

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

August 3, 2005

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **Authorize Executive Officer to Sign  
Memorandum of Understanding Between  
Sacramento LAFCo and City of Sacramento for  
Preparation of Environmental Impact Report for the  
Proposed City of Sacramento Sphere of Influence Amendment  
Of the Natomas Joint Vision Study Area**

**RECOMMENDATION**

Authorize your Executive Officer to sign a Memorandum of Understanding with the City of Sacramento for the preparation of an Environmental Impact Report for a proposed City of Sacramento Sphere of Influence Amendment of the Natomas Joint Vision Study Area, shown on the attached map. The MOU is to be subject to Commission Counsel's review and subject to the principles outlined in this report.

**BACKGROUND**

Staff from the City of Sacramento Planning Department and LAFCo staff have been meeting every other week for the past several months to discuss the development of roles and responsibilities as well as a logical process for an environmental impact report related to a City General Plan Amendment and a proposed City of Sacramento Sphere of Influence Amendment.

The City of Sacramento has been collaborating with the County of Sacramento on the Natomas Vision Implementation Program. The City and County have previously adopted agricultural, open space, smart growth and other principles related to the Natomas Joint Vision.

On February 1, 2005, the City of Sacramento met with Commission staff to discuss the Sphere of Influence Amendment and Municipal Service Review process for lands within the Natomas Joint Vision Study Area. In summary, the City of Sacramento is interested in developing a parallel process with LAFCo whereby the City adopts General Plan policies for the Natomas Joint Vision territory that include open space, agricultural preservation principles, smart growth strategies, and infill policies that will facilitate its General Plan Amendment and Sphere of Influence Amendment for territory located north and northwesterly of the City limits.

The proposed MOU principles set forth below outline the respective roles and responsibilities between LAFCo staff and the City of Sacramento related to the preparation of the Environmental Impact Report and Municipal Service Review for the project.

**Basic Principles of the Memorandum of Understanding**

- LAFCo will be the lead agency for the Environmental Impact Report for the Sphere of Influence Amendment.
- The City of Sacramento will fund the cost of the Environmental Impact Report and will reimburse LAFCo for its oversight role.
- The City of Sacramento, and its contractor, will prepare the Draft EIR pursuant to LAFCo requirements for a Sphere of Influence Amendment.
- LAFCo staff will have oversight review and direct the City EIR and MSR team during the preparation of the Draft EIR for the Sphere of Influence Amendment prior to publication.
- It is the intent of the City of Sacramento to also use the EIR to approve a General Plan Amendment to develop General Plan policies in order to Initiate Proceedings before LAFCo for a Sphere of Influence Amendment.
- The EIR will also be prepared in accordance with the provision of the terms and conditions of the Natomas Joint Vision Implementation Program adopted by the City of Sacramento and the County of Sacramento.
- LAFCo, as permitted under CEQA Guidelines, will allow the City to select consultants and sub-consultants to prepare the EIR. However, the EIR shall be prepared under the direction and supervision of LAFCo and its EIR Consultant (Robert Klousner, Planning Partners).

**CONCLUSION**

The proposed EIR will incorporate technical background information, land use assumptions developed by the City and growth projections developed by SACOG. The EIR will be accompanied by a Municipal Service Review that will describe and analyze the City's capacity to provide municipal services based on projected growth assumptions.

These documents and City General Plan Policies, EIR and MSR that are developed will be used to evaluate the City of Sacramento Sphere of Influence application related to the Natomas Joint Vision Study Area.

This coordination is an attempt to minimize costs and duplication of effort and to provide the Commission and City Council with the information to make informed decisions related to their respective jurisdictional authority.

I anticipate that City staff will discuss this issue and other related items with the City Council on August 30, 2005. I have presented this item to your Commission because the Commission meeting of September 7, 2005 has been cancelled. [Your staff and several Commissioners will be attending the CALAFCo annual conference at that time.]

**RECOMMENDATION**

Authorize your Executive Officer to sign a Memorandum of Understanding with the City of Sacramento based on the principles set forth in this document after review and approval by Commission Counsel.

PB:Maf  
(MOU with Sac)