

Sacramento

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939

July 1, 2008

TO: Affected Agencies and Interested Parties

CONTACT: Donald Lockhart, AICP, Assistant Executive Officer
Sacramento Local Agency Formation Commission
(916) 874-2937 Donald.Lockhart@SacLAFCo.org

RE: CITY OF ELK GROVE SPHERE OF INFLUENCE
AMENDMENT REQUEST (L AFC 04-08)

The Sacramento Local Agency Formation Commission has received a request for the **City of Elk Grove Sphere of Influence Amendment**. Attached for your review are the materials provided by the city in support of the proposal. Kindly review the information and comment on how the project may impact the means and capacity of your agency to provide service to current and future ratepayers.

Please respond by **August 15, 2008**.

Incorporated in 2000, the existing city SOI is coterminous with the city limits. The affected territory is immediately south and southeast of the city.

Existing City and SOI:	26,974 acres
Requested SOI Amendment:	10,536 acres

The Sacramento Local Agency Formation Commission, as CEQA lead agency, will prepare an Initial Study to assess the environmental impacts of the proposal. You may wish to comment separately on that document.

Very truly yours,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION


Donald J. Lockhart, AICP
Assistant Executive Officer

Attachments: (Prepared by the City of Elk Grove)

- Sphere of Influence Amendment Questionnaire/ Map
- City/ County Consultation Letter (GC §56425)
- Draft Municipal Services Review
- Prime Farmland Map
- Vicinity Map

cc: LAFCo Commissioners
Nancy Miller, LAFCo Counsel
Laura Gill, City of Elk Grove



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July 1, 2008

TO: Affected Agency

FROM: Peter Brundage, Executive Officer
Sacramento Local Agency Formation Commission

RE: **CITY OF ELK GROVE SPHERE OF INFLUENCE AMMENDMENT (LAFc 04-08)**

The above proposal requesting a change of organization (annexation) or reorganization (annexation and related detachments) was filed with the Sacramento Local Agency Formation Commission (LAFCo). Attached for your consideration is a copy of the application. The proposal may affect your agency. If you provide service to the project site, please estimate the cost of providing that service. Please estimate the amount of revenue loss that would occur if the change of organization would detach the subject property from your agency.

Under the applicable statutes and rules and regulations adopted by the LAFCo, this office is required to secure a statement from your agency indicating the following information (where applicable) concerning the effect of the proposal upon your agency.

1. What official position, if any, has your agency taken on this proposal? Please attach a copy of any Resolutions or Meeting Minutes adopted regarding this project.
2. If the proposal includes the detachment of territory from your agency:
 - How will the proposal affect the ability of your agency to continue to provide services in the service territory not included in the proposed change of organization?
 - How will the proposal affect the financing and operation of your agency?

If the proposal will not affect your organization, LAFCo would appreciate a written statement to that effect. Comments, for inclusion in the analysis, should be provided to LAFCo by **August 15, 2008**. Your agency will be notified when the matter is set for hearing before the Commission. You are invited to give oral testimony at that time if you wish.

Please do not hesitate to call Diane Thorpe, Commission Clerk, at 874-6458 if you have any questions. Thank you for your prompt response to this request.

Attachments

Questionnaire for Amending a Sphere of Influence

Sphere of Influence of the Area South and Southeast of the City of Elk Grove

Purpose of the proposal

1. *Why is this proposal being filed? List all actions for LAFCo approval. Identify other actions that are part of the overall project, i.e., tentative map or related entitlements.*

This proposal is being filed to include the areas immediately south and southeast of the current City of Elk Grove within the City's Sphere of Influence (SOI). Current land use projections indicate that future growth will require additional lands outside of the City boundary. The City's available residential, industrial, and commercial land base is in the process of building out. The City is expected to continue its growth and would be unable to accommodate all anticipated growth within the City. SACOG projections indicate that employment land uses could more than double and housing land uses could almost double during their planning period analyzed. As a result, the City needs to establish a direction to accommodate its anticipated future growth by defining the area to be considered for long-term planning.

The City Council is initiating long term planning of the areas south and southeast of the City to ensure proper and orderly growth of the City, while supporting the preservation of agricultural and open space activities and uses. The City's General Plan designated the proposed SOI areas as 'Urban Study Area', which envisioned where growth would be most likely to occur. The City Council directed staff to begin the process of comprehensively planning the future growth areas on January 24, 2007. The first step of the process is to define the planning boundaries.

Before comprehensive planning of the areas outside of the City can begin, the City's SOI needs to be established beyond the current City boundaries. The City's existing SOI is coterminous with the City's boundaries. A larger SOI is needed to define the City's probable boundaries and service area, which will be used for future long-term planning efforts.

Once the City's SOI is amended, the City will begin detailed planning for these areas that are likely to become a part of and served by the City. An approved SOI will allow the City to guide the future studies and to begin master planning for the area. This first step will be used to determine the extent to which anticipated future growth should occur and in what form growth should be permitted. Currently, there are no formal land use plans for the area. The area is not currently planned for any specific uses. Future in-depth analysis and planning is needed to determine specific land use and development.

Other actions as a part of the overall project include an extensive public participation component and coordination with various service providers and stakeholders. There are no other actions that are a part of the overall SOI Amendment project. No specific land use developments are proposed at this time in conjunction with this SOI Amendment. The City will begin comprehensive planning of the area after the SOI Amendment is approved.

Actions required for LAFCo approval of this SOI Amendment include:

- 1) Completion of the Municipal Service Review;
- 2) Completion of the environmental review process consistent with the California Environmental Quality Act (CEQA);
- 3) City Council Resolution of Application;
- 4) City and County meetings regarding the Sphere of Influence boundaries, development standards, and zoning requirements for the areas to be included in the SOI; as required pursuant to Government Code Section 56425; and
- 5) Submittal of the Sphere of Influence Amendment Application and supporting materials.

Consultation with the County (City sphere changes only)

2. *Provide documentation regarding the meet and confer process between the City and the County regarding boundaries, development standards, and zoning requirements for land in the proposed sphere as required by Government Code §56425.*

Documentation as a result of the City-County meetings is included as **Attachment G**.

The required consultations occurred on the following dates:

November 29, 2007
December 21, 2007
February 15, 2008
February 21, 2008

A formal agreement between the City and the County regarding the proposed SOI Amendment has not been identified. At this time, all immediate issues raised by the County regarding the SOI Amendment have been resolved. While additional concerns raised by the County are important to the future development of the area, these concerns are more appropriately addressed during future master planning and when annexations are requested. The City intends to move forward with the currently proposed SOI Amendment and will continue discussions with County staff when appropriate.

City staff has met with County staff to determine the appropriate SOI and the anticipated future growth area of the City. Prior to submitting its application to LAFCo, the City discussed the proposed boundaries, development standards, and planning and zoning requirements with the County, pursuant to Government Code Section 56425(b). The City has complied with this requirement by meeting with County staff during four City-County meetings between December 2007 and February 2008. During the meetings, the City and County staff discussed a number of mutual concerns, including: lands needed to accommodate projected growth, drainage and flooding issues, future growth outside of the 100-year floodplain, infrastructure and municipal services, open space, agricultural users, and coordination with the South Sacramento Habitat Conservation Plan (SSHCP).

In response to the City-County consultation, the City has accommodated the County by reducing the area of the proposed SOI Amendment to only extend south to Eschinger Road. The previously proposed SOI Amendment area extended past Eschinger Road towards Lambert Road. This reduced the previously proposed SOI by 4,812 acres, or a reduction of a third of the previously proposed area, to accommodate the County's concerns.

The City has addressed most of the County's major concerns that are pertinent at this time. The County's remaining concerns would be more appropriate for discussion at a later date, either during the master planning processes or prior to annexations. Such issues include urban-rural buffer, development standards, permanent open space areas, existing agricultural uses, conservation easements, the SSHCP, parkway alignment, floodplains, revenue neutrality, and long-term infrastructure and service planning. The City will ensure that the issues identified by the County will be considered in further detail, as appropriate, to accommodate the projected growth needs of the City.

Description of area to be included in the sphere

3. *What area is proposed to be included in the sphere? Attach a map identifying the current sphere and the proposed addition. What is the acreage of the affected territory?*

A map identifying the proposed Sphere of Influence Amendment area is provided as **Attachment A**. In addition, the corresponding assessor's parcel numbers are included as **Attachment B**.

The area proposed to be included in the City's Sphere of Influence is generally described as the areas south of Bilby Road/Kammerer Road and Grant Line Road, extending south to Eschinger Road and the Cosumnes River, extending east towards the Cosumnes River and just past Freeman Road, and extending west towards Interstate 5 and the Union Pacific Railroad tracks.

Existing City Boundary and SOI Acreage:	26,974 acres
SOI Acreage to be Added:	10,536 acres
Proposed Final SOI Acreage:	37,510 acres

4. *Why was it decided to use these particular boundaries?*

The City has determined the best available unconstrained areas for future growth of the City through the City's 2003 General Plan. The areas have been designated as Urban Study Areas. Future growth can occur in the areas without physical or political constraints. **Attachment M** shows the Urban Study Area designations from the City's General Plan.

The boundaries for this Sphere of Influence Amendment were selected based upon the predetermined Urban Study Area, as identified in the City's General Plan. The Urban Study Area generally includes the areas south of Kammerer Road and Grant Line Road towards the Cosumnes River. These two areas are the only remaining large areas adjacent to the City that are highly likely to accommodate anticipated future growth and could become a part of the City.

The proposed Sphere of Influence Amendment includes the area that connects to Interstate 5 at the Hood-Franklin interchange. This area was not included in the Urban Study Area, but is included in the proposed Sphere of Influence Amendment because it will serve as a logical gateway from Interstate 5 to the City, with portions of this area likely to urbanize.

The City Council has stated that future growth and development shall not extend south of Eschinger Road or into the 100-year floodplain. As a result, the proposed SOI leaves out the portion of the Urban Study Area extending south of Eschinger Road. The City included parcels within the 100-year floodplain due to LAFCo's policy discouraging the splitting of parcels.

In addition, physical and political constraints limit the City's potential areas for growth and expansion. The northern portion of the City is constrained by the City of Sacramento, the existing regional wastewater treatment plant, the County's South Sacramento Planning Area, the County's Jackson Highway Visioning Area, and the County's Vineyards Planning Area. The western portion of the City is constrained by the Stone Lakes National Wildlife Refuge and the 100-year floodplain. The eastern portion of the City is partially constrained by the Cosumnes River and the 100-year flood plain. See **Attachment J** for a figure showing the nearby constraints.

The proposed SOI Amendment complies with LAFCo's specific policies and standards for amendments to a Sphere of Influence. (See Sacramento LAFCo Policy, Standards, and Procedures Manual; Chapter IV. General Standards; C. Boundaries). The table below includes a justification applicable to each of the specific standards, including the exception applied.

#	Standard	Complies with Standard	Justification
1	LAFCo will not accept as complete any application for a proposal unless it includes boundaries that are definite, certain, and fully described.	Yes	The application fully describes the proposed Sphere of Influence Amendment boundaries, including a map (Attachment A), corresponding Assessor's Parcel Numbers (Attachment B), and a description of the boundaries (see text above). The boundaries follow along major roads, parcel lines, natural features, and existing political boundaries.
2	The LAFCo will approve only applications with boundaries that do the following: a. Seek to correct where relevant illogical boundaries within the affected agency's Sphere of Influence; b. Provide for a mixture of revenue producing and non- or limited- revenue producing properties; and c. Follow where relevant natural or man-made features and include logical service areas.	Yes	The application corrects the City's existing Sphere of Influence by designating the areas south and southeast of the City's boundaries as likely to be within the City in the future. The application does not discriminate between revenue producing and non- or limited-revenue producing properties. The proposed boundaries follow major physical features, including the Cosumnes River, Eschinger Road, the Union Pacific Railroad, and along the City's boundaries. The proposed

#	Standard	Complies with Standard	Justification
			boundaries connect to the Hood-Franklin Interchange at Interstate 5, a logical roadway connection.
3	<p>The LAFCo will not approve applications with boundaries which:</p> <ul style="list-style-type: none"> a. Split neighborhoods or divide an existing identifiable community, commercial district, or other areas having a social or economic identity; b. Result in islands, corridors or peninsulas of incorporated or unincorporated territory or otherwise cause or further the distortion of existing boundaries; c. Are drawn for the exclusive purpose of encompassing revenue-producing territories; d. Create areas for which it is difficult to provide services; or e. Split parcels. 	<p>(a-d) Yes</p> <p>(e) Yes, when exception in Standard 4a is applied</p>	<p>Standard 3a-d: The proposed Sphere of Influence Amendment boundaries do not split or divide any distinct community, as no specific land use or changes are proposed. The proposed area promotes logical and orderly boundaries. The proposal area does not include any major revenue-producing territory.</p> <p>Standard 3e: The proposed Sphere of Influence Amendment does not include the entire parcel of several parcels along the Cosumnes River. (See Attachment R) These five parcels extend southeast of the Cosumnes River into the community of Wilton. Including the entire parcels that cross the River is illogical and does not follow major features. In addition, the City Council has repeatedly expressed its intent that future growth would only occur north of the River. Attachment B lists the complete and portion of parcels included within the proposed SOI Amendment area.</p>
4	<p>LAFCo will make exceptions to the requirements of this standard only if the exception:</p> <ul style="list-style-type: none"> a. Is rendered necessary due to unique circumstances; b. Results in improved quality or lower cost of service available to the affected parties; or c. There exists no feasible and logical alternative. 	<p>Exception in Standard 4a applies to Standard 3e</p>	<p>Standard 4a applies: The proposed Sphere of Influence Amendment must not include the portion of the parcels that cross the Cosumnes River into the community of Wilton due to unique circumstances. The parcels do not terminate at the Cosumnes River, but extend past the River into Wilton, creating illogical boundaries. This was caused by</p>

#	Standard	Complies with Standard	Justification
			a natural realignment of the River over time. Previously, the parcel lines were consistent with the River's path, until the River's realignment. The parcels were never corrected to reflect the River's current path, resulting in the necessity to only include a portion of the parcels.

The City believes that this proposed SOI Amendment boundary includes the areas most appropriate and needed to accommodate projected growth, while considering agricultural and open space. **Attachment N** shows the agricultural lands in the SOI Amendment area, the prevailing land use.

5. *What are the existing land uses for the proposal area? Be specific.*

The existing land uses for the proposal area are primarily agricultural and are determined by the County's General Plan designations for the area. The current land uses, as defined by the County's General Plan, include:

County General Plan Land Use	Acreage
Agricultural Cropland	7,216
Agricultural Cropland - RCA	468
Agricultural-Residential	29
Commercial / Office	14
General Agriculture (20 acre)	1,607
Intensive Industrial	34
Low Density Residential	39
Natural Preserve	1,129
Total	10,536

A figure of the County's General Plan land use designations within the SOI Amendment Area is shown as **Attachment K**.

6. *Are there proposed land uses for the proposal area? Be specific.*

There are no proposed land uses for the proposal area. Land uses are to remain consistent with the County's land use designations. Future studies will determine the extent to which anticipated future growth should occur and in what form growth should be permitted, including any proposed land uses. Comprehensive land use planning for the area will commence after the SOI is established. Current land uses are anticipated to remain the same until such land planning occurs.

Future development within the SOI will be limited by the 100-year floodplain. The City's General Plan Policy LU-16 states that "development should be limited to areas outside of the 100-year floodplain". This restricts anticipated growth from certain developments within the 100-year floodplain.

The SOI Amendment is needed to establish the area and direction for growth. While no growth is going to occur now, it is likely to occur in the future. As a result, potential service providers and issues need to be identified now to inform LAFCo and various service providers of what is known and what is likely to occur.

Relationship to Existing Plans

7. Describe current County General Plan and Zoning designations for the proposal area.

The County's General Plan land use and Zoning designation for the proposal area are shown in the tables below.

County General Plan Land Use	Acreage
Agricultural Cropland	7,216
Agricultural Cropland - RCA	468
Agricultural-Residential	29
Commercial / Office	14
General Agriculture (20 acre)	1,607
Intensive Industrial	34
Low Density Residential	39
Natural Preserve	1,129
Total	10,536

County Zoning	Acreage
A2	46.4
AG00	37.6
AG20	283.3
AG40	53.2
AG80	9,558.6
AR2	18.2
AR10	49.5
C2	3.6
M2	19.6
R1A	24.9
Z002	7.7
(no zoning)	362.0
(roads)	71.3
Total	10,536

A figure of the County's General Plan and Zoning designation within the Urban Study Area is shown as **Attachment K** and **Attachment L**, respectively.

8. Describe any City General Plan and Rezoning designations for the proposal area.

The City's General Plan designates the proposal area as the Urban Study Area. The Urban Study Area designation envisions these areas in which future growth, to some extent, could occur. The General Plan does not identify a formal land plan for these areas but lays out policies to guide the study of future development in cooperation with the public and other agencies and parties. See **Attachment M** for a figure of the City's General Plan designation for the SOI Amendment area.

No specific land use designation or Rezoning are proposed or required at this point. No Rezoning is associated with this proposed SOI Amendment. Rezoning is more appropriate prior to annexation of the area.

Environmental Assessment

9. *Fully describe the underlying project. Has any type of environmental document been prepared for the proposed project?*

The underlying project is to begin comprehensive planning of the areas south and southeast of the City of Elk Grove. Before any comprehensive planning can begin, the planning boundaries need to be defined by the SOI Amendment, approved by LAFCo. The SOI will define the probable physical boundaries and service area of the City for comprehensive planning purposes. The City will then begin comprehensively planning the area within the approved SOI Amendment. This project will not alter existing boundary lines or jurisdictional control over land uses.

The environmental document for this project is a CEQA Initial Study/Negative Declaration for the Sphere of Influence Amendment and a CEQA Notice of Exemption for the Municipal Service Review with LAFCo as the lead agency. Both of the supporting environmental documentations are attached as **Attachment C** and **Attachment D**. Any future projects that may involve direct physical impacts will be subject to and analyzed in future environmental analysis consistent with CEQA.

Justification

10. *To assist LAFCo in making determinations pursuant to Government Code §56425, please provide information relevant to each of the following:*

- A. *Present and planned uses in the area, including prime agricultural and open-space lands.*

Present land uses within the proposed Sphere of Influence Amendment area are primarily agricultural land uses. Other land uses include floodplains, open space, vacant lands, residential, industrial, and commercial land uses.

There is approximately 1,997 acres of prime farmland within the proposed SOI Amendment area, as designated by the California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP). **Attachment N** shows the agricultural lands in the area, based on the FMMP data. The County's General Plan does not designate any areas within the proposed SOI Amendment as open space.

There are no proposed land uses for the SOI Amendment area. Land uses are to remain consistent with the County's land use designations. Future studies will determine the extent to which anticipated future growth should occur and in what form growth should be permitted, including any proposed land uses. Comprehensive land use planning for the area will commence after the SOI is established. Current land uses are anticipated to remain the same until such land planning occurs, and a Prezone and annexation application is approved.

The SOI Amendment area could provide territory needed by the City of Elk Grove to provide for the future expansion needs and maintain logical and orderly patterns of development.

Future growth within the SOI Amendment area will to be limited by the 100-year floodplain. The City Council has expressed its desires that no development should occur within the 100-year floodplain east and west of State Route 99.

B. Present and probable needs for public facilities and services in the area, including the means of financing any service expansions/extensions, and the timing thereof.

At the present time, the proposed area does not need traditional urban services, as the area is primarily rural and agricultural. In addition, no land use changes are proposed at this time. Present needs for public facilities and services in the proposal area are being met by existing providers, private parties, or not needed. As the area is currently rural and agricultural, the demand for public services is low. There is no present need for additional public facilities and services in the proposal area. As no specific land use plan has been defined, existing uses are expected to remain the same. Existing service providers are expected to continue the current service level. Addition of the SOI Amendment area would cause no additional immediate demand for municipal services, public facilities, or the financing of such facilities.

If anticipated growth is to occur, an expansion of public facilities and services to serve the area would be needed. Since there are no proposed development or land use changes, the demand and requirements for specific service expansions/extensions, financing, and timing cannot be established. Expansion of the City's SOI into the SOI Amendment area will provide direction to municipal water service providers about the location and extent of the City's growth. This will allow the provider to conduct long term planning to ensure adequate services and infrastructure are available to serve the anticipated growth of the City.

The SOI is a plan for the probable physical boundaries and service area for the City. The purpose of the SOI is to provide for the present and future needs of the community. Anticipated growth of the area will require adequate planning for long term growth. Probable needs for new and expanded public facilities and services to support anticipated growth in the area have been analyzed in the Municipal Service Review, Infrastructure Section. (See **Attachment F**)

The SOI Amendment will not require the immediate need for additional public facilities or services. It would be premature to develop infrastructure for an area that has not been approved for annexation and when land planning has not occurred. The purpose of the SOI analysis is to identify the probable needs for municipal services based on current assumptions and projections.

Future studies are needed to determine the extent to which anticipated future growth should occur and in what form growth should be permitted. Specific land use and development proposals in the future will include the means of financing service expansions/extensions, and the timing thereof.

- C. *Present capacity of public facilities and adequacy of public services the affected agency provides or is authorized to provide.*

The City of Elk Grove has the present capacities and adequate public facilities to provide for existing service demands within the City. The City currently provides storm drainage, solid waste, circulation and roadways, law enforcement, animal control, code enforcement, and parks and recreation services. The City does not currently provide any municipal services to the SOI Amendment area.

The City is able to expand public facilities and services to adequately serve future demands. The Municipal Service Review, Infrastructure Section, provides a more detailed discussion of the services provided and future plans. (See **Attachment F**)

The City will define future capacities necessary to accommodate the anticipated future growth and build out of the City's Sphere of Influence when specific developments are proposed. This will include plans for adequately serving the municipal service demands from future development. Approval of the SOI Amendment boundaries will facilitate and encourage the City and other service providers to plan for the expansion of necessary services and facilities prior to anticipated growth occurring.

- D. *Existence of any social or economic communities of interest in the area.*

There are no specific economic communities of interest in the area besides the agricultural community.

Nearby social communities of interest include the communities of Bruceville, Old Town Franklin, Point Pleasant, and Wilton. Bruceville and Point Pleasant are south past the SOI Amendment area. Old Town Franklin is immediately adjacent to the City and is included within the SOI Amendment area. Wilton is located across the Cosumnes River outside of the proposed SOI Amendment area.

Additional Comments

11. *Provide any other comments or justifications regarding the proposal.*

The proposed SOI Amendment area is similar to the County's preferred SOI for the City, as shown in **Attachment P**, which is contained in the County's February 25, 2008 letter to the City.

Multiple landowners are in support of the proposed SOI Amendment and have requested to be included within the City's SOI. **Attachment Q** lists the property owners that have specifically requested to be included within the SOI Amendment area.

The proposed SOI Amendment complies with LAFCo's specific policies and standards for amendments to a Sphere of Influence. (See Sacramento LAFCo Policy, Standards, and Procedures Manual; Chapter V. Specific Standards by Type of Action; I. Amendments to Spheres of Influence) The table below includes a justification applicable to each of the specific policies.

#	Policy	Complies with Policy	Justification
1	The LAFCo will generally treat a proposed amendment to an agency's Sphere of Influence similarly to an application for approval of a Sphere of Influence. The LAFCo's policies will be applied to applications for amendment to a Sphere of Influence as if it were an annexation planned for the mid- to long-range future. For that reason, each of the following sets of policies will apply to applications for amendments to Spheres of Influence: <ul style="list-style-type: none"> a. General policies; b. Specific policies and standards for annexations to cities and special districts; and c. Specific policies and standards for amendments to Spheres of Influence. 	Yes	This proposed Sphere of Influence Amendment complies with the specific policies and standards for amendments to Spheres of Influence, as noted below.
2	The Sphere of Influence Master Services Element must be current before additions to a Sphere of Influence will be approved by LAFCo.	Yes	A Municipal Service Review for this Sphere of Influence Amendment has been prepared concurrently with this application and is included as Attachment F .
3	The Sphere of Influence amendments shall precede applications for annexations.	Yes	The Sphere of Influence Amendment is being prepared to define the boundaries of the conceptual master planning for the area. Master Planning of the area will determine land uses, services, and infrastructure needed. Annexation may occur in the future after specific land uses are defined.
4	Amendment proposals must be consistent with the updated Sphere of Influence and Master Services Element.	Yes	This Sphere of Influence Amendment application has been prepared concurrently with the Municipal Service Review and is consistent with both documents.
5	An applicant for an amendment to a Sphere of Influence must demonstrate a projected need or lack of need for service.	Yes	The City is expected to continue its growth and will require additional land outside of the City's boundaries. Growth outside of the City's boundaries

#	Policy	Complies with Policy	Justification
			will require adequate municipal services.
6	Amendment proposals involving Sphere expansion which contain prime agricultural land will not be approved by the LAFCo if there is sufficient alternative land available for annexation within the existing Sphere of Influence.	Yes	There is no alternative land available for annexation. The City's Sphere of Influence is coterminous with the City's boundaries.
7	A phased plan for annexation of Sphere of Influence territory should be included in the Sphere of Influence proposal.	Yes	No specific annexation plans are known and/or proposed. Conceptual land use planning for the area has not occurred. Plans for annexation would be premature at this time. A phased plan for annexation is not required.
8	No amendments to a Sphere of Influence Plan will be approved unless a Master Services Element of the Sphere of Influence Plan exists that has been prepared by a local agency and adopted by LAFCo if required.	Yes	A Municipal Service Review for this Sphere of Influence Amendment has been prepared by the City concurrently with this application and is included as Attachment F . LAFCo would need to adopt the Municipal Service Review.
9	The LAFCo will deny proposals that would result in significant unmitigable adverse effects upon other service recipients or other agencies serving the affected area unless the approval is conditioned to avoid such impacts.	Yes	The City does not project any significant adverse effects upon service recipients or other agencies serving the area. Services to the area would remain the same. The proposal would allow the City and other agencies to begin comprehensive planning for providing services to the area.
10	The LAFCo will approve a proposed amendment to a Sphere of Influence only if the subject agency will be the most logical and prospectively most efficient provider of services to the subject territory.	Yes	The City of Elk Grove is the most logical and efficient service provider to the area. The area is immediately south and southeast of the City. No other Cities are nearby to serve the proposed area.

The proposed SOI Amendment complies with Government Code section 56426.5 [sic] regarding amendments to a Sphere of Influence that includes Williamson Act lands. Under Government Code section 56426.5, the Commission shall not approve an SOI change if a territory is subject to a Williamson Act Contract and if the City would provide certain facilities and services to the area. Government Code section 56426.5(b) allows the Commission to approve an SOI Amendment which includes Williamson Act lands if the Commission finds the SOI Amendment meets any of the listed criteria. The table

below includes a justification applicable to each of the criterias available; however, only one is needed to be met to allow this SOI Amendment.

#	Criteria	Criteria Applies	Justification
1	That the change would facilitate planned, orderly, and efficient patterns of land use or provision of services, and the public interest in the change substantially outweighs the public interest in the current continuation of the contract beyond its current expiration date.	Yes	<p>The Sphere of Influence Amendment is being prepared to define the boundaries of the conceptual master planning for the area. Master Planning of the area will determine land uses, services, and infrastructure needed.</p> <p>The City's General Plan and SACOG's growth projections both estimate future growth demands cannot be entirely accommodated within the City and projected future growth outside of the City, especially towards the south and southwest, are likely to occur. Existing constraints around the City, as shown in Attachment J, limit where future growth will occur, towards the south and southwest. Land uses in the area are expected to change in the future, regardless of any planning efforts, or lack thereof.</p> <p>Proper long-term growth planning can limit urban sprawl and leap-frog development, promote orderly growth adjacent to the City's existing boundaries, ensure appropriate agricultural mitigation, and minimize the loss of agricultural land. Therefore, there is great public interest in conducting adequate long-term planning in the proposed area. As land uses are expected to change in the future, the City can facilitate planned, orderly, and efficient patterns of land use in the SOI Amendment area by conducting conceptual master planning, resulting in benefits to the public.</p>
2	That the change is not likely to adversely affect the continuation of the contract beyond its current expiration date. In making this determination, the commission shall consider all of the following:	Yes	The Sphere of Influence Amendment will not affect the continuation of lands currently under a Williamson Contract beyond its current expiration date. No land use changes are being proposed at this time. Existing conditions in the area would remain unaffected. The Sphere of Influence

#	Criteria	Criteria Applies	Justification
	<p>(A) The policies and implementation measures adopted by the city or county that would administer the contract both before and after any ultimate annexation, relative to the continuation of agriculture or other uses allowable under the contract.</p> <p>(B) The infrastructure plans of the annexing agency.</p> <p>(C) Other factors that the commission deems relevant.</p>		<p>Amendment is being prepared to define the boundaries of the conceptual master planning for the area. As such, no specific plans have been developed. The Sphere of Influence Amendment would allow the City and other agencies to begin comprehensive planning for providing services to the area.</p>

12. *Enclose any pertinent staff reports and supporting documentation related to this proposal.*

Pertinent staff reports and supporting documentation include:

- | | |
|----------------------------------------|---------------------|
| 1) Municipal Service Review | Attachment F |
| 2) Staff Report, January 24, 2007 | Attachment H |
| 3) Staff Report, June 27, 2007 | Attachment H |
| 4) Staff Report, October 24, 2007 | Attachment H |
| 5) Staff Report, January 23, 2008 | Attachment H |
| 6) Staff Report, February 27, 2008 | Attachment H |
| 7) Landowner Support Letters/Petitions | Attachment Q |

13. *Notices and Staff Reports*

List up to three persons to receive copies of the LAFCo notice of hearing and staff report.

	<u>Name</u>	<u>Address</u>
1.	Cody Tubbs Interim City Manager	8380 Laguna Palms Way Elk Grove, CA 95758
2.	Christine Crawford Planning Director	8401 Laguna Palms Way Elk Grove, CA 95758
3.	Taro Echiburú Environmental Planning Manager	8401 Laguna Palms Way Elk Grove, CA 95758

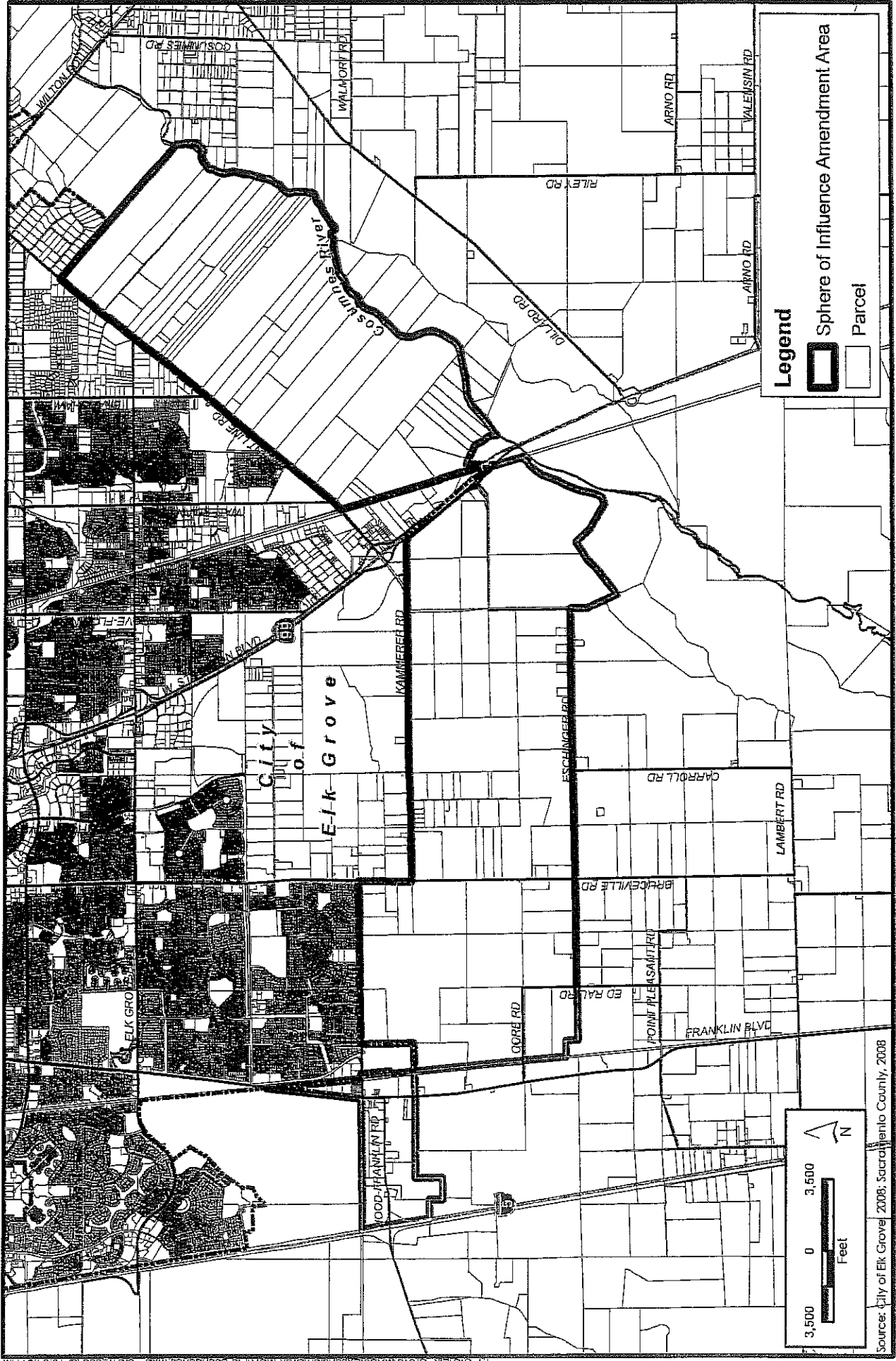
Who should be contacted if there are questions about this application?

<u>Name</u>	<u>Address</u>	<u>Phone</u>
Taro Echiburú	8401 Laguna Palms Way Elk Grove, CA 95758	(916) 478-3619

Signature: _____

Date _____

Cody Tubbs, Interim City Manager
City of Elk Grove



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City of Elk Grove
Development Services

DRAFT

Attachment A
Sphere of Influence Amendment Area

County Executive
Terry Schuttan



Board of Supervisors
Roger Dickinson, District 1
Jimmie R. Yee, District 2
Susan Peters, District 3
Roberta MacGlashan, District 4
Don Notteli, District 5

County of Sacramento

February 25, 2008

Mr. Jim Estep
Interim City Manager
City of Elk Grove
8380 Laguna Palms Way, Suite 200
Elk Grove, CA 95758

RE: Proposed Expansion of Sphere of Influence, City of Elk Grove

Dear Jim:

The recent discussions between the City of Elk Grove and Sacramento County staff regarding the City's proposal to expand its Sphere of Influence (SOI) pursuant to Government Code Section 56425(b) have been productive. The County is appreciative of the City's willingness to propose a boundary focused on an area that the City intends to study for urbanization and active recreation.

The County continues to request a formal process for ongoing discussions concerning a number of unresolved issues which arose during the review of the proposed SOI. This is identified as a point of disagreement by staff in the report to the Council. The County considers it of the utmost importance to address issues now rather than waiting for approval of the SOI and the annexation process.

Staff from the City of Elk Grove and Sacramento County met on February 15, 2008 and on February 21, 2008 to discuss issues related to the proposed SOI boundary as identified by the Elk Grove City Council on January 23, 2008. Also, county staff met in a workshop format with residents and others in the proposed SOI area on February 13, 2008 to discuss issues and receive input relative to the proposed SOI. During meetings with the City, County staff communicated two major concerns regarding the SOI boundary as currently proposed:

- The potential for impediments to the successful implementation of the South Sacramento Habitat Conservation Plan (SSHCP)
- The need to protect open space, habitat and the long-term viability of agricultural and rangeland operations in the area

The City of Elk Grove indicated the intent to urbanize an area between Kammerer and Eschinger Roads while permanently protecting the rural and agricultural nature of the area south of Eschinger Road. The Board of Supervisors and staff have not agreed with the larger approximately 16,000-acre SOI boundary. Our primary concerns are that land speculation, driven by the extent of the SOI south of Eschinger Road, will drive up land costs, making the SSHCP difficult to implement and threatening the long-term viability of agricultural and rangeland operations.

Given the City's intent, County staff again recommended during these meetings that an SOI boundary be pursued that only:

- Includes land that the City intends to urbanize in the near term
- Excludes land encumbered by existing conservation easements
- Excludes land external to the urban area that is intended to remain rural and agricultural in nature
- Excludes land within 100-year floodplain boundaries

As a result of these meetings, County and City staff conceptually agreed that identifying such a boundary, as indicated in the enclosed map, would provide a good starting point for future discussions and to meet jointly agreed upon goals of agricultural, open space and habitat protection.

Prior to these meetings, Sacramento County sent three letters (dated October 24, 2007, January 7, 2008 and January 18, 2008) regarding the City's proposed SOI, all of which included a request to engage in a formal, proactive process to work together on issues associated with growth in this area prior to the City initiating the Sacramento Local Agency Formation Commission (LAFCo) proceedings. This proactive process is intended to avoid conflict and to identify mutually acceptable outcomes from the future LAFCo annexation process.

However, the following are issues that have either yet to be raised or that the County considers to be unresolved pursuant to the meet-and-confer provisions of Government Code Section 56425(b):

- Creation of an urban-rural buffer on the north side of Eschinger Road to permanently protect agricultural and open space uses from encroaching urban development
- Development standards and zoning requirements
- Establishing permanent open space within the area to be urbanized
- Potential impacts to downstream drainage and flooding
- Potential impacts to listed species and agricultural operations
- The City's future changes to the SSHCP per the August 2007 discussion at the Board of Supervisors whereby the City will be

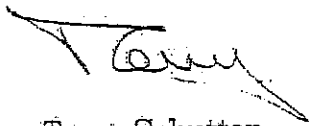
- analyzing the need for mitigation for up to 4,500 acres of additional urban land
- Affects along the Deer Creek and Cosumnes River floodplains
 - Infrastructure and service provision including but not limited to water and sewer
 - Transportation infrastructure
 - Revenue neutrality and revenue sharing

County staff believes that additional dialogue can lead to a joint County/City agreement thereby streamlining the LAFCo process, a result that the County understands to be a primary goal of the City. While the County would prefer to meet and confer on these issues in advance of the SOI application, we recognize that the City may move forward at the upcoming hearing of February 27th with an SOI boundary that is smaller than originally contemplated.

We look forward to continuing to meet with your staff during the review of the proposal and to work to resolve the many complex issues raised by citizens and residents within the proposed SOI. Waiting to work on a resolution to these issues until the Master Planning phase during annexation is too late in the process and creates the potential for unnecessary complications and delays.

Again, we appreciate the opportunity to coordinate with the City of Elk Grove regarding the proposed SOI amendment application.

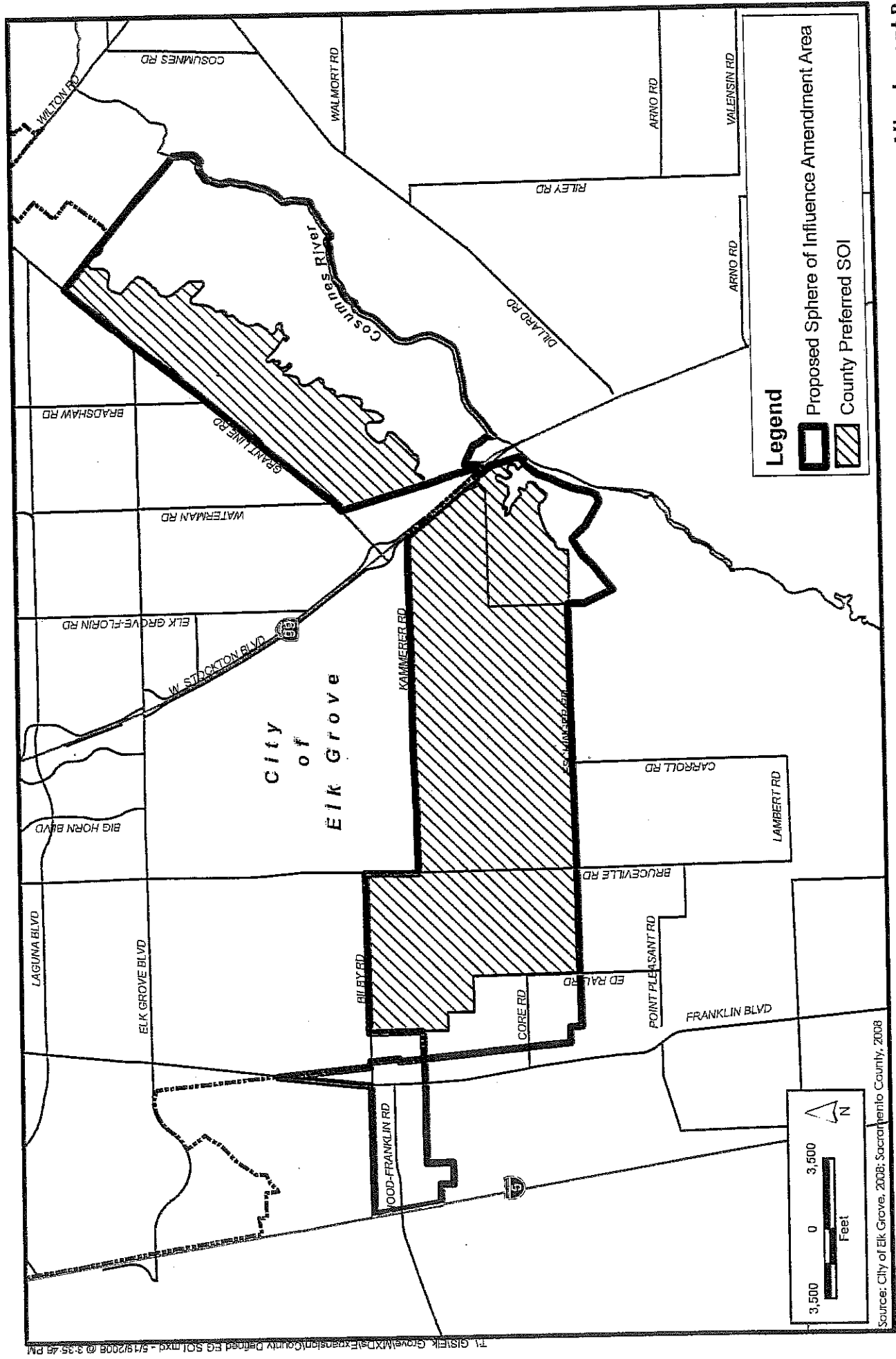
Sincerely yours,



Terry Schutten

Enclosure: Revised Sphere of Influence Boundary

- c: Members, Sacramento County Board of Supervisors
Members, Elk Grove City Council
Peter Brundage-Executive Officer, Sacramento Local Agency Formation
Commission (LAFCo)
Paul Hahn-Administrator, Municipal Services Agency
Phil Carter-Development Services
Robert Sherry-Director, Department of Planning and Community
Development



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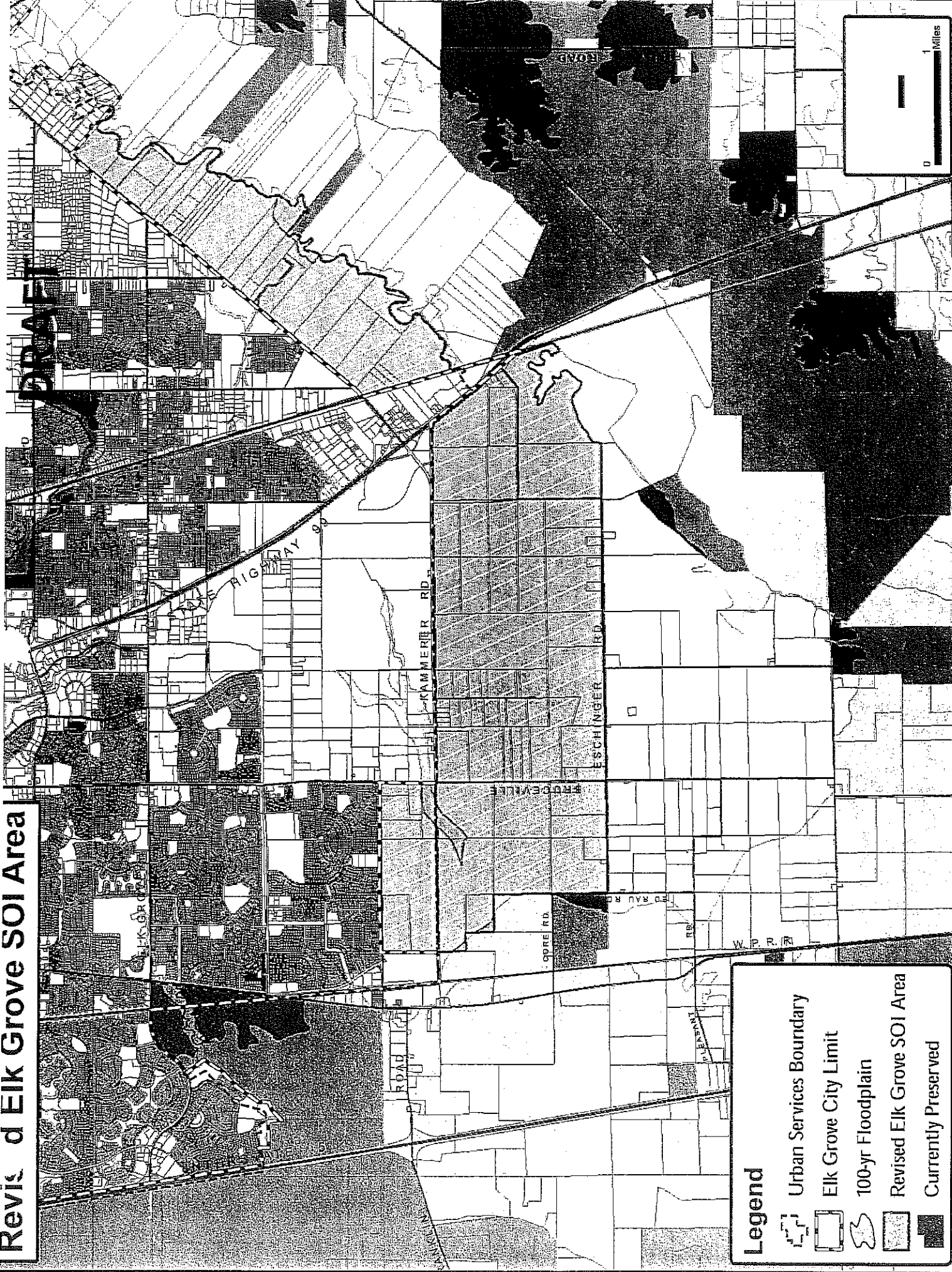
Source: City of Elk Grove, 2008; Sacramento County, 2008



City of Elk Grove
Development Services

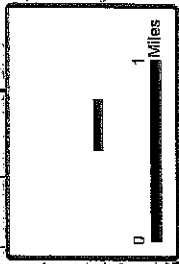
Attachment P
Comparison of County's Preferred SOI and the City's Proposed SOI

Revised Elk Grove SOI Area



Legend

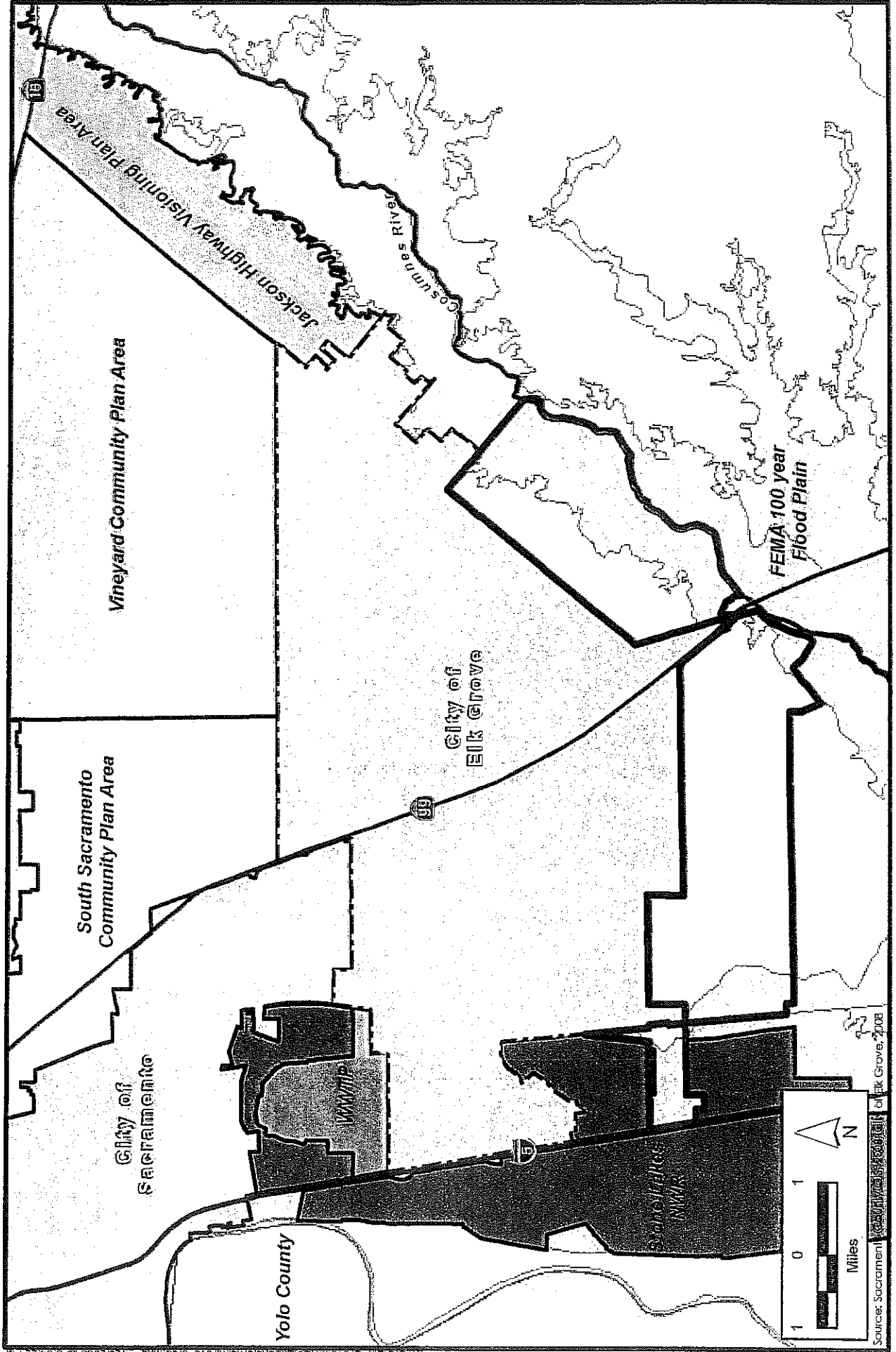
- Urban Services Boundary
- Elk Grove City Limit
- 100-yr Floodplain
- Revised Elk Grove SOI Area
- Currently Preserved



City of Elk Grove Sphere of Influence Amendment Attachment N – Agricultural Lands in the Area

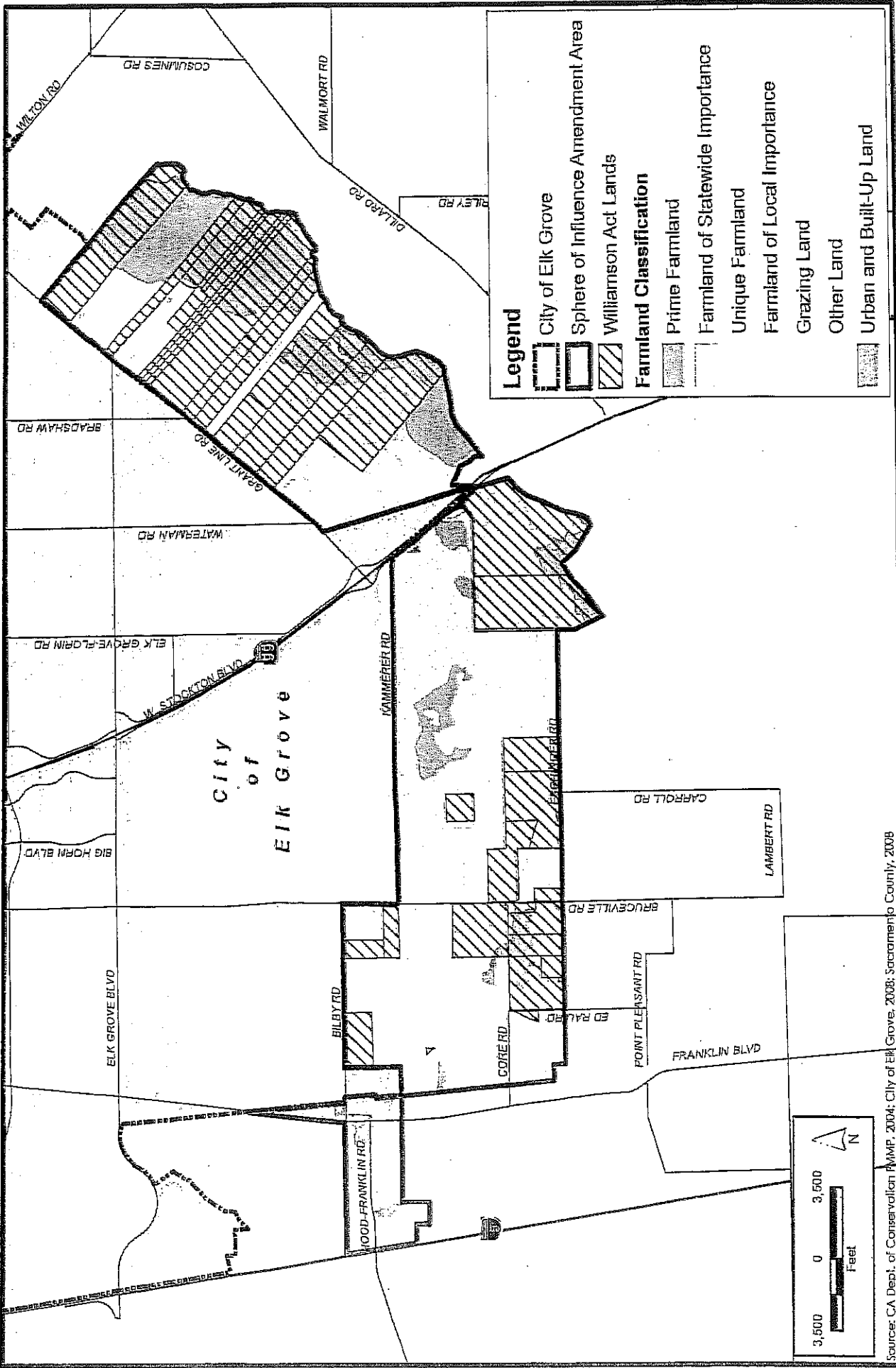
Farmland Class	Acres
Urban and Built-Up	54.1
Grazing Land	477.8
Farmland of Local Importance	1,657.5
Prime Farmland	1,997.3
Farmland of Statewide Importance	5,751.4
Unique Farmland	141.1
Other Land	456.7

Source: CA Dept. of Conservation FMMP, 2004



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