

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

August 7, 2013

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **FORMATION OF COUNTY SERVICE AREA NO. 13 and REORGANIZATION**  
**(L AFC 02-13) [CEQA: Responsible Agency SCH 2010062069]**

**RECOMMENDATION**

1. **Adopt L AFC Resolution 2013-05-0807-02-13** related to CEQA Findings of Fact and Statement of Overriding Considerations by Sacramento Local Agency Formation Commission for the proposed formation of CSA No. 13, detachment from the Sacramento County Regional Parks Department County Service Area 4B, and annexation to the SASD and the SRCSD, the responsible agency is L AFCo. As a responsible agency, project consideration by L AFCo is governed by the requirements of CEQA Guidelines Section 15096 as set forth below.

The Cordova Hills EIR (SCH 2010062069) has been prepared by the County of Sacramento as a Project EIR pursuant to CEQA Guidelines Section 15161. The purpose of a project-level EIR is to provide environmental review of the planning, construction, and operational impacts of a project.

All other agencies with jurisdiction over aspects of the Cordova Hills project are considered to be “responsible agencies” for purposes of CEQA. As specified by Section 15096 of the CEQA Guidelines, the duties of a responsible agency in using an environmental document prepared by the lead agency include:

- Prior to reaching a decision on the project, the responsible agency must consider the environmental effects of the project as shown in the EIR or Negative Declaration.
- In considering the environmental conclusions of the EIR or Negative Declaration, the responsible agency must evaluate whether any of the conditions set forth in Sections 15162 or 15163 of the CEQA Guidelines

requiring preparation of a subsequent or supplemental environmental document exist.

- When considering alternatives and mitigation measures, a responsible agency is more limited than a Lead Agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve.
  - When an EIR has been prepared for a project, the responsible agency shall not approve the project as proposed if the agency finds any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment.
  - The responsible agency shall make the findings required by Section 15091 for each significant effect of the project and shall make the findings in Section 15093 if necessary.
  - The responsible agency should file a Notice of Determination in the same manner as a lead agency under Section 15075 or 15094 except that the responsible agency does not need to state that the EIR or Negative Declaration complies with CEQA. The responsible agency should state that it considered the EIR or Negative Declaration as prepared by a lead agency.
2. **Adopt L AFC Resolution 2013-06-0807-02-13** approving the Municipal Service Review and establishment of Sphere of Influence for County Service Area No. 13.
  3. **Adopt L AFC Resolution 2013-07-0807-02-13** approving the following reorganization:
    - a. Approve the formation of County Service Area No. 13.
    - b. Approve the annexation to Sacramento Regional County Sanitation District;
    - c. Approve the annexation to Sacramento Area Sewer District; and
    - d. Approve the detachment from County Service Area 4B (Wilton-Cosumnes Park and Recreation); and
  6. Condition approval of the Formation of County Service Area No. 13, annexations, and detachment on the terms and conditions listed below:
    - a. The effective date of said formation, annexations, and detachment will be upon the filing of the Certificate of Completion by the Executive Officer of the Sacramento Local Agency Formation Commission;
    - b. The name of the County Service Area shall be COUNTY SERVICE AREA No. 13, and it shall have the following miscellaneous extended services:
      - a. Recreation and Parks
      - b. Open Space and Trails

- c. Habitat Operations and Maintenance
  - d. Landscape Corridors
  - e. Road Maintenance
  - f. Transit Operations and Maintenance
  - g. Transportation Demand Management
  - h. Administration and Communications
  - i. Solid Waste
- c. The service boundary of the CSA No. 13 is set forth in Exhibit A, attached.
- d. Activation/Formation is dependent upon the landowner voter adoption of assessments, fees, charges and any Special Taxes as provided under Proposition 218 to fund services to be provided by the CSA No. 13.
- 7. Adopt a Sphere of Influence for County Service Area No. 13 which is coterminous with the CSA No. 13 boundary.
- 8. Pursuant to provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, your Commission may waive the Conducting Authority Hearing (protest hearings) since it is uninhabited and there is 100 percent landowner consent and no agency protest.
- 9. Order the formation of CSA No. 13 subject to approval by the voters of a Special Tax, the approval by the property owners of a Benefit Assessment, or the approval of property related fees or charges, as required by law. The County Board of Supervisors shall conduct the necessary election(s).
- 10. Direct the Executive Officer to record the Certificate of Completion after the 30-day Reconsideration period provided no request for Reconsideration is submitted to the Executive Officer.
- 11. Authorize your Chair to sign the Resolution making these determinations.

**FPPC DISCLOSURE**

None.

**PROPONENTS**

Sacramento County Board of Supervisors  
 c/o Chris Marx  
 County Debt Officer  
 700 H Street, Suite 7650  
 Sacramento, CA 95814  
 (916) 874-5239

Cordova Hills, LLC  
 c/o Mark Hansen  
 5241 Arnold Avenue  
 McClellan, CA 95652

## **BACKGROUND**

The Sacramento County Board of Supervisors has adopted Resolution No. 2013-0386 requesting the formation of County Service Area No. 13, a dependent special district, for the purpose of providing miscellaneous extended services to the proposed Cordova Hills Special Planning Area.

The County Board of Supervisors recently approved the Cordova Hills' entitlements on January 29, 2013, March 12, 2013 and April 23, 2013 that consisted of the following actions:

The following entitlements were approved on January 29, 2013 by the Board of Supervisors:

1. A General Plan Amendment to move the Urban Policy Area (UPA) boundary, which abuts the property at Grant Line Road, to include approximately 2,366.3 acres of the Cordova Hills project site.
2. A General Plan to amend the Land Use Diagram from General Agriculture to Low Density Residential, Medium Density Residential, Commercial and Office, Recreation, Natural Preserve, and Public/Quasi Public for approximately 2,366.3 acres.
3. A General Plan to include a new policy in the Land Use Element to address the provision of public water service to serve uses potentially allowed by the Cordova Hills Special Planning Area for 251 acres located in proximity to the Kiefer Landfill, and an to LU-1 to reference this exception.
4. An Amendment of the General Plan Transportation Plan to show new thoroughfares, arterials and collectors as shown in the Transportation Plan Diagram dated October 24, 2011.
5. An Amendment of the Bikeway Master Plan to add on and off-street bikeways as shown in the Bikeways Master Plan Diagram dated October 17, 2011.

The following entitlements were approved on March 12, 2013 by the Board of Supervisors:

1. A Zoning Ordinance to adopt the Cordova Hills Special Planning Area (SPA) and to incorporate a Master Plan including Design Guidelines and Development Standards. The SPA consists of a total of 2,668.7 acres in three distinct areas:
  - a. Cordova Hills urban areas - 2,119.7 acres.

- b. University/College Campus Center-246.6 acres, including 223 acres for the campus.
  - c. Buffer lands and floodplain outside the Urban Policy Area - 302.4 acres. The areas will be designated Agriculture, Recreation (sports park), and Avoidance in the SPA.
2. An Affordable Housing Plan consisting of on-site construction of affordable units and land dedication.
3. A Development Agreement by and between the County of Sacramento and the landowners.
4. A Public Facilities Financing Plan for Cordova Hills that includes a Capital Improvement Program and Financing Plan.
5. An Urban Services and Governance Plan.

On April 23, 2013, the Board of Supervisors approved the following additional entitlements:

1. A Large Lot Tentative Subdivision Map to create 155 large lot parcels for the purpose of creating legal parcels corresponding to villages within the Cordova Hills SPA. Included on the Map are requests for abandonment of easements.

In order to facilitate the provision of sanitary sewer services associated with the development of the Cordova Hills project that was approved by the Sacramento County Board of Supervisors; the following requested LAFCo actions must also be approved:

1. Annexation of the territory of Cordova Hills into the Sacramento Regional County Sanitation District; and
2. Annexation of the territory of Cordova Hills into the Sacramento Area Sewer District.

The Board of Supervisors has requested that the landowner make application for sanitary sewer service from Sacramento Regional County Sanitation District and Sacramento Area Sewer District.

LAFCo has received both applications and have merged the applications into a combined project file.

## **Project Description**

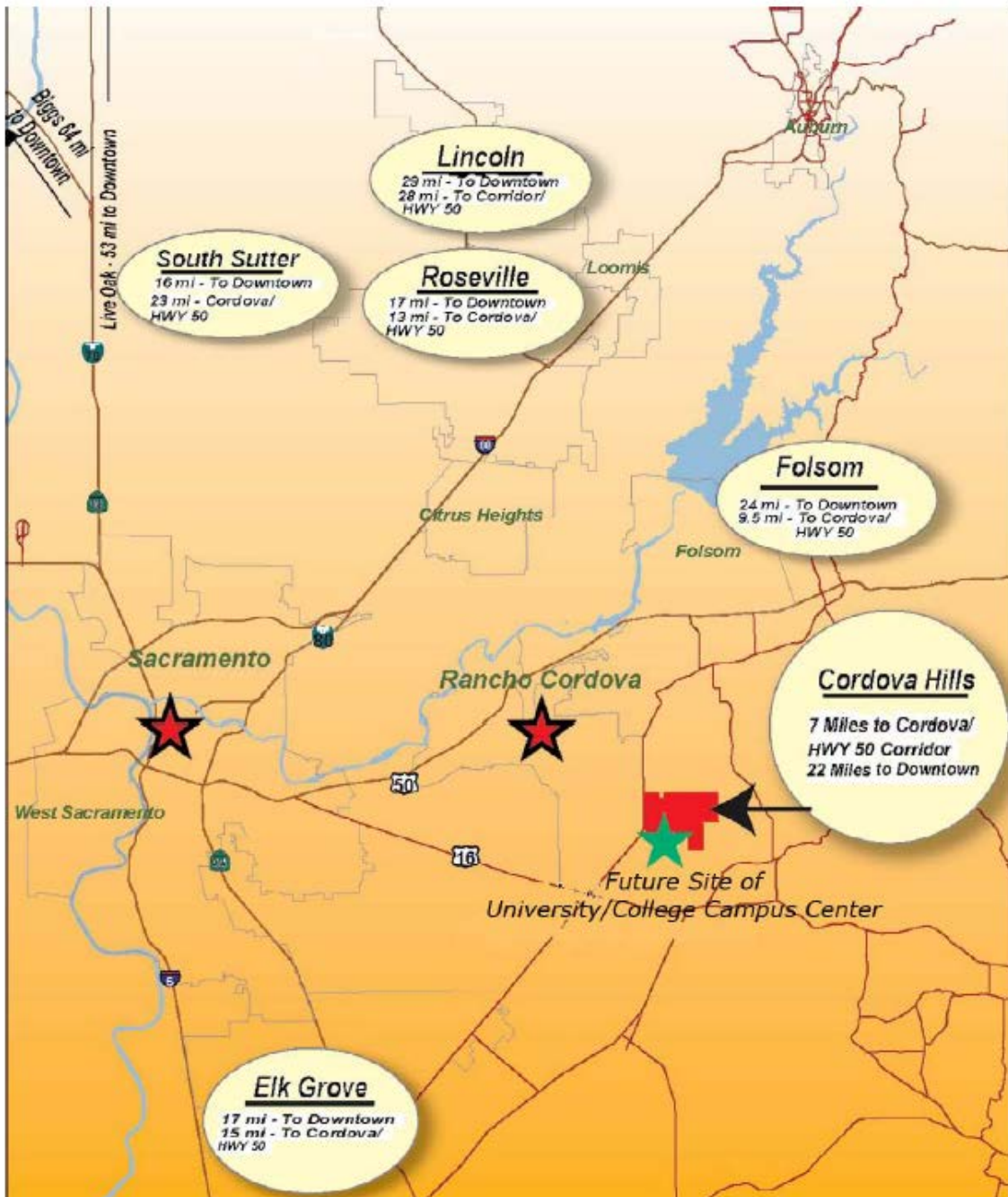
The Cordova Hills Special Planning Area (Cordova Hills or Project) is vacant and located in the unincorporated area of Sacramento County on 2,668 acres just east of the approved Sunridge Specific Plan and the proposed Suncreek Specific Plan in the City of Rancho Cordova bordered to the west by Grant Line Road, to the north by Glory Lane (about one-third mile south of Douglas Road), and to the east by Carson Creek. The Kiefer Landfill and its associated buffer lands are southwest of the Project, and the required buffer lands extend into the southwest portion of Cordova Hills. Planned development in Cordova Hills consists of a maximum of 8,000 residential units on approximately 1,089 acres, and approximately 103 acres of commercial and office development

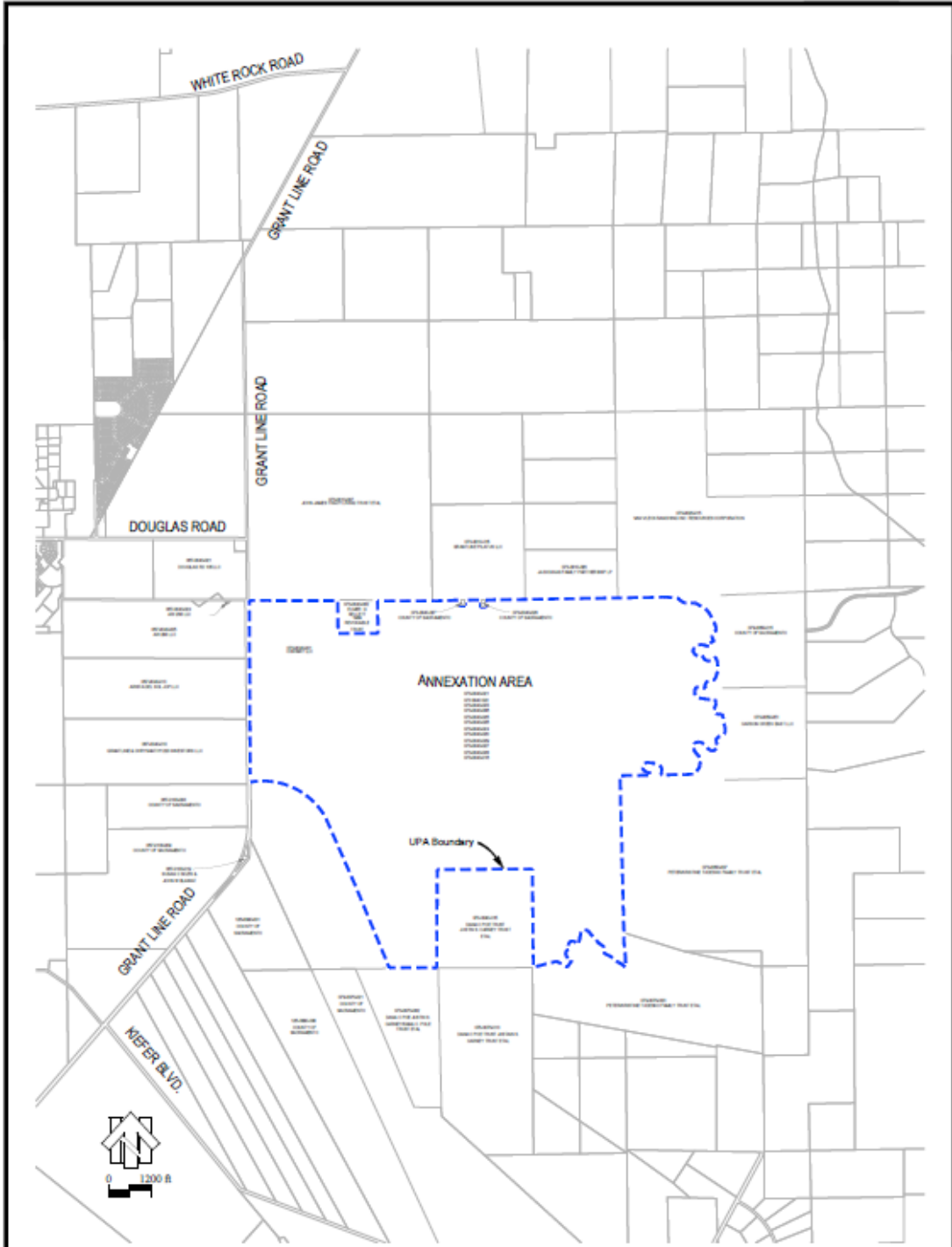
The Project will include a mix of uses consisting of residential, office, retail, university/college campus center, schools, parks, trails, open space, and public uses. The Project includes six distinct villages, the proposed university/college campus center, a large preservation (avoided) area, and other permanent open space that serves to separate villages. The Project includes a wide mix of residential uses, from high-density residential along the western edge, to low-density residential along the eastern edge. The majority of the commercial development is planned for the Town Center Village in the western part of the Project adjacent to Grant Line Road. A 223-acre university/college campus center is planned just southeast of the Town Center. The land uses and estimated development, population, and employees in this report are obtained from the Public Review Final Cordova Hills Public Facilities Financing Plan (Financing Plan).

The project lies within the Urban Services Boundary as designated on the County General Plan. Also, the affected territory lies within the Sphere of Influence of both Sacramento Regional County Sanitation District and Sacramento Area Sewer District.

The County of Sacramento has amended its General Plan, approved the Cordova Hills Development Project, and submitted a Resolution Making Application to LAFCo.

**Map 1-1  
Cordova Hills Vicinity**





***Cordova Hills***  
 Proposed Annexation to  
**SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT**  
 &  
**SACRAMENTO AREA SEWER DISTRICT**





## **ANALYSIS OF PROPOSAL**

### **Factors to be Considered by LAFCo**

The Commission must evaluate the service plan, level of service, financing of services, and environmental considerations when reviewing a proposal. The following sections of this report will summarize these considerations for the proposed Formation of County Service Area No. 13, detachment from County Service Area 4B, annexation to Sacramento Regional County Sanitation District, and Sacramento Area Sewer District.

### **Policy Considerations**

The Cortese-Knox-Hertzberg Local Government Reorganization Act recognizes that urban population densities and intensive residential, commercial, and industrial development necessitate a broad spectrum and high level of community services and controls. The Legislature also recognizes that when areas become urbanized to the extent that they need the full range of community services, priorities are required to be established regarding the type and levels of services that the residents of an urban community need and desire; that community service priorities be established by weighing the total community service needs against the total financial resources available for securing community services; and that those community service priorities are required to reflect local circumstances, conditions, and limited financial resources (Sec. 56001).

A core issue that your Commission may consider is that the Sacramento region is expected to gain one million new residents in the next 20 years. This anticipated growth raises an important question regarding sustainable economic development and job creation.

### **Formation of a County Service Area**

Your Commission has the authority to establish new County Service Areas, pursuant to California Government Code Section 25210. A County Service Area may be established to provide a broad array of extended services, and "Miscellaneous extended services," including Transportation Services. At the time of the adoption of the resolution of intention to establish a county service area, the Board of Supervisors shall specify the type or types of services which are proposed to be provided within the area.

A County Service Area is capable of providing a dependable and adjustable revenue source by placing a proportionate service charge on properties which derive benefit from the service provided. It allows the levying of service charges either on the property tax bill, or on a utility billing; and facilitates annexations for new development to avail of the CSA service.

## **Process for Formation and Implementation**

Your Commission has the power to review and approve or disapprove with or without, wholly, partially, or conditionally, proposals for the establishment of a dependent service district. If your Commission approves the formation of County Service Area No. 13, you may waive the protest hearing because it is uninhabited; there is 100 percent landowner consent, and no agency protest.

Staff recommends that your Commission direct the Executive Officer to record the Certificate of Completion after the close of the reconsideration period if no requests for reconsideration have been filed.

In the event of successful completion of LAFCo proceedings the following steps will provide the Board of Supervisors the authority to activate CSA No. 13 and levy the special tax.

1. The Board of Supervisors holds a public hearing and approves the election process pursuant to Proposition 218 and canvasses the results.
2. Board of Supervisors holds hearing to affirm the canvass results and impose the special tax, assessments, charges, fees, and establish rates based on the financing plan.

## **LAFCO STANDARDS AND POLICIES**

Your Commission has adopted specific standards for actions to ensure that fair and consistent decisions are reached in accordance with the CKH Act. Your Commission may make exceptions to these specific standards if it determines that such exceptions:

- Are necessary due to unique circumstances;
- Are necessary due to conflicts between general and specific standards;
- Result in improved quality or lower cost of services available; or
- There exists no feasible or logical alternative.

### **Standards**

1. LAFCo will encourage special district formation in areas that demonstrate a need for unmet or improved level of services due to the inadequate level or quality of services currently provided.
2. LAFCo requires a Municipal Service Review/Master Services Element which defines financing, service levels and how services are delivered.
3. LAFCo requires a definite Sphere of Influence map, plan and definite boundaries.

4. The proposed district formation should be consistent with the County's General Plan and any applicable Specific Plans.
5. LAFCo will not approve district formations when the Master Service Element conflicts with the Master Services Element of other agencies.
6. When considering applications for district formation, LAFCo will ensure that no special interest group is given the status of being a governmental agency.
7. LAFCo will not approve an application for district formation unless the proponent can demonstrate it can fund the services it intends to provide.
8. If a district becomes insolvent or unable to provide services, then LAFCo may approve consolidation with a solvent and capable district.

Each of the above standards and requirements have been satisfactorily met for the formation of the proposed County Service Area No. 13. Each of these items listed above has been discussed in detail in this report, and in the accompanying attachments.

### **SOI, Annexation and Formation Factors**

LAFCo has sole discretion regarding formation of a CSA and the related local government reorganization actions, including completing a Municipal Services Review (MSR)/Plan for Services (PFS) and establishing an SOI for the new district. As part of the MSR/PFS, LAFCo will evaluate the service delivery of the CSA and make determinations regarding the effectiveness of the service delivery program and means and timing of financing. As part of its action on the proposed CSA application, LAFCo will determine whether the proposal is financially feasible.

### **Proposed CSA No. 13**

This proposal to form a new county services area has been initiated by the Sacramento County Board of Supervisors. After conducting a public hearing, the Board adopted a Resolution of Application requesting the formation of County Service Area No. 13 (CSA No. 13). The purpose of CSA No. 13, along with other revenue sources, is to fund the annual operation and maintenance activities associated with the Cordova Hills Special Planning Area development project.

The formation of a County Service Area is pursuant to Government Code Section 25210 et.seq. Section 25213 provides that “a CSA may be established to provide certain miscellaneous extended services, which the county is authorized by law to perform and which the county does not also perform to the same extent on a countywide basis.”

### **Purpose of CSA No. 13**

The purpose of the CSA is to enable the provision of extended miscellaneous urban services for Cordova Hills' development proposal. In addition, the Cordova Hills Development Project will receive core municipal services from current providers including Special Districts and the County of Sacramento.

The CSA is only proposed to provide certain urban services that are not or cannot be efficiently delivered by existing service providers. Therefore, the CSA has limited jurisdiction related only to services described herein.

The CSA is envisioned for two reasons. First, there are no special districts currently providing the type or level of services the Project will require during its initial phases of development and throughout build out. Second, and most importantly, the Cordova Hills Community is envisioned as a highly sustainable development in which water, soil, air, and habitat are carefully managed as integral components of the urban development. A locally governed entity with coordinated service responsibilities will be more efficient at achieving this sustainable vision than several overlapping single purpose districts.

The CSA will reduce the need for citizens to coordinate with numerous organizations. The CSA would provide services not provided by the County or independent agencies and enhanced levels of services from the level typically provided by the County. These services ultimately would be funded through an annual services special tax or assessment, although, initially, additional funding, such as developer funding, may be required. The CSA will be designed to provide the following services for the residents and businesses located in Cordova Hills:

- Parks and recreation
- Open space and trails
- Habitat
- Enhanced levels of landscaping
- Road maintenance
- Transit
- Transportation systems management
- Community communications
- Solid Waste

Cordova Hills will grow in time to a population of more than 21,000. As such, it will require construction and operation of substantial new municipal infrastructure, including water and sewer utilities, roads, drainage, parks and open spaces, and civic facilities, as described and evaluated in the Public Facilities Financing Plan. These facilities will require ongoing operations and maintenance. Meanwhile, the full range of urban services will be needed. The Governance Plan recognizes that urban services demanded must be efficient (i.e., take advantage of existing service capacities), provide enfranchisement of local residents, and have the revenue-generating capacity necessary to fund infrastructure and ongoing urban service standards and operations and maintenance costs.

Based on these objectives, the County Board of Supervisors has opted to augment the service delivery system by requesting LAFCo to form a County Service Area to provide additional services and funding.

### **Governance Objectives**

The Governance Plan is intended to achieve several urban service and fiscal objectives for the Cordova Hills Community, including these:

1. Provide a high level of urban services to the Cordova Hills Community consistent with policies set forth in the County's General Plan and the Cordova Hills Master Plan.
2. Assure efficient and effective urban services at Cordova Hills by relying on the capacity of existing service providers when they offer the most efficient and cost-effective approach.
3. Establish a multi-purpose special district that (1) provides urban services not offered (or not offered effectively) by existing entities, and (2) enfranchises community residents regarding local urban service provision and future transitions.
4. Provide an adequate fiscal base for the new community so desired urban service levels can be achieved and maintained over time, while also maintaining "revenue neutrality" for the County and other urban service providers.

### **DISCUSSION**

#### **Overview of Urban Services to be Provided by CSA No. 13**

The Urban Services and Governance Plan attached to this report describes the urban services, service levels, and funding of the urban services that will be provided to the Project's residents, businesses, and employees. The urban services provided in the Cordova Hills Community will include continuation or extension of existing services provided by the County and independent agencies, as well as new or enhanced services to be provided by the CSA. The Cordova Hills Sphere of Influence and CSA will be coterminous with the Cordova Hills boundary as described in the Cordova Hills Master Plan.

#### **Funding of Services**

The services provided by independent agencies and the County will be funded, as is the case with other urbanized portions of the unincorporated County, from the County General Fund, user fees, and property tax allocations to special districts (e.g., for fire and library services) and related connection fees.

The services provided by the CSA will be funded through user fees and special taxes or assessments, applied only in the CSA. The introduction of urban services will generally be phased-in over-time to match urban service costs with revenue sources as they increase with the Cordova Hills Community's growth.

For some services, however, a higher level of service will be necessary than can be funded by the development in the early years. An example is landscaping maintenance, which must be provided once the landscaping has been established, whether or not development is great enough to generate the necessary revenue. If available revenue from developed property is insufficient to meet minimum service levels, then special taxes/assessments will be levied against undeveloped property to pay for the service costs. It is projected, based on the phasing plan set forth in this report, that General Fund revenue, user fees, property tax allocations, and special taxes or assessments on developed property will be adequate to fund service costs before the end of the first phase of development, so the special tax/assessment on undeveloped property would no longer be needed.

### **Proposition 218 Process**

LAFCo is responsible for the formation and configuration of the boundary of the CSA. After the CSA is formed, the County Board of Supervisors, acting as the CSA Board of Directors will set the funding question for a vote of affected landowners.

### **Registered Voters**

There are no registered voters within the affected territory.

### **Land Ownership**

The proposed project territory is owned by the same landowner/project proponent and therefore, there is 100 percent consent.

## **County Service Area No. 13 Sphere of Influence and Service Boundaries**

### **Sphere of Influence**

"Sphere of influence" (SOI) means a plan for the probable physical boundaries and service area of CSA 13, as determined by your Commission. The proposed Sphere of Influence is recommended to be coterminous with the CSA No. 13 boundary.

#### **(1) The present and planned land uses in the area.**

The Cordova Hills Development Project is currently undeveloped. The County of Sacramento has adopted a land use plan that includes residential, commercial, and a proposed university that contains approximately 2,669 acres in the eastern portion of the unincorporated county.

There is no present population within the boundaries of the Project. The maximum build out population from the Draft Cordova Hills Master Plan is estimated at 21,379. The university/college campus center at full development in several years may accommodate approximately 4,040 resident students out of a total student enrollment of 6,000. The student resident recreation needs will be met by on-campus sports and recreation facilities and programs.

The service area proposed for the CSA No. 13 is coterminous with the boundary of the Project. If, at some time in the future, the Project area is amended to include additional territory, then an SOI amendment must be considered, before any related annexation could be approved.

Currently, there are minimal services being provided to this area. The proposed County Service Area No. 13, together with existing special districts, and the County of Sacramento will provide urban and municipal services needed for development of this project.

The Cordova Hills Special Planning Area (Cordova Hills or Project) is located in the unincorporated area of Sacramento County on 2,668 acres just east of the approved Sunridge Specific Plan and the proposed Suncreek Specific Plan in the City of Rancho Cordova bordered to the west by Grant Line Road, to the north by Glory Lane (about one-third mile south of Douglas Road), and to the east by Carson Creek. The Kiefer Landfill and its associated buffer lands are southwest of the Project, and the required buffer lands extend into the southwest portion of Cordova Hills. Planned development in Cordova Hills consists of a maximum of 8,000 residential units on approximately 1,089 acres, approximately 103 acres of commercial and office development

The Project will include a mix of uses consisting of residential, office, retail, university/college campus center, schools, parks, trails, open space, and public uses. The Project includes six distinct villages, the proposed university/college campus center, a large preservation (avoided) area, and other permanent open space that serves to separate villages. The Project includes a wide mix of residential uses, from high-density residential along the western edge, to low-density residential along the eastern edge. The majority of the commercial development is planned for the Town Center Village in the western part of the Project adjacent to Grant Line Road. A 223-acre university/college campus center is planned just southeast of the Town Center. The land uses and estimated development, population, and employees in this report are obtained from the Public Review Final Cordova Hills Public Facilities Financing Plan (Financing Plan).

## **(2) The present and probable need for facilities and services in the area.**

The SOI is a plan for the CSA No. 13 future probable physical and service area boundaries for the Cordova Hills Development project. The SOI may be subject

to terms and conditions imposed by the Commission to ensure orderly and planned growth is tempered by the need to preserve open space, habitat for species and agricultural land. No objections to the SOI have been raised by affected agencies or jurisdictions or the public.

The CSA would be authorized to provide the following services:

- a. Parks and recreation.
- b. Open space and trails.
- c. Habitat operations and maintenance.
- d. Enhanced levels of landscaping.
- e. Supplemental road maintenance.
- f. Transit operations and maintenance.
- g. Transportation systems management.
- h. Administration and community communications.
- i. Solid Waste.

The SOI is consistent with County General Plan and the Cordova Hills Development Plan approved by the County of Sacramento;

The SOI does not split parcels and does not create any areas that are difficult to serve. This finding is based on the Record of Proceedings, the Boundary Map, and the Executive Officer's report.

The SOI does not pose a threat to public health and safety. This finding is based on the Record of Proceedings, the Boundary Map, the Executive Officer's report, the Final EIR, and the MSR.

**(3) The present capacity of Public Facilities and adequacy of Public Facilities that the agency provides or is authorized to provide**

The SOI will not result in significant unmitigable adverse effects upon other service recipients or other agencies serving the affected area. This finding is based on the Record of Proceedings, the MSR, and the comments of affected agencies.

In addition, based on the Public Facilities Financing Plan, the County and affected Special Districts have the capacity to provide all other necessary public services



to area residents and commercial/industrial customers within the affected territory.

At this time, minimal services are provided to this area because of its rural character.

**(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the Agency**

The territory within the SOI area is mostly rural and agricultural and has economic and social communities of interest similar to the existing characteristics of the County.

In many cases the territory within the SOI area directly benefits from the services provided by the County and indirectly benefits from the County's economic and social community, such as businesses, social clubs, recreational activities, churches, and other community organizations.

The County has provided information and data in the MSR concluding that development will not adversely affect adjacent communities of interest.

The SOI does not divide any existing communities or other areas having identifiable social and economic homogeneity.

Cordova Hills has been designed to provide an interdependent social and economic community. The CSA would be planned to be the organizational entity that enhances the sense of community identity and provides efficient coordinated community services, with a focus on communications, recreational activities, and transportation services. These networked activities will be the backbone of community activities. The only proximate existing entity that might provide some of the proposed activities of the CSA is CRPD. However, the CRPD does not provide the full range of services proposed for Cordova Hills. The CRPD currently provides only recreation and park services. Cordova Hills needs not only recreation and park services, but also open space and trails maintenance, habitat maintenance, landscape corridor maintenance, road maintenance, transit operations, and transportation management services. This range of services planned for Cordova Hills would place a burden on the CRPD, which does not have the staffing or facilities to provide these services.

It would be difficult for the CRPD to provide the services levels prescribed for Cordova Hills because Cordova Hills would be only a small part of the CRPD service area and the CRPD would not be providing the same services and service levels to the existing CRPD service area. The added services provided only in Cordova Hills would create a notable differentiation in services types and levels of service in the CRPD that would likely result in difficult management and policy issues. In addition, because Cordova Hills would be only a small part of the

CRPD service area, it is unlikely that there would be any representation for Cordova Hills on CRPD's Board of Directors until build out of the Project, and even then, representation on CPRD'S Board is uncertain.

The CSA, however, could provide all of the needed services to Cordova Hills. The CSA would establish a sense of community in Cordova Hills because it would provide services to Cordova Hills only and would serve as an organizing element to manage all of the needed services. A community communications network would be established to aid in management and administration of services.

There are no urban services currently being provided to the area. Cordova Hills is within the boundary of County Service Area 4B administered by the County Regional Parks Department. The County focuses on regional park facilities and does not provide local community and neighborhood parks. A reorganization that would remove Cordova Hills from the boundary of CSA 4B is part of the proposed LAFCo action.

Cordova Hills is currently within Sacramento Metropolitan Fire District, Sacramento-Yolo Mosquito and Vector Control District, as well as other districts and agencies that provide municipal services. This proposal also provides that Cordova Hills will be annexed into Sacramento Regional County Sanitation District and Sacramento Area Sewer District.

### **Summary of Level of Services and Financing to be Provided by CSA No. 13**

The level of service delivered by the CSA will be established each year by the BOS appointed Advisory Board of Directors based on the goals for public services set out in the Cordova Hills' Master Plan and on input from the community. The estimated total annual service costs to be funded by the special tax or assessment at the completion of Phase 1 development and at build out are summarized below.

If formation of CSA No.13 is approved by your Commission, approval of the special taxes, assessments, fees, and charges will subject to a Prop. 218 election, to be called by the Board of Supervisors as provided in the Cordova Hills Financing Plan.

**Summary of Estimated Revenue per Dwelling Unit**

<b>Development Phase</b>	<b>Estimated CSA Annual Service Costs Funded by Special Taxes/Assessments (2011\$)</b>
<b>Phase 1</b>	\$1.70 Million
<b>Build out</b>	\$6.75 Million

The CSA costs were allocated to the various land uses, and a cost per dwelling unit or per 1,000 building square feet at completion of Phase 1 and at build out was estimated for each land use. Adjustments were made to the build out cost allocations to arrive at maximum special tax or assessment rates by land use. The adjustments reduced the tax burden on affordable and high density housing. The estimated maximum special tax or assessment rates by land use are summarized below.

<b>Land Use [1]</b>	<b>Estimated CSA Maximum Annual Special Tax (2011\$)</b>
<b>Residential</b>	
Estates Residential	\$1,400 per dwelling unit
Low Density Residential	\$1,400 per dwelling unit
Medium Density Residential	\$1,100 per dwelling unit
Residential 20 - Owner-Occupied	\$1,000 per dwelling unit
Residential 20 - Renter-Occupied	\$ 850 per dwelling unit
HDR - Owner-Occupied & Market Rate	\$ 850 per dwelling unit
HDR - Renter-Occupied & Market Rate	\$ 720 per dwelling unit
HDR - Renter-Occupied & Affordable	\$ 250 per dwelling unit
<b>Nonresidential</b>	
Commercial	\$ 160 per 1,000 bldg.sq.ft
Office	\$ 240 per 1,000 bldg.sq.ft

[1] No service costs have been estimated or allocated to the university/college campus center at this time, but it is possible that future reports will include university/college campus center cost allocations for some services.

**Summary Description of Services to be Provided by CSA No. 13**

The following section summarizes the services to be provided by CSA No. 13.

## **Recreation Services**

### **Elements of Service**

The CSA will provide recreation services and programs. The programs will include traditional sports activities, such as youth and adult basketball and soccer, and coordination with other sports organizations such as Little League. Programs also will include traditional special interest activities such as dance, music training, crafts, youth summer day camp, and others typically associated with a park district or department. The recreation service is envisioned as extending into community health and wellness education and environmental awareness and education. Thus, the recreation services might include classes on nutrition, gardening, individual wellness, walking, nature studies, and so on. In addition, the recreation services would coordinate a community gardens program and a local farmers market.

### **Preliminary Service Level Standards**

The actual selection of programs and services will evolve and change with the needs and interests of the community and will be determined by the County BOS or CSA Advisory Board.

## **Park Maintenance**

### **Elements of Service**

Park maintenance services will be provided by the CSA and will comprise maintenance of park facilities and upkeep of all parklands, including turf, irrigation, playgrounds, and sports facilities. In addition, the CSA will be responsible for maintaining the lighting in the parks. Staff crews also will clean restrooms and repair facilities damaged by vandalism.

The park plan for Cordova Hills includes a combination of large sports facilities, a Community Park, and several neighborhood parks. In addition to the formal parks, there is an extensive network of open space areas that weave through the residential neighborhoods and along the edge of the major resource avoidance open space areas.

The Sports Park is a 50-acre complex located near the university/college campus center at the west side of Cordova Hills. This site will include soccer fields, baseball and softball fields, extensive picnic areas, and parking, among other amenities. The Sports Park is envisioned as a primary community resource that will serve much of the active sport's needs, particularly for league and tournament play.

The Community Park is located adjacent to the commercial center in East Valley near the geographic center of the community. The Community Park encompasses 18 acres and will abut the commercial site to provide an opportunity for a restaurant to be located overlooking the park. The park will be distinctly urban in character and will include a community center, a village green for a farmers market and large community events,

playgrounds and picnic areas, and a splash fountain, in addition to open turf and play fields.

Neighborhood parks will encompass 5 or 6 acres and will include open turf for soccer, picnic facilities, and a playground. Tot lots are not the obligation of the CSA but may be developed as part of subdivision development, with funding paid through a homeowners association (HOA).

### **Preliminary Service Level Standards**

The County General Plan requires 5 acres of parkland per 1,000 residents. As detailed in the Draft Cordova Hills Master Plan, the maximum residential development of 8,000 units would generate a projected population of 21,379 at build out. This population would create a need for a total of 106.9 acres of designated parkland in the Cordova Hills community, in addition to the avoided areas and other non-credited open space/parks. The Cordova Hills Master Plan includes 99.1 acres of active neighborhood, community, and sports parks, leaving the Project with another 7.8 acres of required active parks. Consequently, the park maintenance cost estimates assume that 7.8 acres of open space will be developed as active parkland (see discussion below).

### **Open Space and Trails Maintenance**

#### **Elements of Service**

The CSA will maintain all open space/greenbelts, open space edge conditions, paseos, and trails outside the public ROW, as well as the lighting located in paseos and along trails. Maintenance of the open spaces does not include maintenance of the three distinct preserves (referred to as avoided areas), which will be maintained through an endowment. The maintenance does, however, include treatment of physical edge conditions surrounding the avoided areas. All the edge conditions include a landscaped area, trail, and swale that create a hydrological barrier from urban runoff toward the avoidance area. This landscaped area would be located outside the avoidance area boundary and would serve as an additional buffer, decreasing “edge effects” on wildlife and habitat in the avoided area.

### **Habitat Operations and Maintenance**

#### **Elements of Service**

Wetlands preservation will be required in the avoidance areas of the Project. Most of the avoidance areas are in the western third of the Project. In addition, offsite habitat mitigation will be required. The offsite mitigation costs will include creation, restoration, and preservation costs and are discussed in the Cordova Hills Financing Plan and proposed to be funded through the Cordova Hills Special Financing District.

The ongoing costs of operating and maintaining the onsite preserve are planned to be funded through the annual CSA tax or assessment. The ongoing operations and maintenance of the habitat includes legal, construction, survey, maintenance, operations, and reporting functions.

### **Landscape Corridors**

#### **Elements of Service**

Landscaping in the Project refers to landscaping in road medians and adjacent to roads. It will include water features, traditional landscaping, landscaping with Low Impact Development (LID) features, rain gardens, gateways, sidewalks, walls and fences, directional and project signage, and accent and signage lighting. For the purposes of determining the landscaping that will be maintained by the CSA and the cost of that landscaping, the landscaping features have been divided into the following categories:

- Landscape Corridors
- Landscape Corridors with LID Features
- Median Landscaping
- Median Landscaping with LID features
- Sidewalks
- Sound Walls

The CSA will maintain some of these landscaping features, depending on the adjacent type of property. The CSA-maintained landscaping is detailed below by landscaping category.

#### **Landscape Corridors and Landscape Corridors with LID Features**

The CSA will maintain the following landscape corridors:

- All landscape corridors with LID features.
- All landscape corridors without LID features that do not directly front commercial, residential, or school district properties.

All landscape corridors without LID features that front commercial, residential, or school district properties will be privately maintained by commercial property owners, home owners, or the Elk Grove Unified School District (EGUSD).

#### **Median Landscaping and Median Landscaping with LID Features**

The CSA will maintain all median landscaping (with and without LID features).

## Sidewalks and Sound Walls

The CSA will maintain the following sidewalks:

- All sidewalks in single-family residential areas.
- All other sidewalks that do not front commercial, multifamily, condominium, or school district properties.
- All sidewalks that front commercial, multifamily, condominium, or school district properties will be privately maintained by commercial property owners, home owners associations, or the EGUSD.
- The CSA will maintain all sound walls.

## **Preliminary Service Level Standards**

The landscape maintenance standards will comply with the design vision and standards established in the Cordova Hills Master Plan/Special Plan Area Ordinance. This will require a low maintenance and low water demand landscape design. Regular periodic maintenance on a weekly schedule will be required to maintain visual quality and to sustain the viability of the plantings. The maintenance also will include vandalism and graffiti abatement in all public common areas outside the public street ROW.

## **Road Maintenance**

### **Elements of Service**

The County DOT will maintain the roads and adjacent facilities in the public street ROW consisting of paved section, curb and gutter. County DOT road maintenance services are funded through revenues recorded in the County's Road Fund (e.g., gas tax; property tax; Measure A half-cent sales tax). EPS prepared a Draft Fiscal Impact Analysis, which estimated whether Road Fund revenues generated by the Project would adequately cover the cost of the County DOT-provided road maintenance services described previously. The results of the Fiscal Impact Analysis indicated that the County Road Fund would result in an annual net deficit of \$34,000 in Phase 1 and an annual net deficit of \$201,000 at build out of the Project. This annual deficit is anticipated to be funded by the Mello-Roos CFD special tax. To the extent that there are surplus revenues in the County Road Fund (i.e., revenues are greater than expenditures), the CSA could provide supplemental road maintenance services consisting of expanded street sweeping or other on-site road maintenance.

## **Estimated Annual Maintenance Costs**

The Draft Fiscal Impact Analysis prepared by EPS indicates an annual net fiscal deficit in the County Road Fund of \$34,000 for Phase 1 and \$201,000 at build out of the Project. As such, this Urban Services Analysis uses these deficits as costs to allocate to development in the Project.

## **Transit Operations and Maintenance**

### **Elements of Service**

The Cordova Hills proponent proposes including a local transit system consisting of two distinct but coordinated bus routes. An internal route will operate around a loop in the Cordova Hills Plan Area. An external loop will provide a connection to the Mather/Mills Light Rail Transit (LRT) station. The loops can operate independently with a transfer hub in the Cordova Hills Town Center, but the routes will be coordinated so they can operate as a single continuous route with no transfers required.

The planned system will connect to Sacramento Regional Transit (RT) system but will not be part of RT. The Cordova Hills system would be operated by a service operator under contract to the County or CSA.

The CSA will lease buses and will own and manage all bus shelters, turnouts, and signage associated with the transit system. The CSA also would provide Transportation Management Association (TMA) services or contract with another TMA for management of TMA services (detailed later in this chapter). The internal services may include a range of rideshare initiatives, travel demand management (TDM) methods, and alternative mode promotional activities undertaken by the TMA.

### **Preliminary Service Level Standards**

The transit system will begin with limited services that may involve only an external shuttle to the Mather/Mills LRT station. The County BOS or CSA Board and General Manager of the transit system for Cordova Hills will assess the appropriate transit routes and timing for Phase 1 and subsequent phases based on funding and actual ridership. The transit plan summarized in this report is a guide for the CSA to follow. As the community grows, the transit plan envisions that an internal loop system will be developed. The internal loop will expand with the community along the primary street system, a modified grid form that allows flexibility for routing to serve the greatest number of potential riders. Transit service will provide “timed transfers” or continuous loops to minimize the need for transfer between the internal shuttle and external connection to the LRT station. The transit system is planned to operate 365 days per year with a full schedule on weekdays and a reduced schedule on weekends and holidays, as detailed in the remainder of this section.



## Internal Route

At build out of the Project, the internal system would operate from 6:00 AM to 9:00 PM every day. The transit plan assumes two 2-hour peak periods on weekdays: one in the morning from 7:00 to 9:00 and one in the afternoon from 4:00 to 6:00. There would not be peak periods on weekends. Headways would be 15 minutes during peak hours and 30 minutes during all other times of the day. Routes would be run in both directions. Walk access distances to transit stops will be designed in the location of primary roads, pedestrian ways, and the location of major destinations and housing areas to achieve ¼-mile at maximum.

## **Transportation Demand Management (TDM) Services**

### **Elements of Service**

The CSA will provide TDM services through programs serving the community residents, as well as businesses and institutions. Services to the residents, businesses, and institutions in Cordova Hills that encourage more efficient use of transportation and parking resources may include these:

- Marketing and Promotion
- Parking Management and Brokerage
- Pedestrian and Bicycle Planning
- Pedways
- Rideshare Matching and Vanpool Coordination
- Shared Parking Coordination
- Shuttle Services
- Special Event Transport Management
- Telework Support
- Transit Improvements
- Transportation Access Guides
- Wayfinding and Multi-Modal Navigation Tools

The CSA would implement the TDM programs for the community residents, businesses, and institutions through a TMA. The CSA either would establish an internal TMA or would participate in another geographically broader TMA.

TMA's are generally public-private partnerships. They provide an institutional framework for the TDM services programs and allow small employers to provide commute trip reduction services comparable to those offered by large companies.

TMA's can provide a variety of services, including these:

- Access Management
- Commute Trip Reduction
- Commuter Financial Incentives
- Flextime Support
- Guaranteed Ride Home Services

Participation in the TMA will be required for land zoned Town Center (TC), Flex Commercial (FC), and Public/Quasi Public (P/QP) in Cordova Hills through one or more of the following mechanisms: the purchase and sale agreement for individual parcels; a Master Property Owners' Association; or the Conditions, Covenants, and Restrictions (CC&R).

### **CSA Administration and Communications**

#### **Elements of Service**

Initially, the County will administer and coordinate the activity of all services provided directly by the CSA and County agencies and departments. The County also will coordinate with other service providers who are not directly under the administration of the CSA, such as the SMFD, the County DOT and others.

If a CSA is chosen as the most efficient governance option, the County will continue to administer and coordinate these services. The County BOS could also create a Local Advisory Board (CSA Board) comprised of local representatives to administer and coordinate services.

The CSA administration activities will include overseeing the daily operations of the services, preparing and administering the annual budget, providing a liaison to other service agencies, and providing a point of contact for the residents and businesses in the service area. In addition, each individual CSA service type (and associated cost estimate) is assumed to include an administrative component for daily administration of the particular service.

CSA administration will include a core community communication network to disseminate information about community activities; to facilitate services, such as rideshare opportunities and transit schedules; and to provide emergency service information. The communication network will take the form of a community intranet

that includes community and special interest Web sites, public meeting broadcasts, and such public services as may become apparent as the community grows.

### **Preliminary Service Level Standards**

The CSA will provide adequate administrative support to manage all services administered and funded through the CSA. As development progresses and the level of demand for services increases, the level of administrative support also will increase.

To implement the community communication network aspect of the administration, the entire community will be wired with cable or wireless services that are capable of providing a communication link to all homes and businesses. This is intended to provide a public access channel that will “piggy-back” onto or supplement such commercial services that may be available in the community. The CSA will provide content for the network and will provide for maintenance of the system. Such maintenance may be by contract with a commercial provider.

### **Funding and Financing Plan Summary**

#### **Phasing of Services and Additional Funding**

Initially, where possible, CSA services will be phased to match the special tax/assessment revenue, along with user fees and other revenues. Service levels will increase to meet the planned services standards over time. Minimum service levels are determined by the mitigation requirements in the EIR, tentative map conditions, and Development Agreement requirements.

For some services, however, a higher level of service will be necessary than can be funded by the special tax/assessment revenue in the early years of development. An example is landscaping maintenance, which must be provided once the landscaping has been established, whether or not development is great enough to generate the necessary revenue. If the annual special tax revenue on developed property is insufficient to meet minimum service levels, then the special tax/assessment will be levied against undeveloped property to help fund the annual services costs. The tax rate on undeveloped property will be on a per acre basis. The Draft Development Agreement proposes the following hierarchy for levying the special tax on undeveloped property if needed:

1. The special tax shall first be levied on undeveloped lots shown on recorded final small lot subdivision maps at up to 100% of the maximum special tax rate for developed property.
2. If the additional revenue from the undeveloped lots described above is insufficient to cover the funding shortfall, then a special tax shall be levied on property with approved tentative small lot subdivision maps at up to a specified percentage of the maximum special tax rate for developed

property. This percentage will be determined when the funding mechanism to pay for services is adopted.

3. If the additional revenue from the two sources above still is insufficient to cover the funding shortfall, then the special tax shall be levied on property with recorded final parcel maps at up to a specified percent of the maximum special tax rate for developed property. This percentage will be determined when the funding mechanism to pay for services is adopted. It should be noted that the estimated annual revenue from the tax on developed property is estimated to be sufficient to fully cover the annual Phase 1 services costs. Additional revenue from the tax on undeveloped property would only be needed in the event that the Phase 1 costs were higher than anticipated or Phase 1 development was less than anticipated.

### **ENVIRONMENTAL CONSIDERATIONS**

According to §15096(f), the Commission only "considers" the County-certified EIR. As part of that consideration, the commission must adopt findings (15096(h)) and issue a Notice of Determination (15096(i)). The guidelines (15096g1) state that the responsible agency shall not approve the project as proposed if the responsible agency finds any feasible mitigation or alternative within its jurisdiction to implement. The findings demonstrate that the commission did not find any feasible mitigation measures or alternatives within its jurisdiction since they were all the responsibility of the county.

Also, the Commission finds that it has "considered the EIR as prepared by the Lead Agency and determined that all mitigation measures and alternatives identified in the EIR are within the purview of Sacramento County and not that of LAFCo. ( Note: LAFCo staff and our environmental consultant provided comments as a Responsible Agency on the EIR prepared by the County).

The Commission finds that the County did adopt all of the mitigation measures and adopted an MMRP for the Cordova Hills project.

The Final Environmental Impact Report ("FEIR") prepared for the Cordova Hills Project (the "Project") as adopted by Sacramento County addresses the environmental effects associated with construction and operation of the proposed Cordova Hills Special Planning Area. As part of the implementation process of the Cordova Hills project, the Sacramento Local Agency Formation Commission ("LAFCo") would approve the formation of the County Service Area No. 13 (CSA) to serve the Cordova Hills Community, detachment from the Sacramento County Regional Parks Department County Service Area 4B, and annexation to the Sacramento Area Sewer District (SASD) for the collection of wastewater and the Sacramento Regional County Sanitation District (SRCSD) for conveyance and treatment of wastewater. These LAFCo actions are part of the larger Cordova Hills project described below and is the "LAFCo Project" subject to these findings.

These CEQA Findings of Fact and Statement of Overriding Considerations have been prepared to comply with the requirements of the California Environmental Quality Act (“CEQA”) (Public Resources Code, Section 21000 *et seq.*) and the CEQA Guidelines (Cal. Code of Regulations, Title 14, Section 15000 *et seq.*) These findings refer to the Final EIR (“FEIR”) where the material appears in that document. Otherwise, references are to the Draft EIR (“DEIR”).

CEQA generally requires that a lead agency must take reasonable efforts to mitigate or avoid significant environmental impacts when approving a project. For the Cordova Hills, the lead agency is Sacramento County. In order to effectively evaluate any potentially significant environmental impacts of a proposed project, an environmental impact report (“EIR”) must be prepared. The EIR is an informational document that serves to inform the agency decision-making body and the public in general of any potentially significant environmental impacts. The preparation of an EIR also serves as a medium for identifying possible methods of minimizing any significant effects and assessing and describing reasonable alternatives to the project.

The Cordova Hills EIR has been prepared as a Project EIR pursuant to CEQA Guidelines Section 15161. The purpose of a project-level EIR is to provide environmental review of the planning, construction, and operational impacts of a project.

All other agencies with jurisdiction over aspects of the Cordova Hills project are considered to be “responsible agencies” for purposes of CEQA. As specified by Section 15096 of the CEQA Guidelines, the duties of a responsible agency in using an environmental document prepared by the lead agency include:

- Prior to reaching a decision on the project, the responsible agency must consider the environmental effects of the project as shown in the EIR or Negative Declaration.
- In considering the environmental conclusions of the EIR or Negative Declaration, the responsible agency must evaluate whether any of the conditions set forth in Sections 15162 or 15163 of the CEQA Guidelines requiring preparation of a subsequent or supplemental environmental document exist.
- When considering alternatives and mitigation measures, a responsible agency is more limited than a Lead Agency. A responsible agency has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which it decides to carry out, finance, or approve.
- When an EIR has been prepared for a project, the responsible agency shall not approve the project as proposed if the agency finds any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment.
- The responsible agency shall make the findings required by Section 15091 for each significant effect of the project and shall make the findings in Section 15093 if necessary.

- The responsible agency should file a Notice of Determination in the same manner as a lead agency under Section 15075 or 15094 except that the responsible agency does not need to state that the EIR or Negative Declaration complies with CEQA. The responsible agency should state that it considered the EIR or Negative Declaration as prepared by a lead agency.

For the proposed formation of CSA No. 13, detachment from the Sacramento County Regional Parks Department County Service Area 4B, and annexation to the SASD and the SRCSD, the responsible agency is LAFCo. As a responsible agency, Project consideration by LAFCo is governed by the requirements of CEQA Guidelines Section 15096 as set forth above.

### **MUNICIPAL SERVICE REVIEW AND MASTER SERVICES ELEMENT**

The formation of CSA No. 13 is consistent with LAFCo Policies and Procedures which require a Master Services Element for the establishment of a Sphere of Influence.

Spheres of Influence are the primary planning tool for LAFCo. Sacramento LAFCo has developed standards related to the Master Service Element of any agency's Sphere of Influence. Agencies must have an updated Master Services Element which meets the following standards:

- a. Is consistent with the Master Services Element of the Spheres of Influence of any overlapping jurisdiction;
- b. Demonstrates that adequate services will be provided within the time frame needed by the inhabitants of the area included within the proposed boundary;
- c. Identifies existing land use and a reasonable projection of land uses which would occur if services were provided consistent with the updated Element;
- d. Presents a map that clearly indicates the location of existing and proposed facilities, including plan for timing and location of facilities;
- e. Describes the nature of each service to be provided;
- f. Describes the service level capacity of the service provider's facilities;
- g. Identifies the anticipated service level to be provided;
- h. Describes any actions, improvements, or construction necessary to reach required service levels, including costs and financing methods;
- i. Provides copies of district enabling legislation pertinent to the provision of service levels, including costs and financing methods;

- j. Identifies projected revenue and identifies savings occurring as a result of the action; and
- k. Provides existing and five year population projects within agency boundaries.

The proponent has provided the EPS Public Facilities Financing Plan for the formation of CSA No. 13. The formation of the CSA, including its structure (organization), proposed services, and method of apportionment and charges that are described in the Report are based on recent studies prepared by EPS.

The Report complies with the Municipal Service Review and Master Services Element criteria.

The project is consistent with the County General Plan and the Cordova Hills Community Plan.

### **Municipal Service Review Determinations**

LAFCo is required to make determinations related to several specific areas. Each of these areas is addressed below. This section only discusses responsibilities that would be related to the CSA and not other municipal services provided by existing entities. Based on the Public Facilities Financing Plan and Urban Service and Governance Plan, CSA No. 13 would be able to provide the proposed services to meet the standards set forth above.

The Following sections summarize the MSR Determinations:

#### **1. Infrastructure needs or deficiencies.**

There is no infrastructure in Cordova Hills. Construction of the infrastructure will be controlled by the Project conditions of approval, the Development Agreement with the County, and the EIR. The infrastructure funding program is detailed in the Financing Plan. The CSA would be responsible for construction of park and recreation facilities and landscaping in the open space corridors and in certain streetscape areas outside the public ROW. This will include some signage, lighting, and transit support facilities including bus shelters and bus parking. These facilities may be funded by a variety of sources, including direct developer funding, development impact fees, and a Cordova Hills Mello-Roos CFD.

#### **2. Growth and population projections for the affected area.**

There is no present population within the boundaries of the Project area. The maximum Build out population is estimated at 21,379.

### **3. Financing constraints and opportunity.**

A Mello-Roos CFD special tax is planned to pay for the costs of services not funded directly through user fees/charges or other revenue sources. Special taxes will be established to pay for the costs of services not funded directly through user fees/charges or other revenue sources. Special taxes on undeveloped property would cover shortfalls in the early years until the tax base has grown to a sufficient level to fund needed services.

### **4. Cost avoidance opportunities.**

The annual CSA budget would be evaluated by a County BOS-appointed advisory committee to provide the highest level of service for the least cost. Because the CSA would be a new entity, it could implement many “best practices” techniques as it begins to provide services.

### **5. Rate restructuring.**

Because the CSA would be a new special district, it would have the opportunity to set the appropriate rate structure to pay for the necessary services. The rate structure would have a built-in cost-of-living escalation factor.

### **6. Opportunities for shared cost.**

The goals of the Project include partnerships with other public entities. The most likely arrangement would be shared park and recreation facilities with the EGUSD. Another opportunity may be a joint partnership with the SMFD.

### **7. Government structure options, including advantages and disadvantages of consolidation or reorganization.**

The Urban Services and Governance Plan has been designed to minimize the need for new government organizations. Many of the services are planned to be provided by existing service providers. The proposed services that would be provided by the CSA are more comprehensive than the authorized services for any other service provider. The CSA would be designed to be the community organizing vehicle that brings together all elements of the community. The communication, recreation, and transportation functions of the CSA would form the basis of the community network.

One advantage of a CSA is the efficiencies in the cost of providing the multiple services proposed. Where a multitude of single-purpose agencies would have administrative and other overhead costs associated with each agency, a CSA would have a single unified administration. Where a multitude of single purpose agencies would require individual employees with limited skill sets, the CSA would facilitate use of cross-trained, multifunctional personnel who can be allocated to diverse tasks efficiently. For example, park maintenance staff also would maintain the open space and trails network, signage,



streetscape, and bus shelters. The cost savings because of efficiencies in administrative overhead, continuing use of maintenance equipment, and staffing flexibility is one of the chief attributes of a multi-service CSA. In addition, the creation of a locally controlled Board of Directors would significantly rectify the limited representation that Cordova Hills residents and businesses would have in other organizations that could provide a similar set of services.

### **8. Evaluation of management efficiencies.**

As a new entity, the CSA would be designed to promote management efficiencies. It would be funded adequately through the levy of a special tax without burdening other special districts. The CSA would have the advantage of starting out with a highly efficient network communications system, which should produce substantial savings in day-to-day operations. The CSA services plan would provide the option of contracting out many of the maintenance functions, which could provide cost effective delivery of these services.

### **9. Local accountability and governance.**

A CSA would be planned to start out as a dependent district governed ex-officio by the County BOS. It would be managed by a five-member advisory board of directors appointed by the County BOS. At some point in the future, the residents of Cordova Hills could decide to become an independent district and elect their own Board of Directors. Outreach would be provided by the communications services function of the CSA. The CSA would establish and operate a communitywide intranet as the key component of a communications network that would distribute information about community activities and services and provide transportation management services such as ride-sharing bulletins, real-time bus location information, and transit system routing and schedules, as well as provide emergency information. Community meetings would be held in the CSA administrative building or other community meeting spaces.

### **Other Service Providers**

The following table describes the other service providers that will serve the Cordova Hills Development project. All agencies have been notified and no protests or negative comments have been received. They have all indicated that they have the ability to provide the services within the boundaries of CSA No. 13.

**Affected Districts**

<b>Service</b>	<b>Current Agency</b>	<b>Proposed Agency</b>
Police	Sacramento County Sheriff Department	Sacramento County Sheriff Department
Fire	Sacramento Metro Fire	Sacramento Metro Fire
Water	Sacramento County Water Agency	Sacramento County Water Agency
Sewer	None	SRCS and SASD
Solid Waste	Sacramento County	Sacramento County
Street Lighting	CSA-1	CSA-1 and Cordova Hills CSA
Road Maintenance	Sacramento County	Sacramento County and CSA No. 13
Flood Control	Sacramento County	Sacramento County
Parks and Recreation	CSA-4b	CSA No.13
Library	Sacramento County Library Authority	Sacramento County Library Authority
Electricity/Gas	SMUD/PG&E	SMUD/PG&E
Transit	None	CSA No. 13
Code Enforcement	County of Sacramento	County of Sacramento
Storm Drainage	County of Sacramento	County of Sacramento
Animal Control	County of Sacramento	County of Sacramento
Mosquito/Vector	Sacramento-Yolo MVCD	Sacramento-Yolo MVCD
Cable TV	Various	Various
Cemetery District	None	Elk Grove-Cosumnes SOI
Schools	Elk Grove Unified Schools	Elk Grove Unified Schools

The proposal was routed for review and comment to Sacramento County and affected Special Districts and agencies.

No negative comments have been received from any affected district or agency.

### **MSR for Affected Agencies**

#### **Roads**

The Cordova Hills Special Planning Area (Cordova Hills) provides a comprehensive transportation network designed in accordance with anticipated traffic volumes and travel demands of the planned land uses, as well as the regional system envisioned by the County General Plan.

At the time of preparation of this Cordova Hills Financing Plan, there were certain variables present that could affect Cordova Hills's fair share allocation of certain offsite roadway costs. These variables include roadway improvements within the jurisdictional boundaries of the City of Rancho Cordova and the City of Elk Grove, as well as the impact of the proposed Capital Southeast Connector Project on Grant Line Road improvements. The analyses included in the Financing Plan are based on the best assumptions and information currently available. For the implementation of the financing mechanisms and updates thereafter, revisions will be made if assumptions change or the outcome of discussions with the cities yields a different fair share cost obligation.

The County currently requires development projects to pay their fair share of offsite road improvements to other jurisdictions. The Board of Supervisors provided further direction that if a reciprocal agreement cannot be reached by both jurisdictions at the time of fee collection, then mitigation payments for impacts wholly in the other jurisdiction will not be collected. The County intends to enter into a Cross Jurisdictional Memorandum of Understanding (MOU) with other jurisdictions to collaboratively address the impacts of its development within neighboring jurisdictions.

The proposed Capital Southeast Connector Project is another variable that may result in a need to amend the assumptions of Cordova Hills' final cost and construction responsibilities at implementation. The County General Plan calls for Grant Line Road ultimately to be improved to a 6-lane thoroughfare configuration, which this Financing Plan takes into account; however, the proposed Connector Project likely would turn Grant Line Road into a limited access 4-lane expressway. Consequently, if and when the Connector Project develops, the implementation plan would reallocate Cordova Hills' fair share funding of Grant Line Road to the Connector Project configuration of Grant Line Road (anticipated to be a 4-lane expressway with grade separated interchanges). Cordova Hills' fair share cost might be reduced if Cordova Hills' fair share funding for the Connector project is less than its fair share cost allocation for the 6 lane Grant Line Road thoroughfare configuration. Cordova Hills' fair share allocation percent will not be increased as a result of this project change because the Cordova Hills project does not require the Connector project as a mitigation measure for its traffic impacts.

## **Offsite Roadway Costs**

Cordova Hills has an obligation to construct many of the off-site roadways included in the Offsite Roadway CIP at various stages of development. The cost to Cordova Hills to construct these roadways would be reduced to just Cordova Hills' fair share if other regional development projects trigger and construct the roadways before Cordova Hills triggers them. In addition, Cordova Hills has a responsibility to fund its fair share of certain roadway improvements with no construction responsibility. Cordova Hills' total fair share of offsite roadway costs will be payable through the Cordova Hills SFD. The remainder of offsite Roadway CIP costs may be funded by other sources, such as County and City fee programs, state and federal funding, and other surrounding new development projects that are conditioned to participate in funding the improvements if required by California Environmental Quality Act (CEQA) mitigations prior to Cordova Hills' responsibility to construct. As noted earlier, the availability and timing of funding from other sources is uncertain.

## **Sanitary Sewer**

In January 2012, Sacramento Area Sewer District's (SASD's) Board of Directors approved an SASD Sewer System Capacity Plan 2010 Update that outlines the District's most current midrange and long-term plan for sewer service to the Cordova Hills area. Sacramento Regional County Sanitation District (SRCSD) is in the process of finalizing its own Interceptor Sequencing Study that will aid SRCSD in planning and implementing regional conveyance projects based on SASD's local collection plans.

SRCSD's regional Interceptor facilities will convey sewage from local trunk sewers to the Sacramento Regional Wastewater Treatment Plant (SRWTP) located near the Sacramento River in Elk Grove. Cordova Hills is located outside of the SASD and SRCSD service areas and will thus need to be annexed into both of these service areas through LAFCO in order to receive sewer service.

Once annexed, the Project proponents will pay the applicable sewer impact fees and construct the required onsite and offsite local collection and trunk conveyance facilities in order to receive service. SRCSD constructs the regional interceptor facilities. Based on the most current planning documents, Cordova Hills will ultimately be served by the SRCSD Douglas Interceptor (DI). This Financing Plan is consistent with the most current SASD and SRCSD planning documents (SASD and SRCSD East Rancho Mid-Range Plans and SASD System Capacity Plan).

## **Storm Drainage**

The Cordova Hills backbone storm drainage system is detailed in the Drainage Master Plan for Cordova Hills, prepared by MacKay & Somps (Drainage Master Plan). The Drainage Master Plan analyzes drainage impacts resulting from development of the proposed land uses in Cordova Hills. It conceptually defines at the master plan level how potential impacts of the proposed development on existing receiving waters can be fully

mitigated to existing or better than existing conditions. It preliminarily details construction of on-site combination Flood and Flow Duration Control Detention Basins that mitigate for the development impacts. Further more detailed analysis will be required prior to the next phase of the development process, tentative map approval or improvement map approval, whichever comes first. Estimated costs and facility location are described in further detail in the Public Facilities Financing Plan.

- Storm drainage pipes;
- Manholes;
- Drainage inlets; and
- Flood control and water quality basin facilities and land.

## **Water**

With the exception of the Buffer lands, Cordova Hills is in the Sacramento County Water Agency (SCWA) Zone 40 Service Area. Zone 40 is responsible for construction of potable water facilities within its boundaries. Limited Zone 40 water facilities will be extended into the Buffer lands. Cordova Hills ultimately will be serviced from proposed storage tanks anticipated to be located just north of the Project, east of Ridgeline Road. The Cordova Hills potable water system ultimately will be integrated into the SCWA Zone 40 North Service Area system with connections along Grant Line Road. The potable water system includes the following types of improvements:

- Onsite and offsite water transmission mains;
- Pressure reducing station;
- Above ground water storage tanks (capacity of 3.5 million gallons); and
- Ground tank booster pumps.

## **Fire**

The Sacramento Metropolitan Fire District (SMFD) is the fire protection service provider for Cordova Hills and will continue to provide services once the community has developed. The SMFD has indicated that development in the Cordova Hills area will increase the need for fire protection, including additional staffing, vehicles and equipment. Given the current mix of land uses, SMFD has indicated that one station will be adequate to serve Cordova Hills. SMFD has indicated that this station should be located in the commercial center in the East Valley Village in order to meet travel time standards. It is possible that a second station could be located in Cordova Hills if needed to serve neighboring development projects as well as Cordova Hills.

The Public Facility Financing Plan shows the estimated cost to construct a fire station and provide the major equipment needed for the station. It is estimated that a fire station of approximately 6,500 square feet will be required and that an engine, a truck, a medic vehicle, and staff and support vehicles will be required to service the area. The total cost is estimated at \$5.3 million.

All new development within the SMFD will be subject to the District-wide Capital Fire Facilities fee (SMFD fee) to fund construction and equipment costs for new fire stations. The Project will generate approximately \$2.0 million in fee revenue at the end of Phase 1 and \$9.7 million at build out. It is assumed that the total build out fee revenue will be sufficient to fund Cordova Hills' impact on fire facilities and that no other funding sources will be necessary. Fee revenue from the other communities served by the fire station(s) sited in Cordova Hills may also be available for the construction of new station(s).

At the time of this Financing Plan, there are too many variables to assess the precise timing of fire and medical services facilities for the Project. The timing of the fire station(s) located within the adjacent Sunridge or Suncreek Specific Plans will dictate the timing of when the Cordova Hills fire station will need to be constructed. SMFD has agreed to assess the phasing of fire and medical service facilities at the small lot tentative map stage of the Project. As such, this Financing Plan assumes that development in the Project will pay the SMFD fee and additional funding sources for any shortfalls will be evaluated at the time facilities are required. At build out the Project is projected to generate a surplus of SMFD fee revenues to cover the estimated facility costs of \$5.3 million.

The Cordova Hills developer will be required to dedicate land for the fire station site. Depending on the outcome of negotiations between the Cordova Hills developer and the SMFD, the developer may receive fee credits against the SMFD fee for all or a portion of the site acquisition costs.

### **Law Enforcement**

The Sacramento County Sheriff's Department currently provides law enforcement services to Cordova Hills and will continue to provide services to the area. The Sheriff's Department plans to operate a substation in the Cordova Hills Town Center village through a lease with Cordova Hills. Expenditures associated with leasing a substation will be covered through the fiscal impact analysis surplus estimated in EPS's Draft Fiscal Impact Analysis. The Draft Fiscal Impact Analysis estimated that County General Fund and Police Services Community Facilities District (CFD) 2005-1 revenues would generate a fiscal surplus of \$750,000 in Phase 1 and \$2.7 million at build out of the Project, after accounting for the cost of providing countywide and County administered municipal services.

## **Library**

Library services for Cordova Hills are provided by the Sacramento Public Library Authority (Library Authority). Cordova Hills will be required to contribute toward the provision of library services for its residents.

The County is in the process of implementing a countywide library development impact fee program. Cordova Hills will participate in this fee program if and when it is implemented. The estimated fee rates proposed for the program are \$827 for single-family detached dwelling units; \$643 for 2-4 units attached; \$537 for 5+ units attached; and \$530 for mobile homes and second residential units, based on this proposed fee level. At build out, the Project will generate approximately \$5.5 million in fee revenue. In the event that the County does not implement a countywide library development impact fee program, the Project will fund its fair share of library facilities through the proposed Cordova Hills SFD.

The Library Authority plans a 15,000 square foot library to serve Cordova Hills and adjacent areas. Cordova Hills could provide an appropriate library facility in the Town Center and lease the facility to the Library Authority. The development impact fee that Cordova Hills pays ultimately could be adjusted if this arrangement was established. However, it should be noted that the Cordova Hills developers are not required to construct a library facility.

As of the end of 2010, the Library Authority considered the estimated \$5.5 million from potential library fees adequate to fund the Cordova Hills' portion of construction, furnishing, and materials acquisitions for a 15,000 square foot library facility. Sufficiency of funding, however, is entirely dependent on economic conditions at the time of construction. The timing of constructing a library facility is at the discretion of the Library Authority and will be dependent on funding from all benefiting areas.

Further, no operating funds have been allocated to the Library Authority to support the opening and annual operation of a new library facility. Annual operations include staffing, collections, maintenance and security, and utilities. These additional costs are currently estimated at \$800,000 annually and would need to be budgeted and allocated to the Library Authority prior to construction. The operating costs and funding of these costs are discussed further in the Urban Services Plan.

## **Schools**

Cordova Hills is within the boundaries of the Elk Grove Unified School District (EGUSD). Information regarding school costs was obtained from the EGUSD Development fee Justification Study/school facilities Needs Analysis (SFNA) dated June 2010.

## **Proposed Facilities**

Cordova Hills will provide at build out three elementary school sites and one combination middle and high school site. Based on the number of units expected in Cordova Hills, student yield factors from the SFNA, and EGUSD typical school sizes, Cordova Hills will generate the need for approximately 3 elementary schools but only about 62 percent of a middle/high school. The students and funding for the portion of the high school not attributable to Cordova Hills will come from other nearby areas outside of Cordova Hills.

## **Benefit of CSA No. 13**

The primary benefit of CSA No. 13 is that it will enhance service levels within the proposed Cordova Hills Development Project to augment additional amenities for the community. The proposed dedicated funding will be captured and stay within the community for its benefit.

## **RECOMMENDATION**

I recommend your Commission adopt the Resolution approving 1) the Sphere of Influence for County Service Area No. 13; 2) the formation of County Service Area No. 13; 4) detachment from CSA No 4b; 5) annexation to Sacramento Regional County Sanitation District and Sacramento Area Sewer District; and 5) to waive the Conducting Authority (protest hearing) for CSA No. 13.

Respectfully,

***SACRAMENTO LOCAL AGENCY FORMATION COMMISSION***

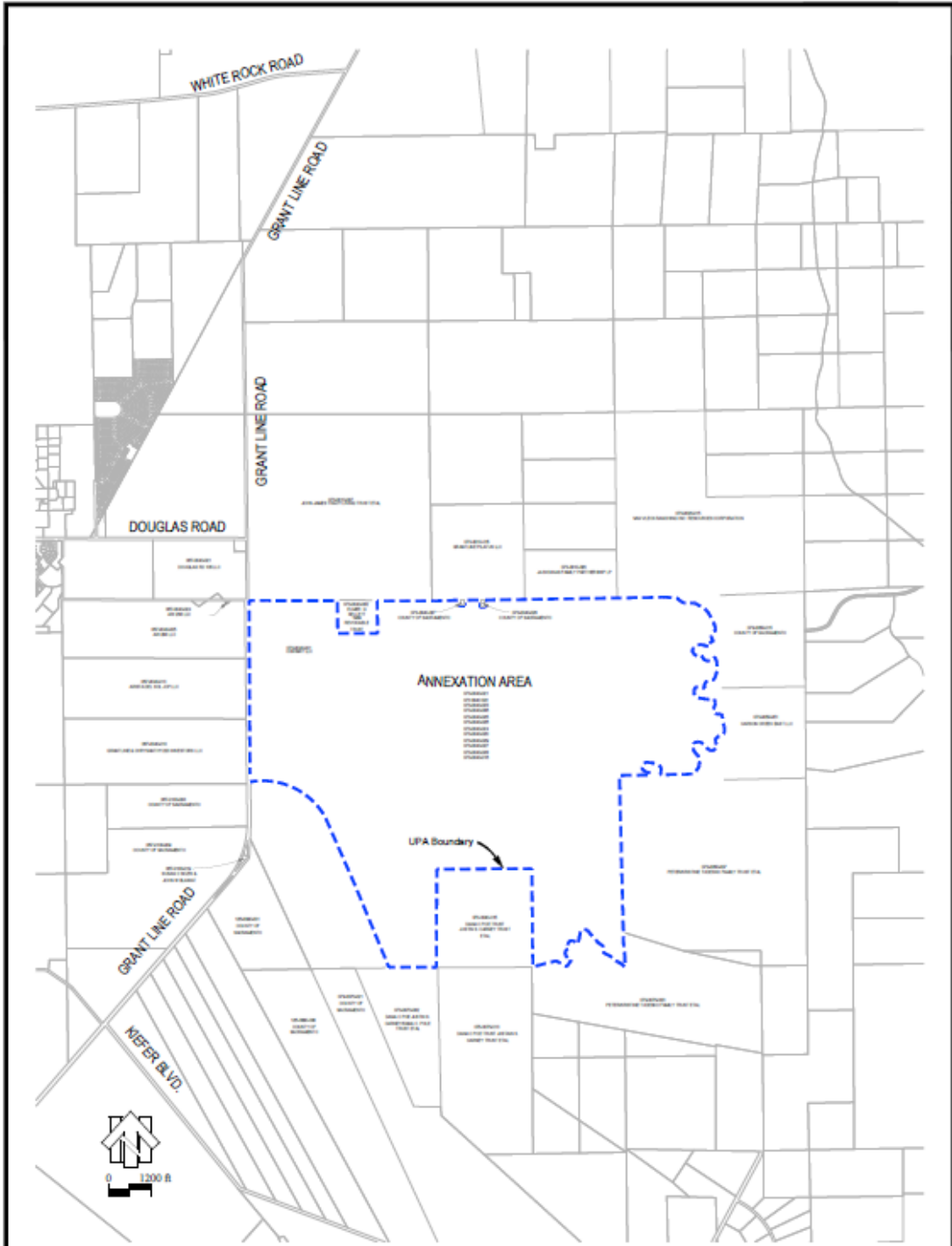
Peter Brundage  
Executive Officer

Attachments:  
Maps (Exhibit A)  
Cordova Hills Urban Service and Governance Plan

PB

(CSA 13)





***Cordova Hills***  
 Proposed Annexation to  
**SACRAMENTO REGIONAL COUNTY SANITATION DISTRICT**  
 &  
**SACRAMENTO AREA SEWER DISTRICT**



## CORDOVA HILLS PROPERTY

### ***Legal Description for CSA Formation and CSA-4B Detachment***

Being a portion of Sections 13, 14, 22, & 23, Township 8 North, Range 7 East & a portion of Section 18, Township 8 North, Range 8 East, Mount Diablo Meridian, County of Sacramento, State of California, being more particularly described as follows:

Beginning at the Northwest corner of said Section 14, said corner being the **TRUE POINT OF BEGINNING;**

1. thence South 89°53'53" East along the North line of said Section 14 a distance of 2648.35 feet;
2. thence leaving said North line South 00°41'41" East along the West line of the Kellett property a distance of 987.11 feet;
3. thence North 89°43'47" East along the South line of said Kellett property a distance of 932.73 feet;
4. thence North 00°42'22" West along the East line of said Kellett property a distance of 981.05 feet to a point on the North line of said Section 14;
5. thence South 89°53'53" East along said North line a distance of 1694.42 feet to the Northeast corner of said Section 14;
6. thence North 89°04'12" East along the North line of said Section 13 a distance of 1706.57 feet;
7. thence leaving said North line South 00°55'48" East along the West line of Well Site #4 as described in Book 20090205, Page 0974 Official Records Sacramento County a distance of 200.00 feet;
8. thence North 89°04'12" East along the South line of said Well Site #4 a distance of 100.00 feet;
9. thence North 00°55'48" West along the East line of said Well Site #4 a distance of 200.00 feet to the North line of said Section 13;
10. thence North 89°04'12" East along said North line a distance of 839.33 feet to the North ¼ corner of said Section 13;
11. thence continuing along said North line North 89°06'59" East a distance of 2630.68 feet to the Northeast corner of Said Section 13;
12. thence North 88°53'52" East along the North line of said Section 18 a distance of 2933.82 feet ;
13. thence leaving said North line South 01°14'05" East along the West line of that certain real property as described in Book 3660, Page 633 Official Records Sacramento County a distance of 2639.82 feet to the Southwest corner of said property;
14. thence continuing South 01°14'05" East along the West line of that certain real property as described in Book 20080930, Page 0331, Official Records Sacramento county a distance of 2641.07 feet to the Southwest corner of said property coincident with the South line of said Section 18;

15. thence South 88°53'27" West along said South line a distance of 2917.90 feet to the southwest corner of said Section 18;
16. thence leaving said South line South 00°43'33" East along the East line of said Section 24 a distance of 5297.55 feet to the Southeast corner of said Section 24;
17. thence South 89°42'30" West along the South line of said Section 24 a distance of 2656.25 feet to the South ¼ corner of said Section 24;
18. thence North 00°48'17" West along the West line of the Southeast ¼ of said Section 24 a distance of 2634.97 feet to the Northwest corner of said Southeast 1/4;
19. thence South 89°49'29" West along the South line of the northwest ¼ of said Section 24 a distance of 2662.82 feet to the West ¼ corner of said Section 24;
20. thence South 00°56'45" East along the East line of said Section 23 a distance of 2640.45 to the southeast corner of said Section 23;
21. thence South 89°34'49" West a distance of 2542.76 feet to the South ¼ corner of said Section 23;
22. thence South 89°32'16" West a distance of 1128.58 feet;
23. thence North 23°48'54" West a distance of 1525.00 feet;
24. thence North 23°24'29" West a distance of 875.00 feet;
25. thence North 23°37'04" West a distance of 1345.77 feet;
26. thence South 40°32'21" West a distance of 246.75 feet;
27. thence North 00°35'59" West a distance of 73.89 feet;
28. thence North 71°23'31" West a distance of 118.02 feet;
29. thence in a northerly direction with a non-tangent curve turning to the left with a radius of 2540.00 feet, having a chord bearing of North 13°20'05" East and a chord distance of 462.81, having a central angle of 10°27'16" and an arc length of 463.46;
30. thence North 00°35'59" West a distance of 1479.04 feet;
31. thence North 00°52'14" West a distance of 5273.59 feet; to the point of beginning.

Containing 2667.835 acres, more or less..