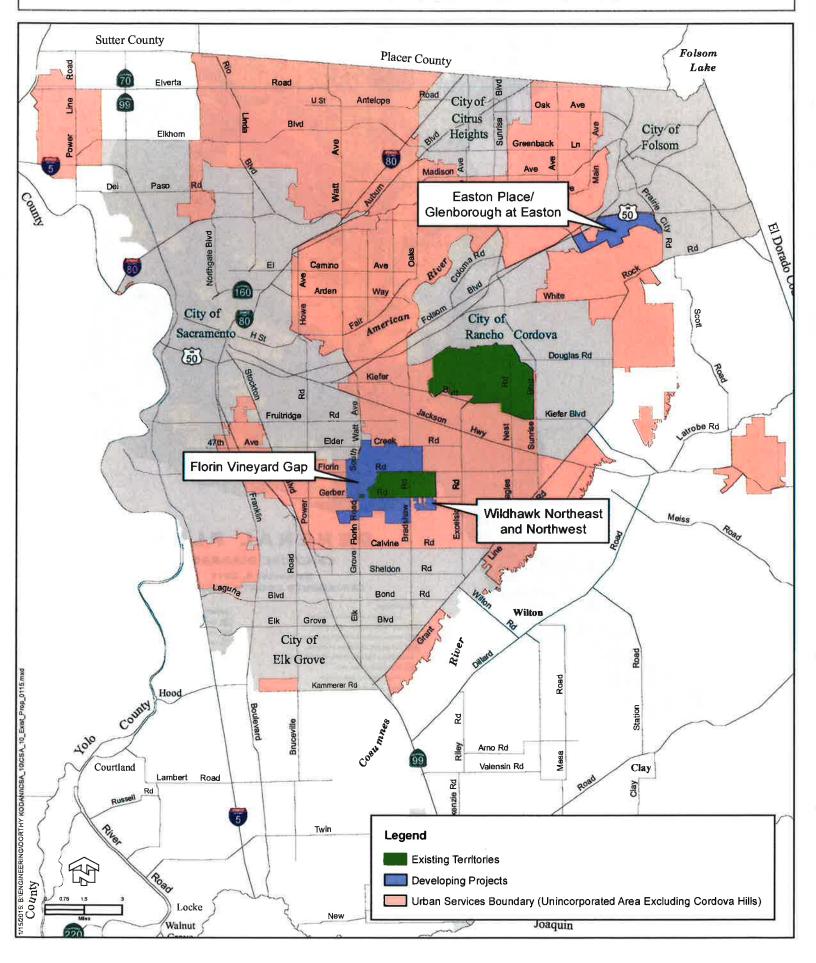




# EXHIBIT B COUNTY SERVICE AREA NO.10 EXISTING AND PROPOSED TERRITORIES



#### **EXHIBIT C**

# COUNTY SERVICE AREA NO. 10 LIST OF AFFECTED AGENCIES

- COUNTY OF SACRAMENTO
- COUNTY SERVICE AREA NO. 1
- ELK GROVE-COSUMNES CEMETERY DISTRICT
- FAIR OAKS CEMETERY DISTRICT
- AMERICAN RIVER FLOOD CONTROL DISTRICT
- RECLAMATION DISTRICT NO. 1000
- COSUMNES COMMUNITY SERVICES DISTRICT
- NATOMAS FIRE PROTECTION DISTRICT
- PACIFIC FRUITRIDGE FIRE PROTECTION DISTRICT
- SACRAMENTO METROPOLITAN FIRE DISTRICT
- SACRAMENTO MUNICIPAL UTILITY DISTRICT
- SACRAMENTO-YOLO MOSQUITO AND VECTOR CONTROL DISTRICT
- ARDEN CREEK RECREATION AND PARK DISTRICT
- ARDEN MANOR RECREATION AND PARK DISTRICT
- ARDEN PARK RECREATION AND PARK DISTRICT
- CARMICHAEL RECREATION AND PARK DISTRICT
- CORDOVA RECREATION AND PARK DISTRICT
- FAIR OAKS RECREATION AND PARK DISTRICT
- FULTON EL CAMINO RECREATION AND PARK DISTRICT
- MISSION OAKS RECREATION AND PARK DISTRICT
- NORTH HIGHLANDS RECREATION AND PARK DISTRICT
- ORANGEVALE RECREATION AND PARK DISTRICT
- RIO LINDA ELVERTA RECREATION AND PARK DISTRICT
- SOUTHGATE RECREATION AND PARK DISTRICT
- SUNRISE RECREATION AND PARK DISTRICT
- SACRAMENTO REGIONAL TRANSIT DISTRICT
- SACRAMENTO AREA SEWER DISTRICT
- SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT
- CARMICHAEL WATER DISTRICT
- CITRUS HEIGHTS WATER DISTRICT
- DEL PASO MANOR WATER DISTRICT
- FAIR OAKS WATER DISTRICT
- FLORIN COUNTY WATER DISTRICT
- FLORIN RESOURCES CONSERVATION DISTRICT
- RANCHO MURIETA COMMUNITY SERVICES DISTRICT
- RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
- SACRAMENTO COUNTY WATER AGENCY
- SACRAMENTO SUBURBAN WATER DISTRICT
- SAN JUAN WATER DISTRICT

# COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of: September 23, 2014 Timed: 10:30 a.m.

To: Board of Supervisors

From: Department of Community Development

Subject: Adoption Of Resolution Of Application Requesting The Sacramento Local

Agency Formation Commission To Commence Proceedings To Concurrently Amend The Sphere Of Influence And Boundary Of County Service Area No. 10 To Be Coterminous With The County General Plan Urban Services Boundary, Resolution Authorizing The Execution Of An Indemnification Agreement And Resolutions Authorizing The Execution Of Two Advanced Funding Agreements

Supervisorial

District(s): All

Contact: Susan Goetz, Manager of Special Districts, 916-874-5082

#### Overview

County Service Area No. 10 (CSA 10) was established to mitigate air quality impacts of new development by implementing transportation-related services that would reduce vehicle trips. Future expansion of CSA 10 is anticipated to add new growth areas for development via conditions of approval. Developments within the Glenborough at Easton/Easton Place (Easton) and Florin Vineyard Community Plan (Florin Vineyard) areas, as well as rezones for the Wildhawk Northeast and Northwest projects (Wildhawk) (Developing Projects) are some of those developments/growth areas conditioned to annex. To satisfy conditions of approval, the participating property owners of the Developing Projects have each submitted applications along with application fees of \$10,000 requesting annexation to CSA 10. Currently, in order to annex each individual project to CSA 10, it is necessary to adopt a resolution of application to the Sacramento Local Agency Formation Commission (LAFCo) to amend the sphere of influence (SOI) of and annex the project to CSA 10. In the interest of streamlining the process for projects that are required to annex in the future, staff is recommending that the boundaries of CSA 10 and its SOI be expanded to the entire Urban Services Boundary (USB) within the unincorporated area. If LAFCo approves this proposal, no subsequent LAFCo action would be required. Developing Projects and future projects will still need future Board actions to be included in the appropriate benefit zones of CSA 10 and activate service charges or taxes via ballot or election proceedings.

#### Recommendations

- 1. Adopt the attached resolution authorizing the Chair to execute an Agreement for Advanced Funding of Costs Pertaining to the Annexation of the Glenborough at Easton and Easton Place Developments to County Service Area No. 10;
- 2. Adopt the attached resolution authorizing the Chair to execute an Agreement for Advanced Funding of Costs Pertaining to the Annexation of the Wildhawk Northeast and Wildhawk Northwest Developments to County Service Area No. 10;
- 3. Adopt the attached Resolution of Application Requesting the Sacramento Local Agency

Adoption Of Resolution Of Application Requesting The Sacramento Local Agency Formation Commission To Commence Proceedings To Concurrently Amend The Sphere Of Influence And Boundary Of County Service Area No. 10 To Be Coterminous With The County General Plan Urban Services Boundary, Resolution Authorizing The Execution Of An Indemnification Agreement And Resolutions Authorizing The Execution Of Two Advanced Funding Agreements Page 2

Formation Commission to Commence Proceedings to Concurrently Amend the Sphere of Influence and Boundary of County Service Area No. 10 to be Coterminous with the County General Plan Urban Services Boundary; and

4. Adopt the attached resolution authorizing the Chair to execute an Indemnification Agreement with the Sacramento Local Agency Formation Commission to Amend the Sphere of Influence of and Annex Territories within the Unincorporated Areas of the Urban Services Boundary to County Service Area No. 10.

## Measures/Evaluation

The success of this item can be measured by the satisfaction of the conditions of approval by the property owners that will enable them to proceed with their development plans. Further, the revenue generated from the service charges or taxes will be used to fund the services and trip reduction measures resulting in trip reduction and air quality benefits.

## **Fiscal Impact**

County costs associated with including the properties in CSA 10 will be provided through advanced funding agreements with participating property owners. Similar to the previously executed agreement with the Florin Vineyard area participating property owners, the attached two agreements with the participating property owners within the Easton and Wildhawk projects authorize the advancement of funds up to a total of \$120,000 each for the effort to annex each project to CSA 10.

# **BACKGROUND**

CSA 10 was established by LAFCo in 2003 for the purpose of mitigating air quality impacts for new growth areas by implementing miscellaneous transportation-related services that would reduce vehicle trips. The existing territories of CSA 10 are identified in Attachment 1.

Prior benefit zones in CSA 10 (Zones 1 and 2) were created to provide services to areas which after its incorporation were inside the City of Rancho Cordova. These territories were detached from CSA 10 in February 2008.

#### **DISCUSSION**

Future expansion of CSA 10 is anticipated to add new projects and new growth areas as they are approved for development via conditions of approval. Annexation of properties occurs with four major steps: 1) The Board approves a resolution of application to LAFCo to amend the CSA 10 SOI and to include territories into CSA 10. 2) LAFCo approves the amendment of the SOI and annexation into CSA 10. 3) The Board creates or annexes individual developments into a benefit zone of CSA 10. 4) The Board approves CSA 10 service charges or taxes (note that no property within the boundaries of CSA 10 will be subject to any service charge or tax until an election/Proposition 218 ballot process is approved by the landowners within the territory.) Today's recommendation eliminates Steps One and Two.

Adoption Of Resolution Of Application Requesting The Sacramento Local Agency Formation Commission To Commence Proceedings To Concurrently Amend The Sphere Of Influence And Boundary Of County Service Area No. 10 To Be Coterminous With The County General Plan Urban Services Boundary, Resolution Authorizing The Execution Of An Indemnification Agreement And Resolutions Authorizing The Execution Of Two Advanced Funding Agreements Page 3

Prior to any annexation, it is necessary for the County to submit an application to LAFCo to request the amendment of the SOI and the boundaries of CSA 10. The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 provides for LAFCo to act as the conducting authority for County Service Area annexations. Recognizing the effort and steps involved with the LAFCo application for each annexation, staff has met with LAFCo staff on several occasions to investigate the option of streamlining the process by amending the SOI of CSA 10 and its boundaries to encompass the entire unincorporated areas of the USB. LAFCo staff is supportive of this proposal that will eliminate the need for the Board to approve individual resolutions of application and for LAFCo to approve each individual SOI amendment and annexation.

After approval of the attached resolution, staff will return to the Board for the Developing Projects to either annex to the existing Zone 3 or to establish new benefit zones, that are distinct in their proposed services and service charges or taxes, and to conduct the necessary election/balloting process for approving service charges or taxes on the properties. Exhibit B to the Resolution of Application, the Municipal Services Review, serves as a guideline of services to be provided for the establishment of any future benefit zones of CSA 10.

To satisfy their conditions of approval, the participating property owners of the Developing Projects have each requested the County proceed with the annexation of their properties into CSA 10 and are willing to be fully responsible for all associated costs. On April 8, 2014, the Board authorized the execution of an advanced funding agreement with participating property owners within the Florin Vineyard development area to fund various tasks related to the implementation of that plan area including annexation to CSA 10. The attached two advanced funding agreements are for the other two development areas of the Developing Projects to fund the effort to annex their properties to CSA 10. The attached agreements substantiate the Owner's willingness to be fully responsible for and advance all costs associated with and necessary for the annexation of their properties to CSA 10, including the costs and expenses of County staff, consultant costs and LAFCo staff costs and fees.

The attached Indemnification Agreement is required by LAFCo as part of the County's application. This agreement states that the County will indemnify, hold harmless and release LAFCo from any claim related to the annexation.

County Counsel has reviewed and approved the advanced funding and indemnification agreements. Notice of today's hearing was published in the Daily Recorder on September 12, 2014.

## **MEASURES/EVALUATION**

The success of this item can be measured by the satisfaction of the conditions of approval by the property owners that will enable them to proceed with their development plans. Further, the revenue generated from the service charges or taxes will be used to fund the services and trip reduction measures resulting in trip reduction and air quality benefits.

Adoption Of Resolution Of Application Requesting The Sacramento Local Agency Formation Commission To Commence Proceedings To Concurrently Amend The Sphere Of Influence And Boundary Of County Service Area No. 10 To Be Coterminous With The County General Plan Urban Services Boundary, Resolution Authorizing The Execution Of An Indemnification Agreement And Resolutions Authorizing The Execution Of Two Advanced Funding Agreements Page 4

# **FINANCIAL ANALYSIS**

County costs associated with including the properties in CSA 10 will be provided through advanced funding agreements with participating property owners. Similar to the previously executed agreement with the Florin Vineyard area participating property owners, the attached two agreements with the participating property owners within the Easton and Wildhawk projects authorize the advancement of funds up to a total of \$120,000 each for the effort to annex each project to CSA 10.

Respectfully submitted, APPROVED:

**BRADLEY J. HUDSON** 

County Executive

LORI A. MOSS, Director

Department of Community Development

By: \_\_\_\_\_ ROBERT B. LEONARD

Chief Deputy County Executive

#### Attachments:

Resolution (1) - Agreement for Advanced Funding – Easton

Resolution (2) - Agreement for Advanced Funding – Wildhawk

Resolution (3) - Application to LAFCo

Exhibit A to Resolution (3) – Territories for Proposed Annexation

Exhibit B to Resolution (3) – Municipal Services Review (MSR)

Exhibit C to Resolution (3) – List of Affected Agencies

Resolution (4) – Indemnification Agreement with LAFCo

Advanced Funding Agreement - Easton

Advanced Funding Agreement - Wildhawk

**Indemnification Agreement** 

Attachment 1 – Map of Existing and Proposed Territories