, and service impacts of future full service city reorganizations and related detachments.

Detachment and Impacts to Special Districts

Each city annexation is unique. The project area proposed for this annexation is undeveloped, and currently requires minimal municipal services.

Annexations to the City of Sacramento result in the corresponding changes in services, from an array of special districts to a single full service provider.

Thus, the special district services are no longer required for the territory after annexation. The property tax sharing agreement is an instrument to reflect the transfer in service responsibility by transferring the commensurate property tax revenue.

General Detachment Theory: The underlying economic assumption is that the transfer of property tax revenue will be offset by the equal transfer of service costs and responsibilities. Thus, the result should be no adverse impact to the detaching special district. However, in practice, it is difficult to analyze the marginal net change between revenue and service costs related to specific parcels.

Special districts may assert that they are deprived of growth in property tax revenue, as the annexed area develops, due to the quality and availability of municipal services. The counter position to this assertion is that they no longer have the burden of service responsibility, or increased costs and responsibilities resulting from new development.

As mentioned above, each annexation is different, with differing settings, impacts, and circumstances that will need to be analyzed. LAFCo staff has convened meetings with the City and County. All have agreed to develop an inclusive process, with guiding principles, for the evaluation of future reorganizations, with the involvement of the affected special districts.

Your Commission must weigh these and other issues during the proceedings. It is not possible to keep all affected agencies whole, and held harmless during annexations and/or reorganizations. The inherent nature of proposed changes in organization results in a decision to change or not change the status quo regarding service delivery.

One may note, the direction of the Legislature to your Commission is that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. Further, the Legislature finds and declares that a single multi-purpose governmental agency, is accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities, especially in urban areas. The Legislature also encourages that responsibility should be given to the agency that can best provide the broadest array of government services most efficiently. [Sec. 56001]

Your Commission based on written and oral testimony, must ultimately decide the outcome of changes of organization while weighing financial, social, economic, environmental and service delivery factors. As appropriate and where possible, the Commission may seek to mitigate potentially significant adverse impacts.

It is the studied position of staff that this minor (<15 acres) annexation does not result in any significantly adverse impacts to any affected special districts, either in the short or long term.

As the area is within the City of Sacramento Sphere of Influence, adopted in 1981, the annexation should have been long anticipated.

Zoning and Land Use

Existing Use: The project site is largely vacant, with one abandoned single-family dwelling.

Existing Zoning: Light Industrial (M-1) (County)

Pre-zoning: Heavy Industrial Review (M-2S-R) (City of Sacramento)

Proposed Uses: The two lots will be merged and the abandoned residence will be demolished to facilitate development of the site. The applicant requested and received approval of city entitlements to construct an acetylene gas facility on the site. The facility will be constructed on the northern half of the site while the southern portion of the site will remain undeveloped. An office and associated parking will be located adjacent to Florin-Perkins Road.

Surrounding land use zoning: The project site is over one (1) mile from the nearest single family residences and single family zoned property. The site to the north is an industrial use. The sites to the south and east are proposed for industrial use, but are presently vacant. Florin-Perkins Road is situated to the west. The site west of Florin-Perkins Road is also an industrial use. The adjacent sites are within the City of Sacramento, with the exception of the southern site, which is unincorporated.

The reorganization is consistent with the City's General Plan policy (Section One, Policy 7) which states:

The City will assist property owners and residents that want to annex to the City of Sacramento consistent with the City's annexation policy." The City's policy supports the annexation of underdeveloped lands lacking services, or having inadequate infrastructure facilities and services; are consistent with State law and LAFCo standards and criteria.

Approval of the proposal will eliminate an irregular service boundary and isolated unincorporated pocket north of Florin Road, within the City of Sacramento Sphere of Influence.

City Smart Growth Principles: The City Council adopted a set of Smart Growth Principles in December 2001 in order to promote growth that is economically sound, environmentally friendly, and supportive of community livability. Supporting development in identified infill areas focuses new development and infrastructure investments within already developed areas.

Service Providers

- Water Supply: presently unserved
County Zone 40 (Construction of major water supply facilities.)
County Zone 41 (Retail and wholesale water purveyor.)
City of Sacramento (recommended)
- Drainage: presently unserved
County Zone 12 (Drainage and flood control.)
County Zone 13 (Studies and planning related to regional water supply, drainage and flood control)
City of Sacramento (recommended)
- Fire Protection: within Sacramento Metropolitan Fire District boundary – per JPA
City is first responder. (see Fire Protection discussion)
City of Sacramento (recommended)
- Parks: presently Southgate Recreation & Park District
City of Sacramento (recommended)
- Schools: Elk Grove Unified School District (unchanged)
Los Rios Community College District (unchanged)
- General Government/
Planning: presently County of Sacramento
City of Sacramento (recommended)
- Police: County Sheriff
City of Sacramento (recommended)
- Animal Control: County Department of Animal Care & Regulation
City of Sacramento (recommended)

Sphere of Influence and Annexation History

The City of Sacramento Sphere of Influence, adopted in 1981, encompasses the entire project site.

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, your Commission is responsible to develop and determine the sphere of influence of each local governmental agency within the county, [56425. (a).]

In determining the sphere of influence of each local agency under its jurisdiction, your Commission shall consider the present and planned land uses in the area, the present and

probable need for public facilities and services in the area, including capacity, adequacy, and the existence of any social or economic communities of interest in the area as relevant to the agency.

Every determination made by your Commission shall be consistent with the spheres of influence of the local agencies affected by those determinations, [Sec. 56375.5.]

The ability of the City of Sacramento to serve the project is discussed below.

The area has seen moderate levels of annexation activity from 1959 to the most recent 1991 Morrison Creek Business Park annexation.

City of Sacramento Municipal Service Ability

The City of Sacramento has prepared and submitted a Master Services Element for lands within the approved Sphere of Influence. The Municipal Service Review was received and accepted by LAFCo in 1995. The City of Sacramento is a full service city by Charter and by long standing policy and therefore requests detachment from all special districts when annexing territory to the City. The City maintains that detachment from special districts will decrease the likelihood of the duplication of services, and fees, as well as policy inconsistencies for service standards, for the affected territory.

Staff concludes that the proposed Airgas, NCN, Inc. Reorganization is situated in an urbanizing area, substantially surrounded by the city limits. Orderly development of the surrounding area is occurring within the City of Sacramento. The subject territory is located within the City's Sphere of Influence, and is rezoned for urban industrial development, consistent with the City General Plan. The affected territory is will contribute to an orderly pattern of development, within an incorporated, full service city. It is logical and appropriate that this area develop in the City.

The project applicants have demonstrated the need for the full range of municipal services in order to develop their property. The City of Sacramento has the demonstrated means and capacity to provide public or municipal services as efficiently, effectively, and competitively as the County and special districts.

The City has police protection, fire protection – including handling hazardous material, emergency medical service and advanced life support capabilities, public works (water, sanitary sewer, storm drainage, flood control, solid waste disposal – including curb-side recycling and green waste pick-up, and animal care services), parks, public libraries, land use planning, building permit services, and other miscellaneous services need by the urban community. Over the past number of years, some of these services have combined in order to address regional needs. Joint Powers Agreements (JPA) have created agencies to provide sanitary sewer service, libraries, flood control, and emergency response communication. Generally, these mergers have resulted in improved service levels to meet the needs of a fast growing community. However, several areas or government functions, remain separate and autonomous and continue to be provided by the City, the County and various special districts.

In the case of the Airgas annexation, the City is well situated to provide the full array of City services to the affected territory. As the subject parcels are surrounded on the east, west, and north by the City of Sacramento, the extension of services will have minimal impact to the existing service areas for Public Utilities, Police, and Fire service. In addition, the Police and Fire Departments have mutual aid agreements in place with public safety agencies in the area to ensure seamless emergency response regardless of jurisdiction.

Fire Protection

The proposal is located roughly equidistant from fire stations for both the City of Sacramento and Sacramento Metropolitan Fire District. However, by the “first responder” dispatch criteria of the Sacramento Regional Fire/EMS Communications JPA, the City is tasked as first responder for both affected parcels (APN 064-0020-027 & 28.) (Staff has discovered an anomaly in that the physical address of 6815 Florin Perkins Road is shared by both APN 064-0020-027, and APN 064-0071-030, which is immediately adjacent to the south. SMFD is the first responder to the more southerly parcel.) Per the JPA dispatch criteria, the “fire district” service boundary is along the south parcel line of the affected territory. (This may be attributed to the parcels being surrounded by the city limits on the west, north and east.) (Note: the JPA service area criteria differs from the boundary standards of LAFCo.) Thus, the affected territory, while unincorporated, is presently served by the City of Sacramento, as first responder.

In addition to the JPA, both agencies also are party to mutual aid agreements to provide incident response depending upon which fire department is most readily available. This type of back-up procedure is standard operating procedure and is applied throughout the county in the public interest. Mutual aid between public safety agencies is provided on a quid pro quo basis, i.e., there is no compensation settlement on an annual basis, between jurisdictions for provision of services outside of an agency’s service area. The operating premise is that over the course of time, the level of reciprocal services will equal each other out.

However, because this project is on the boundary of the service area of two providers, the analysis becomes more complicated for this particular annexation. It is difficult to provide an “apples to apples” service comparison, in light of the differing organizational cultures, nomenclature and internal measurement standards. Both agencies are recognized by staff and the community as fully qualified, skilled urban fire/EMS/ALS service providers.

City staff offers the following summary of the service issues pertaining to the two affected independent special districts – Sacramento Metropolitan Fire District and Southgate Recreation and Park District. In both instances, the City asserts the means and capacity to provide service to the two subject parcels, consistent with the City Master Services Element.

The City is tasked with implementing the requirements of the California Fire Code with local amendments. It is the responsibility of the City of Sacramento Fire Marshal to enforce the codes and standards as adopted through periodic site and safety inspections.

Sacramento Metropolitan Fire District has a similar responsibility for enforcement of the California Fire Code with local amendments as adopted by the Sacramento County Board of Supervisors for their service area. In addition, the City has a Hazardous Materials permit process for businesses within the City Fire Department's areas of protection. The City of Sacramento's permit, inspection, and enforcement agency for occupancies dealing in hazardous materials is the Sacramento Fire Department. The Fire Marshall for the Sacramento Fire Department is charged with these tasks as well. Regardless of the detachment of the parcel for fire protection, the Sacramento Fire Marshall would be required by City Ordinance to perform the above-described duties.

Without the detachment of the Airgas site for purposes of fire protection, there could be redundancy and confusion for the landowner/business operator. Two fire services would result in multiple agencies issuing permits, performing inspections and issuing citations for violations based on possibly different codes, ordinances and regulations. With each of these processes are inherent fees and charges. This would lead to the business owners not only paying for duplicate services but "serving two masters." It is the request of the City, in the interest of service efficiency, that the affected territory be detached from the Sacramento Metropolitan Fire District.

As a result of ongoing discussions with SMFD regarding the Airgas facility, the City has agreed to implement an integrated, coordinated plan check process, and "multiple company drills" for facility familiarization and hazardous materials response training. SMFD staff will serve in an advisory role, to be memorialized in a Letter of Understanding between the affected agencies.

Your staff is of the understanding that this approach adequately addresses the concerns expressed by SMFD, and the district does not object to the reorganization and related detachment. (Note: In the event that Airgas constructs a new facility, both City and SMFD would need to serve the operation, as needed, per JPA criteria.)

Parks and Recreation

The project site is currently within the service boundary of the Southgate Recreation and Park District. However, no District services are provided to the vacant affected territory. The area is currently zoned Light Industrial. It is problematic to develop the site for industrial use due to the lack of necessary infrastructure to serve the site. The primary infrastructure needed to facilitate development of the site is municipal water. If the property remains unincorporated, there is no water service available. Although the Florin County Water District adopted a resolution protesting the reorganization, it is not within the District boundary. Existing water infrastructure would not provide adequate water pressure for the development and operation of the proposed industrial use.

Development of the site should not affect existing recreational opportunities; and no new recreational demand should be generated, as it is proposed for industrial use.

The City asserts that from a park and recreation perspective, the site does not and will not require any park or recreation services and, in light of the infrastructure deficiencies that currently exist, will continue to provide minimal tax revenue for the current park and recreation district (\$60 annually). Once annexed to the City of Sacramento, the required

utilities infrastructure could be logically and efficiently extended to the site from adjacent locations in the City.

The City has initiated negotiation efforts with Southgate Recreation and Park District. It is the understanding of your staff that Southgate Recreation and Park District no longer objects to reorganization, and related detachments. However, at the time this report was prepared your staff has no details pertaining to the substance of the negotiations.

Project Characteristics

Assessor Parcel Number (APN)	064-0020-027 & 028.
Assessed Valuation: (Total)	\$103,937
The current assessed value for these two parcels is:	
064-0020-027	\$26,368 (land, no improvements)
064-0020-028	\$77,569

(Please note that these two properties sold on 8/29/03 and have not been appraised and enrolled at their new values. When that process is complete the assessed value as of 8/29/03 may be significantly higher.)

Registered Voters:	-0-
Acres:	14.80

Estimated Future Development: The Airgas facility would involve handling of numerous gases and filling in pressurized steel cylinders. These gases include acetylene, oxygen, nitrogen, hydrogen, helium, and carbon dioxide. Airgas also handles the purchasing and distribution of small quantities of certain toxic gases in pressurized steel cylinders.

The proposed facility includes four buildings for administrative, quality control, acetylene manufacturing, and maintenance purposes:

- Maintenance: 2,750 square feet
- Office/break room/locker room: 1,500 square feet
- Acetylene manufacturing: 1,650 square feet
- Quality control: 1,500 square feet
- Office: 3,600 square feet

The 3,600 square foot office is proposed to face Florin-Perkins Road and would include 57 employee parking spaces and seven guest parking spaces. Landscaping would be installed in this office/parking area. A wrought iron fence with gate will surround the site and would be accessible by employees after hours.

The proposed facility would also include various fill, sorting, and maintenance canopies. These canopies would vary in size from 650 to 6,480 square feet. Four tank farms would be situated on the site. The tank farms would hold oxygen, nitrogen, argon, carbon dioxide, nitrous oxide, acetone, propane, propylene, lime slurry, and hydrogen. Pallets

would also be stored on the site. Development of the site will include open area, which may further buffer the use from surrounding land uses.

Conducting Authority Proceedings

The affected territory is uninhabited, with no registered voters onsite. Notice has been provided to all affected agencies and landowners in the project area.

Written protest of the Reorganization has been submitted and not withdrawn from Southgate Recreation and Park District, Sacramento Metropolitan Fire District, and Florin County Water District. (Note: Although the Florin County Water District adopted a resolution protesting the reorganization, it is not within the District boundary, as such they are not an affected district.)

When your commission has adopted a resolution making determinations, any person or affected agency may file a written request with the Executive Officer requesting amendments to or reconsideration of the resolution within 30 days of adoption. [56895 (a)(b)]

Staff recommends that the final position of the affected districts be clarified during the required thirty day reconsideration period. If the concerns of the districts have been satisfied, consideration should be given to withdrawing the letters of protest.

Staff further recommends that the Conducting Authority Protest Hearing be set for April 7, 2004, after the close of the reconsideration period. At the hearing, your Commission shall determine the value of any oral or written protests, filed and not withdrawn. [56666(a) & 57052]

Environmental Considerations

Last year, your Commission directed staff to work with affected local agencies to further coordination and minimize redundancy in the CEQA review process. This proposal incorporates the Mitigated Negative Declaration and Mitigated Monitoring Plan, prepared by the City of Sacramento as lead agency, with responsible agency consultation by LAFCo. Use of the lead agency documentation results in time and cost savings for the project applicant.

The Sacramento Local Agency Formation Commission finds that, with respect to the Airgas NCN, Inc. Reorganization project, the Commission is a responsible agency for compliance with the California Environmental Quality Act pursuant to §15381 of the Guidelines for Implementation of CEQA, and that the City of Sacramento, as lead agency, certified a Mitigated Negative Declaration and Mitigated Monitoring Plan for the Airgas NCN, Inc. Reorganization project on September 30, 2003. The Sacramento Local Agency Formation Commission further finds that the project assessed by the City of Sacramento is the same as that being considered by the Commission, and that the Commission has consulted with the lead agency in the preparation of the Mitigated Negative Declaration Mitigation Monitoring Plan as required by §15096 of the Guidelines for the Implementation of CEQA. The Commission further finds that the Commission has considered the certified Mitigated Negative Declaration and Mitigation Monitoring Plan in its evaluation of the Airgas NCN, Inc. Reorganization project, and

that no mitigation measures identified in the Mitigated Negative Declaration and Mitigation Monitoring Plan are within the jurisdiction or authority of the Commission to implement. Based on the foregoing, the Commission hereby directs that a Notice of Determination be filed based on the Commission's action on the Airgas NCN, Inc. Reorganization project.

Affected Agencies:

The project was circulated for the review and comment of affected agencies.

LAFCo received comments from affected City of Sacramento Departments, Sacramento County Departments, County Sanitation District No.1 (CSD-#1), Florin County Water District, Sacramento Metropolitan Fire Department, and Southgate Recreation and Park District.

Affected City of Sacramento Departments, and CSD-1 had no issues of note. Although Florin County Water District submitted a resolution from their board opposing the annexation, they do not actually serve the annexation area.

Sacramento County identified that they have initiated an Old Florin Road Planning effort and asked the City to consider this as future development in the area occurs. The City readily agrees to this request, and has had preliminary discussions about the City's involvement in the planning process.

As noted above, both Sacramento Metropolitan Fire Department and Southgate Recreation and Park Department have submitted written comments opposing the Annexation. This matter is more fully discussed above.

Other Affected Agencies

The proposal was also reviewed by the Elk Grove Unified School District. Staff has received no objections or negative comments.

Executive Officers Comments

I recommend your Commission approve the annexation, and related detachments as requested. The proposal boundaries are logical and appropriate, and the City of Sacramento, as a full service city, can better provide the full array of municipal services. The project is within the City of Sacramento Sphere of Influence, it is consistent with the City Master Services Element and the urban growth strategies and annexation policies of the General Plan. The proposed reorganization meets the policies, standards and guidelines of your Commission.

RECOMMENDATION

I recommend your Commission approve the attached Resolution:

1. Considering Consider the Mitigated Negative Declaration and Mitigation Monitoring Plan previously certified by City of Sacramento, as the CEQA lead

agency, and directing the Executive Officer to file the Notice of Determination with the County Clerk.

2. Approving the Airgas NCN, Inc. Reorganization - Annexation to the City of Sacramento, and Detachment from Southgate Recreation and Park District, Sacramento Metropolitan Fire District, County Service Area #1, and County Water Agency Zones 12, 13, 40, and 41.
3. Directing the Executive Officer to set the Conducting Authority hearing on the proposed Reorganization for April 7, 2004, after the required 30-day reconsideration period.
4. Set the effective date of annexation to be upon filing of the Certificate of Completion by the Executive Officer.
5. Authorize your Chair to sign the Resolution making these determinations.

Respectfully,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage
Executive Officer

Attachments:

Maps

Resolution directing the filing of the CEQA Notice of Determination, approving the Reorganization, and initiating the Conducting Authority Proceedings and Setting the effective date of annexation to be upon filing of the Certificate of Completion by the Executive Officer

Findings Of Fact and Negative Declaration

Agency Correspondence

PB:DL:Maf

cc:

City of Sacramento

Sacramento County

Florin County Water District

Sacramento Metropolitan Fire Department

Southgate Recreation and Park District.

Airgas NCN, Inc.

(Air Gas)