

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
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January 5, 2005

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer
Donald J. Lockhart AICP, Assistant Executive Officer

RE: **Report Back - Policy Discussion Paper:**

**Proposed Open Space and Prime Agricultural Land
Preservation Policies for Evaluating
Sphere of Influence and Annexation Proposals**

RECOMMENDATION

1. Review Status report and proposed outreach schedule to update **Sacramento LAFCo Polices, Procedures and Guidelines** for Open Space and Prime Agricultural Resource Preservation and SOI/Annexation Policies.
2. Review Proposed Open Space/Agricultural Preservation and Annexation Policies that will be presented for public comments and discussion.

BACKGROUND

We have previously discussed draft Open Space and Prime Agricultural Land Preservation Policies (Please see attached reports). This report updates the previous draft policies to reflect feedback received during the ongoing outreach efforts, as well as recent actions by other LAFCo's.

The pressure to develop vacant land (i.e. greenfields) at the edge of metropolitan areas will continue to be very strong. Recognizing that some conversion of agricultural land is inherent to accommodate population growth, efforts should be made to protect agriculture and open space for future generations.

Open space lands are necessary for quality of life and we must care for the land today so future generations may enjoy its physical and spiritual benefits tomorrow.

OUTREACH EFFORT PROCESS

The Spring Workshop will be the culmination of staff outreach with local agencies, organizations, the community and interested parties on how to protect prime agricultural and open space resources and yet meet the expected population growth that is projected for the Sacramento region. Staff will present the proposed policies as outlined in this report for public comment and suggestions.

Environmental Community:

Environmental Council of Sacramento, The Nature Conservancy (Consumes River Preserve), Sacramento Valley Open Space Conservancy, Friends of Swainson's Hawk, Sierra Club, The Natomas Basin Conservancy, others as identified. (Partial list, please see Attached.)

County and Cities:

County of Sacramento, City of Citrus Heights, City of Elk Grove, City of Folsom, City of Galt, City of Isleton, City of Rancho Cordova and City of Sacramento

Other Interested Parties

SACOG, Sacramento Building Industry Association, Urban Land Institute, Valley Vision, Affordable Housing Advocates, California's Division of Land Resource Protection, American Farmland Trust, Great Valley Center, University of California's Agricultural Issues Center, others as identified. (Partial list, please see Attached.)

We will keep your Commission apprized of outreach status.

Review of LAFCo Legislative Mandate

Government Code Section 56377 guides development away from agricultural and open-space lands:

In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:

- (a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands, in working landscapes or in open-space use toward areas containing non-prime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

- (b) Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.

LAFCo has the opportunity to contribute to countywide considerations by shaping the form and path of growth, through adopted policies. The draft policies reflect the mission of LAFCo as being one to influence and guide development from prime agricultural land, not to stop growth.

As you know, your Commission plays a role in regional planning issues by taking into consideration a wide range of land use and growth factors when acting on matters under your jurisdiction. LAFCo has broad statutory responsibility to facilitate planned, orderly, efficient patterns of urban development; preserve prime agricultural lands; and discourage sprawl. Your decisions must balance the competing needs for affordable housing, economic opportunities, public safety and the preservation of natural resources.

By making decisions about the extent of the geographic area over which a local government or special district may control planning, services provision and development, LAFCo may influence the extent and path of growth and development both locally and regionally. LAFCo should act as a filter for the timing and direction of new growth precipitating changes of Sphere or jurisdictional boundaries. Your Commission must weigh the needs and resources of each community, the regional implications, and impacts to environmental resources.

In fulfilling our mission, LAFCo has two opposing mandates which it must balance:

- (1) Provide land for orderly development and efficient service delivery;
- (2) Preserve and protect open space and prime agricultural lands.

Review of Current LAFCo Policies Related to City Annexations and Agricultural Preservation

The LAFCo will favorably consider proposals that result in the provision of urban services in densely developed and populated areas

The LAFCo will favorably consider proposals that result in the provision of urban services in areas with high growth potential rather than in areas with limited potential for future growth.

LAFCo will favorably consider those applications which improve the balance between housing and jobs.

LAFCo will exercise its powers to conserve agricultural land pursuant to the following standards:

LAFCo will approve a change of organization or reorganization which will result in the conversion of prime agricultural land in open space use to other uses only if the Commission finds that the proposal will lead to the planned, orderly and efficient development of an area. For purposes of this standard, a proposal leads to the planned, orderly and efficient development of an area only if all of the following are met:

The land subject to the change of organization is contiguous to either lands developed with an urban use or lands which have received all discretionary approvals for urban development.

The proposed development of the subject lands is consistent with the Spheres of Influence Plan, including the Master Services Element of the affected agency or agencies.

Development of all or a substantial portion of the subject land is likely to occur within five years. In the case of very large developments, annexation should be phased wherever feasible. If the Commission finds phasing infeasible for specific reasons, it may approve annexation if all or a substantial portion of the subject land is likely to develop within a reasonable period of time.

Insufficient vacant non-prime lands exist within the applicable Spheres of Influence that are planned, accessible and developable for the same general type of use.

The proposal will have no significant adverse effect on the physical and economic integrity of other agricultural lands. In making this determination, LAFCo will consider the following factors.

The agricultural significance of the subject and adjacent areas relative to other agricultural lands in the region.

The use of the subject and the adjacent areas.

Whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion of adjacent or nearby agricultural land, or will be extended through or adjacent to, any other agricultural lands which lie between the project site and existing facilities.

Whether natural or man-made barriers serve to buffer adjacent or nearby agricultural land from the effects of the proposed development.

Applicable provisions of the General Plan open space and land use elements, applicable growth-management policies, or other statutory provisions designed to protect agriculture.

LAFCo will not make the affirmative findings that the proposed development of the subject lands is consistent with the Spheres of Influence in the absence of an approved Spheres of Influence Plan. LAFCo will not make the affirmative Influence Plan unless the applicable jurisdiction has:

Identified within its Spheres of Influence all “prime agricultural land” as defined herein.

Enacted measures to preserve prime agricultural land identified within its Spheres of Influence for agricultural use.

Adopted as part of its General Plan specific measures to facilitate and encourage in-fill development as an alternative to development of agricultural lands.

What Are Other LAFCo’s Agricultural/Open Space Policies

Staff will continue to review the policies and procedures of other LAFCo's around the state, and consider selected polices or approaches which may also be applicable for Sacramento. Many of the LAFCo's largely carry forward the language of Cortese-Knox-Hertzberg, while others reflect local standards imposed by voter initiatives. The twenty-five LAFCo's with relevant adopted open space/agriculture preservation policies are shown in the attached matrix (Attachment A).

Yolo LAFCo has probably the most aggressive policy related to the preservation of prime agricultural land. They require the annexing city to preserve 1-acre of prime agricultural land for every acre that is annexed.

Purpose of Updated LAFCo Policies

These policies are intended to provide your Commission improved criteria and standards to evaluate future Sphere of Influence and reorganization (annexation) proposals while at the same time allowing local jurisdictions autonomy to determine local standards based on community input.

The proposed policies are intended to be a comprehensive and balanced approach to try and preserve and protect open space and prime agricultural land. First, the proposed policies try to guide development away from prime agricultural land and secondly, they

encourage cities to develop standards and policies that encourage Smart Growth/In-Fill strategies to try and maximize land inventory within current city boundaries. Finally, the policies should encourage cities to intensify and densify new development within its current boundary and any area proposed for annexation. The proposed policies attempt to guide development away from prime agricultural land by imposing an economic incentive to do so and these policies attempt to incorporate SACOG's Blueprint Vision principles.

It may be difficult and even imprudent to develop a single set of rigid, pre-determined mitigation requirements for all annexations and Sphere of Influence amendments. Each Sphere of Influence and annexation proposal has distinct factors including, but not limited to, soil types, geography, topography, species and habitat issues, infrastructure capacity and availability, service delivery issues, civic standards and environmental resources. Consequently, each area will need to be analyzed in the context of constraints and opportunities related to the specific location.

Land use decisions are local choices made in light of local circumstances by local officials based on local communities and neighborhoods. Consequently, each city has different land use patterns and trends, development standards, open space requirements, land use intensities and/or densities, service levels, and growth pressures.

Nonetheless, the proposed policies require each city to address specific factors within its General Plan Policies and local ordinances prior to submitting a request for a Sphere of Influence Amendment or the annexation of territory. This approach provides guidance to the annexing agency, while respecting oversight by the city, based on local needs, to determine community standards to mitigate impacts to open space, prime agricultural and habitat resources prior to submitting an application to LAFCo.

As drafted the proposed Sacramento LAFCo policies and procedures encourage the county and each city to adopt General Plan Policies, local ordinances and programs committed to avoid or minimize adverse social and environmental impacts and direct growth inward/upward and/or away from "greenfield" prime agricultural and open space resources. New growth should take advantage of existing public and private infrastructure investment, resources, and capacity.

As proposed, Sacramento LAFCo would favor an annexation proposal where the city has adopted General Plan Policies and other applicable ordinances and programs that take a comprehensive approach to the following:

- Demand Analysis – timing of build out (absorption) and efficient use of land inventory
- Habitat Preservation Programs if applicable
- Mitigation and acquisition program for prime agricultural and open space resources

- Infill, reuse, and redevelopment programs
- Application of Smart Growth Principles
- Capacity and ability to provide and extend municipal services
- Sustainable water supply
- Standards for meeting Regional Housing Needs Allocations

Policy Limitations and Constraints

These policies may create many constraints and limitations. These constraints and limitations must be recognized because they are real barriers that may make it difficult to implement these policies.

For example, the cost of in-fill development is usually more expensive than development of new areas. In addition, the infrastructure of older neighborhoods may not be adequate to support dense development patterns. Neighbors may also reject to more intense uses adjacent and within their neighborhoods. Also, the consumer may not support this type of development. Nevertheless, while no one can mandate in-fill, cities should attempt to develop policies and programs that encourage these types of projects, rather than simply anticipating annexation as a means to increase land inventory.

Simply, restricting or limiting development by restricting land supply which in turn limits (housing supply) will minimize the impacts to open space and agricultural resources, however, this will likely result in higher land and housing prices to the consumer because the market is not in balance. This impacts housing affordability.

To achieve a balance between preservation and housing needs is a very difficult task especially in areas that are experiencing tremendous growth pressures.

Proposed LAFCo Policies for the Evaluation of Annexations, Detachments, Sphere of Influence

As proposed, Sacramento LAFCo would favor a Sphere of Influence or annexation proposals where the city has adopted General Plan policies, implementing ordinances and programs that address the following:

Proposed General Standards:

1. Demonstrate efficient use of existing land inventory through zoning and land use decision that support mixed use and increased intensities and densities, community buffers, greenbelts (walking and biking trails or corridors) connecting two or more communities, and promote a viable Jobs/ Housing Balance.

2. Demonstrate development and implementation of Smart Growth Principles to maximize return on existing public/private infrastructure investment.
3. Demonstrate infill and redevelopment strategies to minimize conversion of open space/agricultural lands.
4. Demonstrate that the city has the means to continue to provide the existing level of municipal services to the current city residents as well as the area proposed to be annexed.
5. Demonstrate habitat, agricultural and open space preservation strategies.

If an affected agency's General Plan does not address these policy concerns, your Commission has the authority to modify, conditionally approve, or deny any proposal. Also, based upon public testimony the Commission may impose terms and conditions on the annexation.

Executive Officer's Recommendation

Review Status report and proposed outreach schedule to update **Sacramento LAFCo Policies, Procedures and Guidelines** for Open Space and Prime Agricultural Resource Preservation and SOI/Annexation Policies. Staff will continue public outreach for the proposed Open Space/ Agricultural Preservation / Annexation policies.

Respectfully submitted,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage
Executive Officer

**PROPOSED OPEN SPACE AND
PRIME AGRICULTURAL LAND PRESERVATION POLICIES**

Proposed Specific Standards

I. Open Space and Agricultural Mitigation Policies

Unless otherwise provided in this Policy, the provisions of this Policy shall apply to all proposals requiring approval by the Sacramento Local Agency Formation Commission, related to city annexation proposals or out-of-agency service contracts.

1. Where feasible, the city should direct development away from prime agricultural land to non-prime agricultural land, encouraging logical and efficient growth patterns.
2. The city will be required to adopt policies that mitigate for the loss of agricultural land as follows:

a. **Proposed Mitigation Requirement**

Soil Type	Mitigation (acres)
Prime	1:1
Good	¾:1
Average	½:1
Poor	¼:1

b. **How:**

1. Fee purchase with adequate O&M endowment.
2. Easement purchase/dedication
3. Payment of in-lieu fees

c. **Where:** Within Sacramento County or shared soil setting, proximate to the affected territory.

d. **When:** Optimally, Mitigation Measure imposed during land use entitlement process (prezoning, etc.) prior to LAFCo consideration/approval of annexation.

e. Public Agencies are exempt but are encouraged to avoid annexing prime agricultural soils for municipal services such as sewer treatment plants and land fills.

f. Any city or the county may adopt and implement more stringent mitigation measures addressing any and all open space and agricultural lands, not just prime agricultural lands.

II. Open Space/Habitat Consideration

LAFCo favors annexations where the affected city has adopted General Plan Policies that establish standards related to the following:

1. Local agencies are encouraged to adopt local ordinances and policies to protect habitat and species, such as Natural Communities Conservation Plan/Habitat Conservation Plans, and open space/agricultural buffer/greenbelt areas between communities, reflective of local community input and standards.
2. Sacramento LAFCo will review proposals in the context of implications and impacts to areas permanently dedicated as habitat preservation areas, including those acquired for CEQA and California Endangered Species Act (CESA) mitigation from impacts of prior development.
3. Sacramento LAFCo will favorably consider projects that incorporate within the urbanizing territory, a minimum (e.g. 400 feet) setback of urbanization from established preserves.
4. Sacramento LAFCo discourages projects which upsize roadways along such preserves, and/or require installing infrastructure through preserve areas.
5. A General Plan should emphasize a broad based approach to open space and prime agricultural resources preservation. The policies should support open space and agricultural mitigation programs such as:
 - a. Mitigation Fees/ Mitigation Ratios
 - b. Habitat Conservation Plans
 - c. Buffer Areas or Easements as Community Separators
(to be derived from the developing territory)
 - d. Participation in Countywide and/or Regional Conservation Programs
 - e. Develop Regional Funding Mechanisms for Open Space and Agricultural Lands Acquisition

III. General Plan Consistency

LAFCo encourages cities and counties to consider policies and standards to help protect open space and a viable agricultural economy when a local jurisdiction adopts, amends or updates its General Plan. LAFCo recommends that cities develop General Plan policies and/or local ordinances or programs that place emphasis on, and address the following issues:

1. Demonstrate efficient use of existing land inventory. Measure land use intensity and density.

2. Demonstrate development and implementation of Smart Growth Principles to maximize return on existing public/ private infrastructure investment
3. Identify in the General Plan the build-out rate and inventory of undeveloped land within the city limits, including Absorption Rates.
4. Demonstrate that the city has the means to continue to provide the existing level of municipal services to the current city residents as well as the area proposed to be annexed.

IV. SMART Growth/Infill Policies and Principles

Sacramento LAFCo would favor a proposal where the city has adopted General Plan policies, implementing ordinances and programs that address:

1. Infill, reuse, and redevelopment programs
2. Smart Growth Principles and Civic Standards for:
 - Transit supportive land uses
 - Higher land use densities and intensities
 - Mixed use development
 - Rezoning land from one use to another if there is a surplus/shortage between two types of land use
3. Support SACOG Blueprint Vision Principles

VI. Miscellaneous Policies

Water Supply

The local agency must demonstrate that it has a sustainable water supply to meet the projected growth within the affected territory.

- Has an adopted water conservation plan
- Supports the Water Forum Agreement and Policies
- City or water purveyors have a current Urban Water Management Plan
- Supports conjunctive use (surface and ground water)
- Recycle water for landscaping etc.

Regional Housing Needs Plan

A city's General Plan and its housing element must be in compliance with HCD when the Commission takes action on the annexation.

DL: file: ag open space jan report rev 1
(Open Space)

LAFCo Public Outreach List (DRAFT)

Number	Last Name	First Name	Organization
1	Aramburu	Margit	Delta Protection Commission
2	Armao	Colette	CALTRANS Division of Aeronautics
3	Backert	Carol	Southeast Area CPAC Chairwoman
4	Baker	Karen	Valley Vision
6	Barrett	Gloria	UCD Extension
7	Beale	J Christopher	Resources Law Group
8	Begley	Alyssa	CALTRANS
9	Blansett	Marilyn	Galt-Arno Cemetery District
10	Buer	Stein	SAFCA
11	Carl	Frank	Sac. County Ag Commissioner
12	Eaton	Mike	The Nature Conservancy
13	Frazier	Susan	Valley Vision
14	Givans	Troy	Economic Development & Intergovernmental Affairs
15	Hewitt	John	California Farm Bureau
16	Hodgkins	Butch	SAFCA
17	Hopkins	John	Institute for Ecological Health
18	Ingels	Chuck	UCD Extension, Farm Advisor
19	Jacoby	Steve	Wildlands, Inc.
20	Kohl	Ann	ECOS
21	Labrie	Gilbert	Delta Mac Chairman
22	Lewis	Chris	California Native Plant Society
23	Lewis	Denny	California Farm Bureau
24	Mazzei	Kristine	Valley Vision Project Manager
25	Morris	Hal	Rio Linda/Elverta CPAC Chairman
26	Munson	George	Sacramento County Airport System
27	Pachl	James	Friends of the Swainson's Hawk
28	Peitz	Karen	California Farm Bureau
29	Rickelton	Glen	Sacramento County Airport System
30	Rutledge	Aimee	Sacramento Valley Conservancy
31	Schneider	Jay	Cosumnes CPAC Chairman
32	Peterson	Steve	City of Sacramento Planning Dept.
33	Sokolow	Alvin	UC Davis Agricultural Issues Center
34	Tura	Alta	Sacramento Urban Creeks Council
35	Urie	Thomas	Natomas CPAC Chairman
36	Van Vleck	Stan	Kahn, Soares, and Conway
37	Vink	Erik	Trust for Public Land
38	Waegell	Judy	Vineyard CPAC Chairwoman
39	Washburn	Timothy	SAFCA, Agency Counsel
40	Witham	Carol	President, California Native Plant Society
41	Lamare	Judith	Friends of Swainson's Hawk
42	Lee	Vicki	Sierra Club
43	LaGrande	Susan	California Cattlemen's Association
44	Sawyer	Andy	ECOS
45	Brill	Mary	SCAN
46	Steward	Kris	Law Offices of George E. Phillips

47	Henriquez	Jose	Yolo LAFCo
48	Hard	Edward	Sacramento County Planning Dept.
49	Norris	Eric	City of Elk Grove Planning Dept.
50	Junker	Paul	City of Rancho Cordova Planning Dept.
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