

**SOLANO  
LOCAL AGENCY FORMATION  
COMMISSION**

**STANDARDS AND PROCEDURES,  
GLOSSARY OF TERMS,  
FEES AND FORMS,  
MEETING SCHEDULE  
And  
MAP AND DESCRIPTION REQUIREMENTS**

**January 1, 2010**

# TABLE OF CONTENTS

	Page
I. INTRODUCTION .....	.iii
II. PURPOSE AND INTENT .....	.5
III. LAFCO DECISION MAKING PROCESS .....	.6
IV. STANDARDS FOR THE EVALUATION OF PROPOSALS FOR CHANGES OF ORGANIZATION OR REORGANIZATION .....	8
V. MUNICIPAL SERVICE REVIEWS/COMPREHENSIVE ANNEXATION PLANS .....	.31
VI. ESSENTIAL REQUIREMENTS OF THE CORTESE-KNOX-HERTZBERG ACT .....	38
APPENDIX A .....	GLOSSARY OF TERMS
APPENDIX B .....	LAFCo MEETING SCHEDULE
APPENDIX C .....	LAFCO FEE SCHEDULE
APPENDIX D .....	PETITION AND APPLICATION FORMS
APPENDIX E .....	REQUIREMENTS FOR MAPS AND DESCRIPTION AND ADDITIONAL FEES
APPENDIX F .....	.AMENDMENTS

## **SECTION I. INTRODUCTION**

### **BACKGROUND**

The Solano Local Agency Formation Commission (LAFCO) is a state mandated boundary commission responsible for coordinating logical and timely changes in local government boundaries. The Commission, in the consideration of proposals, has to observe four basic statutory purposes: the discouragement of urban sprawl; the preservation of open space and prime agricultural land resources; the efficient provision of government services, and the encouragement of orderly growth boundaries based upon local conditions and circumstances.

LAFCO's powers, procedures, and functions are set forth in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, (Government Code Section 56000 et seq.).

### **THE COMMISSION**

Solano LAFCO consists of five voting members selected as follows: two members of the City Councils, who are chosen by the mayors of all cities in the County; two members of the Board of Supervisors, who are chosen by the entire Board; and a member representing the general public, who is selected by the other four LAFCO members. In addition, there are alternate city, county and public members who vote whenever a regular member is absent or disqualified.

The Commission meetings are typically held on the second Monday of February, April, June, August, October and December at 10:00 a.m. in the Board of Supervisors' Chambers, Government Center, 675 Texas Street, Fairfield, CA. If a holiday should fall on the second Monday of a month, the meeting is held on the following non-holiday Monday.

### **CHANGES OF ORGANIZATION AND REORGANIZATION**

It is the role of LAFCO to either: approve, approve with conditions or deny proposals for changes of organization or reorganization after considering a number of factors. Among the issues to be considered are: The Legislature's policies and priorities for LAFCo, the proposal's relationship to the affected agency's Sphere of Influence; the application's compliance with the California Environmental Quality Act (CEQA); and the submitted responses to Solano LAFCo's Standards.

A change of organization includes any one of the following actions:

- 1) A city incorporation.
- 2) A district formation.
- 3) An annexation to or detachment from a city or district.
- 4) A disincorporation of a city.
- 5) A district dissolution.
- 6) A consolidation of cities or special districts

- 7) A merger or establishment of a subsidiary district
- 8) A reorganization includes two (2) or more changes of organization initiated in a single proposal.

### **SPHERES OF INFLUENCE**

Spheres of Influence are required to be established by LAFCO for each city and special district which must come before the Commission for boundary changes. A Sphere of Influence means “a plan for the probable physical boundary and service area of a local government agency, as determined by the Commission” (56076). Establishment of this boundary is necessary to determine which governmental agencies can provide services in the most efficient way to the people and property in any given area. An annexation proposal must be within the affected agency’s Sphere of Influence in order for LAFCO to act favorably on the application. LAFCO must undertake a review and update, as necessary, of spheres of influence, no less than once every 5 years, and prepare written statements of determinations when adopting spheres.

### **SERVICE REVIEWS**

In order to prepare and update spheres of influence, the commission must conduct a service review of municipal services provided in the county or other appropriate area as designated by the commission. The commission shall prepare a written statement of its determination with respect to each of the following:

1. Growth and population projections for the affected area.
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
3. Financial ability of agencies to provide services.
4. Status of, and opportunities for, shared facilities.
5. Accountability for community services needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by commission policy

### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

Each proposal for a change of organization or reorganization must be reviewed to insure that it complies with the requirements of CEQA. This involves the preparation of an environmental document which is normally processed by the annexing agency in advance of LAFCO consideration (see discussion in Chapter IV Pre-application considerations).

## **SECTION II. PURPOSE AND INTENT**

The Cortese-Knox-Hertzberg Act Authorizes LAFCO:

“to adopt written procedures for the evaluation of proposals. The Commission may adopt standards for any of the factors enumerated in Section 56668, (see Chapter III this manual). Any Standards adopted by the Commission shall be written.” (Section 56375 (1))

This report provides both general and specific standards in meeting the requirements of the Cortese-Knox-Hertzberg Act, and in assuring a rational and consistent process of review by the Solano LAFCO which can be applied to all proposals for reorganization or change of organization within Solano County.

Standards have been developed in light of varying conditions of land use policy among the seven agencies of the County in recognition that decisions by LAFCO will be judgmental—based on the facts in evidence as they relate to these standards and procedures. No standard can be universally absolute with respect to a given proposal, for the facts and circumstances will necessarily differ among communities and annexation requests. The standards reflect the many circumstances which can affect the process, leaving final decision to objective analysis based on the evidence submitted as a whole in support or in opposition in a given case.

### **FORMAT AND CONTENT**

Chapter III presents an outline of the LAFCO decision making process. The standards are then presented in Chapter IV, with a description of the circumstances which may come into play in reaching a decision. Chapter V presents the city requirements for adopting Comprehensive Annexation Plans. Chapter VI sets forth the primary requirements of the Cortese-Knox Act and the factors to be considered under Section 56668.

### **USE AND APPLICATION OF THE STANDARDS**

The Standards adopted by LAFCO are to be seen as guidelines against which to measure that appropriateness and correctness of a proposal. Some Standards are quantitative in that specific information and minimum submittal requirements are stipulated. Other standards are qualitative and require specific documentation by the applicant.

The concept of adopting standards implies an assessment of a proposal to determine conformity. Each standard must have sufficient clarity and specific so that compliance can be determined with a degree of certainty and reasonableness. And yet, it is not possible nor desirable in issues as complex as land use planning and annexation to have standards that are literally absolute; flexibility must be retained if only because no two proposals are alike.

One of the objects of the LAFCO, according to the Cortese-Knox Hertzberg Act, is to make studies and to obtain and furnish information which will contribute to the “logical and reasonable” development of local government. This implies an analytical process that weighs the merits of each proposal on an individual basis. Indeed, the legislative purpose of Cortese-Knox Hertzberg was to vest the LAFCO with substantial “authority and discretion” to review proposals in keeping with specific public purposes. The standards, then, must encourage independent judgment by LAFCO based on a reasoned analysis of required documentation.

For each proposal the LAFCO staff should determine the completeness of the application and provide analysis and recommendation as to the compliance of the proposal with each Standard. For most proposals of a smaller nature, compliance with the Standards will be obvious. For larger projects, including those which are to be phased over a several-year period, full compliance with each Standard may not be as obvious. For example, a project may lead to the conversion of prime agricultural land to urban use; if, however, guiding development away from prime agricultural lands should not promote the planned, orderly, efficient development of the area, such conversion could be approved.

In another instance, a full range of services may not be available based on “will serve” letters from affected agencies. LAFCO, based on its discretion and on analysis of additional information, could determine that adequate alternative services can or will be made available.

In the final analysis, the reasoned judgment of LAFCO will be required to determine compliance with each standard. In deciding on annexation proposals, LAFCO shall make determinations on the degree of compliance or non-compliance for each Standard citing facts to support each determination. Six of the Standards (number 1, 2, 3, 4, 5, and 6) are mandatory; LAFCO must make determinations of full compliance with the mandatory Standards to approve a proposal. The other five standards (number 7, 8, 9, 10 and 11) are discretionary; LAFCO may make determinations of less than full compliance with one or more of the discretionary standards and still have the discretion to approve or deny a proposal. In the final analysis, the determinations under each discretionary standard must be weighted against each other and that when taken as a whole, the proposal must meet the purpose and intent of LAFCO in providing for planned, orderly and efficient patterns of urban development. Therefore, in the event that determinations of less than full compliance have been made on one or more of the discretionary Standards, LAFCO must make specific findings of fact identifying overriding considerations that justify the decision to approve the proposal.

### **SECTION III. THE LAFCO DECISION MAKING PROCESS**

This chapter provides a brief description of the LAFCO decision making process in considering proposals for changes of organization or reorganization.

#### **PRE-APPLICATION CONSIDERATION**

Prior to formal submittal of an application to LAFCO, the applicant should first consult with the appropriate city and/or districts that will be affected by the proposal. The purpose of this early consultation is to establish the affected agencies interest in the proposal. Secondly, in those applications proposing annexation, it provides the affected agency the opportunity to prepare environmental documentation associated with pre-approvals. (see Chapter IV, Standard No. 5). In most instances, the environmental document used for the agency’s consideration of the proposal will also be used by LAFCO in its hearing on the application. Accordingly, an applicant and the affected agency should insure that those issues pertinent to LAFCO’s action are discussed in the environmental document. In addition, it is suggested that a proponent consult with LAFCO staff in the early stages of the consideration of a proposal. This is to insure that the process and application requirements are clearly understood and to establish a line of communication to facilitate the processing of the application.

## **APPLICATION PROCESS**

An application for a change of organization or reorganization may be initiated either by:

- 1) Resolution and application adopted by the legislative body of any affected local agency (Section 56654).
- 2) A petition and application of either landowners or registered voters within the affected territory (Section 56700).

An application to LAFCO would include the following basic components

- 1) A petition or resolution and application for proceedings.
- 2) A map and legal description of the affected territory
- 3) Response to Solano LAFCO standards with supporting documentation
- 4) Application processing fee.

Extensive discussion on the Solano LAFCO Standards and the required documentation is provided in Chapter V.

Upon submittal of an application to LAFCO, the Executive Officer reviews the application to determine if the application is complete. If the application is determined not to be complete, the Executive Officer informs the applicant of the additional necessary material needed to complete the application. The Executive Officer must also determine what environmental documents may be necessary to process the application. The Executive Officer must also determine what environmental documents may be necessary to process the application (See Chapter V, Standard No. 6). After the application is accepted as complete, a Certificate of Filing is issued and the application is scheduled for hearing before the Commission.

The Executive Officer notifies affected agencies of the pending application; reviews the application and prepares a staff report for the Commission based on the provision of the Cortese/Knox Hertzberg Act and the Standards set forth in Part III.

## **LAFCO PUBLIC HEARING AND DECISION**

The Commission conducts a public hearing on the application during which the applicant, affected agencies, and public may testify. The Commission may amend an application's proposed boundaries and/or recommended conditions, and may either deny, approve, or approve with conditions the application.

After the Commission's action, any person may file a Request for Reconsideration within thirty (30) days. The Commission may approve or deny with or without conditions the Request for Reconsideration after the required public notice and hearing. In the case of denial, an application substantially similar to the original proposed change of organization or reorganization can not be made to LAFCO for a period of one year.

## **CONDUCTING AUTHORITY PROCEEDINGS**

The Commission, in most cases, becomes the conducting authority for the protest hearing after approval of an application. Within 35 days of the adoption of the commission's resolution making determinations, and following the 30 day reconsideration period, the executive officer shall set the proposal for hearing and give proper notice. The date of the protest hearing will be

no less than 15 days, or more than 60 days, after the date the notice is given. (Section 57002) If the Commission receives no objection from land owners and registered voters and gains 100% consent from the affected agencies, landowners and registered voters (if applicable) the Commission may choose to waive the protest hearing. Solano LAFCo has vested the powers of the Conducting Authority to its Executive Officer. (Section 56663)

## **FINAL LAFCO ACTIONS**

If a proposal has not been terminated or brought to an election through the protest hearing phase and unless otherwise conditioned by the Commission, the effective date of the change or organization or reorganization is the date the Certificate of Completion is recorded.

## **SECTION IV. STANDARD AND PROCEDURES FOR THE EVALUATION OF ANNEXATION PROPOSALS FOR CHANGE OF ORGANIZATION OR REORGANIZATION**

### **MANDATORY STANDARDS**

#### **STANDARD NO. 1: CONSISTENCY WITH SPHERE OF INFLUENCE (SOI) BOUNDARIES**

An area proposed for change of organization or reorganization shall be within the affected agency's Sphere of Influence. An application for change of organization or reorganization for lands outside an adopted Sphere of Influence may be considered concurrently with a request for amendment to the Sphere of Influence, at LAFCO's discretion.

#### **Explanation and Discussion**

A finding of consistency with adopted Sphere of Influence (SOI) boundaries becomes the first test in evaluating an annexation proposal. Section 56375.5 of the Government Code requires a determination by LAFCO regarding the proposal's consistency with the Spheres of Influence of the affected local agency. In most cases, location within or outside the boundary will determine whether the application should be approved.

The SOI concept provides a rational basis for a determination whether a given agency has the most appropriate interest in providing governmental services to territory in proximity to its boundaries. The SOI boundary is not necessarily intended by law to be coterminous with the area which a given agency may eventually annex and serve. Rather, it should refer to the area which most directly involves the interest of the agency as to future urbanization, the management of resources of concern to the agency, or land use proposals of an essentially non-urban character considered by the County.

LAFCO has adopted separate Guidelines for establishing and amending SOI's. Generally, LAFCO reviews and updates agency SOI's upon completion of city or county general plan updates or amendments separate from specific proposals for change of organization or reorganization. LAFCO retains the discretion as to whether SOI boundary amendments may be heard concurrently with change of organization or reorganization proposals. Minor amendments which have not resulted from general plan amendments may be heard concurrently. LAFCO staff shall advise the Commission at least 60 days in advance of request for such a concurrent hearing; at that time, LAFCO shall make a decision as to the appropriateness of a concurrent hearing.

## **Required Documentation**

This Standard requires that the applicant shall demonstrate that the affected territory is within the Sphere of Influence of the affected agency. This is to be shown on the required mapping submittal in response to Standard No. 7. Sphere of Influence boundary information is available from the affected agency or LAFCO Staff.

### **STANDARD NO. 2: CHANGE OF ORGANIZATION AND REORGANIZATION TO THE LIMITS OF THE SPHERE OF INFLUENCE (SOI) BOUNDARIES**

Annexation to the limits of the SOI boundary shall not be allowed if the proposal includes land designated for open space use by the affected city's general plan for city change of organization or reorganization or County General Plan for district change or organizations or reorganization unless such open space logically relates to existing or future needs of the agency. Open space uses which may be located within agency limits include but are not limited to community and city-wide parks, recreational facilities, permanently protected open space lands, reservoirs, and storm water detention basins.

## **Explanation and Discussion**

The annexation of land by agencies out to their SOI boundaries may be justified under certain circumstances. However, the Sphere of Influence is not necessarily an entitlement to expand jurisdictional limits all the way to the SOI boundary.

In Solano County, cities in conjunction with the County and land trusts have taken on a more active role in permanently protecting open space buffers or green belts around their communities. LAFCO has recognized these efforts in designating "urban open space" lands as part of their SOI. These lands are not intended to be annexed to a city unless the city demonstrates how the open space area is to be protected and maintain by the city and/or other conservation agency as permanent open space or public use.

For the purposes of this Standard, open space is defined as open space per section 56059 of the Cortese-Knox-Hertzberg Act and/or improved recreation lands on adopted plans; it does not include common open space within subdivisions or vacant lands planned for urbanization.

## **Required Documentation**

This Standard applies to any application for annexation that extends to the limits of the SOI boundary and contains lands designated for open space use under the applicable general plan. In such cases, the application shall include an analysis, justification, and/or appropriate mapping demonstration that the open-space lands relate to specific needs of the annexation agency or is an integral part of the project's design. This standard will generally not be applicable to district change or organization or reorganization unless it will result in the conversion or open space lands to urban use.

Proposals which contain lands designated as urban open space to be permanently protected must be accompanied by documentation demonstration how the lands will be permanently protected by the affected agency and/or other conservation agencies.

**STANDARD NO. 3:     CONSISTENCY WITH APPROPRIATE CITY  
GENERAL PLAN, SPECIFIC PLAN, AREA-WIDE  
PLAN AND ZONING ORDINANCE**

An application for a city change of organization or reorganization which involves the conversion of open space lands to urban use shall be denied by LAFCO if the proposed conversion is not consistent with appropriate city plans (general plans, specific plans, area-wide plans and associated zoning ordinance). The determination of consistency shall be the responsibility of the affected agency, and shall be met by a resolution approved by the agency council certifying that the proposed change of organization or reorganization meets all applicable consistency requirements of State Law, including internal consistency between the agency's adopted plans and the zoning ordinance. In the event that plan consistency is contested, LAFCO shall retain the discretion to determine the consistency question and may require additional environmental information.

**Required Documentation**

This standard requires that the applicant submit copies of the resolution approved by the city council of an affected city which certifies that the proposed change of organization or reorganization is consistent with the agency's general plan or specific plans, area-wide plans and zoning ordinance.

**STANDARD NO. 4: CONSISTENCY WITH THE COUNTY GENERAL PLAN OF PROPOSED CHANGE OF ORGANIZATION OR REORGANIZATION OUTSIDE OF A CITY'S SPHERE OF INFLUENCE BOUNDARY**

An application for a change of organization or reorganization for lands outside an adopted city Sphere of Influence boundary in unincorporated territory, shall be denied by LAFCO if the land use proposed within the affected territory is not consistent with the Solano County General Plan and Zoning Ordinance. A determination of consistency shall be the responsibility of the County, and shall be met by a resolution of the Board of Supervisors certifying that the proposed change or organization or reorganization meets all applicable consistency requirements of State Law, including internal consistency between the County's General Plan and Zoning Ordinance. This Standard shall also be made to apply to proposals for the formation or the incorporation of new agencies within unincorporated territory which lies outside adopted city Sphere of Influence boundaries.

**Explanation and Discussion**

This Standard is necessary to eliminate potential conflict posed by an agency change of organization or reorganization which is inconsistent with the County General Plan and to provide assurance of General Plan and zoning consistency of proposals for expanding or creating new development areas outside adopted Sphere of Influence.

There no longer is a requirement in State Planning Law that agency and county general plan policies for areas within a city's Sphere of Influence be consistent. Where conflicts exist between an agency and the County, sound planning practices suggest that the agency and County resolve their differences so that the general public is not confused.

**Required Documentation**

This standard requires that for district changes of organization or reorganizations in unincorporated territory outside cities Sphere of Influence, the applicant submit copies of the resolution approved by the Board of Supervisors which certifies that the proposed change of organization or reorganization is consistent with the Solano County General Plan and Zoning Regulations.

**STANDARD NO. 5: REQUIREMENT FOR PRE-APPROVAL**

Prior to approval by LAFCO of a city change of organization or reorganization, the affected agency shall have approved, a specific plan, pre-zoning or an equivalent providing similar detail of information on the proposed land use for the affected territory and where the change of organization or reorganization process is clearly described. Prior to approval by LAFCO of a district change of organization or reorganization, the affected agency shall pass a resolution supporting the proposal.

**Explanation and Discussion**

Government Code Section 56375(a) prohibits LAFCO from imposing “any conditions which would directly regulate land use, density and intensity, property development, or subdivision requirements”. Section 56375(a), however, does require rezoning as a method to determine future land use, and consequently, to gauge the change of organization or reorganization’s impact on service delivery and conversion of open space lands and agency support for the proposal. LAFCO, however, may not specify how or in what manner territory shall be rezoned.

A District change of organization or reorganization does not require pre-zoning. Pre-approval of the proposal shall be demonstrated in a resolution supporting the change of organization or reorganization from the affected agency governing board or a letter of support from the chief administrative officer of the affected agency.

**Required Documentation**

This standard requires that an application for a city change of organization or reorganization shall be accompanied by copies of the agency’s ordinance rezoning the affected territory or a copy of a specific plan or equivalent and resolution of adoption. Applications for district change of organization or reorganization shall be accompanied by a copy of agency’s resolution supporting the proposal.

## STANDARD NO. 6: EFFECT ON NATURAL RESOURCES

An application for annexation shall describe the amount of land involved, and the land, water, air, and biological resources affected, including topography, slope, geology, soils, natural drainages, vegetative cover, and plant and animal populations. Effects to be covered include those which will be both positive and negative and the means proposed to offset potential negative impact. LAFCO shall certify that provisions of the Solano LAFCO Environmental Guidelines for the Implementation of the California Environmental Quality Act have been complied with.

### Explanation and Discussion

This Standard may already be reflected in studies provided as part of a city's adoption of a General Plan and is akin to the analysis of impacts and mitigation measures which ordinarily are revealed in an environmental assessment or environmental impact report.

LAFCO's actions in complying with this standard are determined by two criteria: 1) whether LAFCO is acting as the Lead Agency or Responsible Agency and 2) the nature of the CEQA document prepared and its adequacy.

#### **1) LAFCO as Lead Agency or Responsible Agency**

In determining the lead agency for preparation of the required environmental documentation, Section 15051 of the CEQA Guidelines provides that:

- “(a) If the project will be carried out by a public agency, that agency shall be the Lead Agency even if the project would be located within the jurisdiction of another public agency.*
- (b) If the project is to be carried out by a nongovernmental person or entity, the Lead Agency shall be the public agency with the greatest responsibility for supervising or approving the project as a whole”*
  - (1) The Lead Agency will normally be the agency with general governmental powers, such as a city or county, rather than an agency with a single or limited purpose such as an air pollution control district or a district which will provide a public service or public utility to the project.*
  - (2) Where a city rezones an area, the city will be the appropriate Lead Agency for any subsequent annexation of the area and should prepare the appropriate environmental document at the time of the rezoning. The Local Agency Formation Commission shall act as a Responsible Agency.*
- (c) Where more than one public agency equally meet the criteria in subsection (b), the agency which will act first on the project in question shall be the Lead Agency.*
- (d) Where the provisions of subsections (a), (b), and (c) leave two or more public agencies with a substantial claim to be the Lead Agency the public*

*agencies may by agreement designate an agency as the Lead Agency. An agreement may also provide for cooperative efforts by two or more agencies by contact, joint exercise of powers, or similar devices”.*

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Under these provisions, LAFCO shall act as responsible agency when application for change of organization or reorganization is initiated by resolution adopted by the legislative body of any affected local agency (15051 (a)) or when a city rezones an area (15051 (b) (2)).

LAFCO may also act as a responsible agency in certain cases under CEQA Guidelines Section 15051 (c) where an agency has prepared a specific plan or equivalent where the annexation process is clearly described in both the planning document and environmental document.

#### LAFCO as Lead Agency

When LAFCO acts as the lead agency per Section 15367 of the CEQA Guidelines, it is responsible for preparation of the environmental documentation for the proposal. If an EIR or Negative Declaration is required, the environmental document shall be prepared by LAFCO consistent with CEQA Guidelines and Solano LAFCO Guidelines for the implementation of CEQA.

#### LAFCO as Responsible Agency

When LAFCO acts as Responsible Agency per Section 15381 of the CEQA Guidelines, it must determine the adequacy of the environmental documentation prepared by the lead agency and make required determinations with respect to any identified significant environmental effects.

For a change of organization, LAFCO's preference has been to be the Responsible Agency, relying on the CEQA documents from the city and districts.

## **2. Adequacy of Environmental Documentation**

Under Section 15096(e) of the CEQA Guidelines, LAFCO, as a Responsible Agency, must determine the adequacy of the EIR or Negative Declaration prepared by the Lead Agency when considering the proposed change of organization or reorganization. If LAFCO believes that the CEQA document, whether it is an EIR or a Negative Declaration, prepared by the Lead Agency is not adequate for use by LAFCO, LAFCO must either:

- (1) *Take the issue to court within 30 days after the Lead Agency files a Notice of Determination;*
- (2) *Be deemed to have waived any objection to the adequacy of the EIR or Negative Declaration;*
- (3) *Prepare a Subsequent EIR if permissible under Section 15162; or*

(4) Assume the Lead Agency role as provided in Section 15052(a)(3).”

### Subsequent EIR's and Negative Declarations

Per Section 15162 where an EIR or Negative Declaration has been prepared, no additional EIR needed to be prepared unless:

- (1) *Substantial changes are proposed in the project which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.*
- (2) *Substantial changes occur with respect to the circumstances under which the project is undertaken, which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified effects; or*
- (3) *New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:*
  - (A) *The project will have one or more significant effects not discussed in the previous EIR or negative declaration;*
  - (B) *Significant effects previously examined will be substantially more severe than shown in the previous EIR;*
  - (C) *Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternatives; or*
  - (D) *Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.*

*If changes to a project or its circumstance occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR as required above. Otherwise the lead agency shall determine whether to prepare a subsequent negative declaration, an addendum, or no further documentation.*

*If the project was approved prior to the occurrence of the conditions described above, the subsequent EIR shall be prepared by the public agency which grants the next discretionary approval for the project (In this case LAFCO). In this situation no other Responsible Agency shall grant an approval for the project until the subsequent EIR has been certified or subsequent negative declaration adopted.*

*A subsequent EIR or subsequent negative declaration shall be given the same notice and public review as required under Section 15087 or Section 15072. A subsequent EIR or negative declaration shall state where the previous document is available and can be reviewed.”*

### Shift in Lead Agency Designation

Under Sect. 15052(a)(3), where a Responsible Agency is called on to grant an approval for a project subject to CEQA for which another public agency was the appropriate Lead Agency, the Responsible Agency shall assume the role of the Lead Agency when the Lead Agency prepared inadequate environmental documents without consulting with the Responsible agency as required by sections 15072 or 15082, and the statute of limitations has expired for a challenge to the action of the appropriate Lead Agency.

### **3. Required CEQA Findings**

CEQA Guidelines require the decision maker to balance the benefits of a proposed project against its unavoidable environmental risks in determining whether to approve a project. In accordance with CEQA Guidelines Section 1509.

- “(a) No public agency shall approve or carry out a project for which an EIR has been certified which identifies one or more significant environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. The possible findings are:*
- (1) Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effects as identified in the final EIR.*
  - (2) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.*
  - (3) Specific economic, legal social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make it infeasible for the mitigation measures or project alternatives identified in the final EIR.*
- (b) The findings required by subsection (a) shall be supported by substantial evidence in the record.*
- (c) The finding in subsection (a) (2) shall not be made if the agency making the finding has concurred jurisdiction with another agency to deal with identified feasible mitigation measures or alternatives.”*

Per CEQA Guidelines Section 15092, after considering the Final EIR and in conjunction with making findings under Section 15091(b):

*“A public agency shall not decide to approve or carry out a project for which an EIR was prepared unless either:*

- (1) The project as approved will not have a significant effect on the environment or*
- (2) The agency has:*
  - (A) Eliminated or substantially lessened all significant effects on the environment where feasible as shown in findings under Section 15091, and*
  - (B) Determined that any remaining significant effects on the environment found to be unavoidable under Section 15091 are acceptable due to overriding concerns as described in Section 15093.”*

CEQA Guidelines Section 15093 stipulates that:

- (a) CEQA requires the decision making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks in when determining whether to approve the project. If the specific economic, legal, social technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable”.*
- (b) Where the decision of the public agency allows the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. [This statement may be necessary if the agency also makes a finding under Section 15091 (a) (2) or (a) (3)].*
- (c) If an agency makes a statement of overriding considerations, the statement should be included in the record of the project approval and should be mentioned in the Notice of Determination.”*

### **Required Documentation**

#### **LAFCO as Lead Agency**

This Standard requires that the applicant submit copies of the Environmental Questionnaire for Part I of the Initial Study.

#### **LAFCO as Responsible Agency**

This Standard requires that the applicant submit copies of the environmental documentation adopted or certified by the lead agency, and copies of the resolution making the required environmental findings, adopting the Negative Declaration or Certifying the EIR, and making any Statement of Overriding Considerations.

## **DISCRETIONARY STANDARDS**

### **STANDARD NO. 7:           RELATIONSHIP TO ESTABLISHED BOUNDARIES, STREETS AND ROADS, LINES OF ASSESSMENT, REMAINING UNINCORPORATED TERRITORY; PROXIMITY TO OTHER POPULATED AREAS; ASSESSED VALUATION**

#### **Explanation and Discussion**

This Standard sets forth guidelines for establishing the boundaries of proposals. LAFCO shall, where possible, avoid irregularities and overlapping of established boundaries in proposals for change of organization or reorganization which would otherwise create problems for taxing districts, including the loss of tax revenues required for district operation. City boundaries at County roads and city streets shall be delineated to provide an orderly division of road maintenance, and law enforcement responsibilities between cities and counties.

LAFCO shall consider the following as factors favorable to approval of a change of organization or reorganization:

- a.       The proposal would not create islands, near-islands, or irregular and/or illogical configuration of existing city limits or would not create irregular and/or illogical configuration of existing district boundaries.
- b.       The boundaries of the proposal include appropriate areas and are otherwise properly drawn.
- c.       For city annexations, the proposed area has total population and/or development density requiring municipal or urban type services; or, if not presently urban in character, consistent with development approvals required under Standard No. 5, it is expected that the area will be urban within ten years consistent with the provisions under Standard No. 8.
- d.       The proposed area is in close proximity to the development portion of the city and would be a logical extension of city growth.

The purpose of this Standard is to avoid irregularities and overlapping of established boundaries which otherwise would create problems for taxing districts, including the loss of tax revenues required for district operations. An example is a proposed detachment from the Solano Irrigation District where the property involved is a party to the indebtedness of Monticello Dam and its irrigation facilities. In such an event, LAFCO should continue to impose detachment fees in accordance with a formula agreed upon with SID (or other district in a similar situation) to assure equity in meeting financial obligations of the district. Other purposes are to avoid, where possible, irregularity in the shape of remaining parcels, to avoid conditions which would make the annexation of adjacent parcels difficult at a later date, and to avoid the exclusion of parcels which are necessary to assure a planned, orderly efficient pattern of urban growth.

The required mapping is to be used to determine the geographic implications of the proposed annexation boundaries. Mapping and other locational information helps determine the potential for conflicts and leads to an early determination of problem areas. The requirement for a project description and maps showing locations of existing roadways and other public facilities helps identify the number of agencies involved and possible concerns.

In addition to supporting Standard No. 7, the required documentation also provides important baseline information to be used in other Standards.

### **Required Documentation**

This standard requires that for changes of organization or reorganization, the application shall include the following information as part of their proposal:

1. A map and legal description of the property which meets the requirements set forth in Appendix “B”. In preparing the map; and legal description, the following criteria shall be utilized.
  - a. The description shall follow established ownership boundaries and road rights-of-way where feasible. Documentation shall be submitted indicating reasons for not adhering to this requirement.
  - b. Boundaries shall not be drawn so as to create an island, corridor, or strip either with the proposed territory or immediately adjacent to it. Where such an island, corridor, or strip is created, documentation shall be submitted indicating reasons for not adhering to this requirement.
  - c. In the case of City incorporations and annexations, territory shall not be incorporated into, or annexed to a city if as a result of that incorporation or annexation, unincorporated territory is completely surrounded by that city unless the Commission finds pursuant to Section 56375(m) that the application of the restriction would be determined to the orderly development of the community and that the area that would be enclosed by the annexation or incorporation is to located that it cannot reasonably be annexed to another city or incorporated as a new city. Such finding shall be based on substantial evidence in the record.
  - d. To the greatest extent possible, boundaries shall follow existing political boundaries, and natural or man-made features such as streams, lakes, natural terrain, railroads, roads and freeways. Where boundaries do not meet this standard, documentation shall be submitted indicating reasons for not adhering to this requirement.
  - e. City boundaries at county roads or city streets shall follow road or street right-of-way lines and shall cross streets and roads at right angles. Intersections shall be located entirely within one

jurisdiction. City streets or County roads shall be continuous as far as possible “Half-width” streets or roads where the city boundary is located on the centerline of the thoroughfare area are not permitted. City boundaries shall not cross a street/road at an oblique angle and city boundaries shall not divide intersections.

- f. The map and description shall include the area of the annexation in acres or square feet.
2. A supplemental map or other information showing relationship to adjacent properties, city limits, and boundaries of special districts and school districts. A proposal which is adjacent, on, or within 300 feet of any sphere of influence boundary shall show said boundary on a map and label the agency affected. This may also be accomplished by submitting an additional map at a scale sufficient enough to indicate the proposal’s relationship with said sphere of influence boundary.
3. A description of land uses and population in the vicinity.
4. A map of lands in agricultural preserve.
5. A map showing location of existing roadways, sewer mains and other public facilities.
6. A description of proposed development and necessary public facilities.
7. A brief narrative outlining the proposal’s consistency with section a. through f. of this standard as set-forth in the Discussion and Explanation above. Inconsistencies with any of these requirements need to be thoroughly explained and justified.

**STANDARD NO. 8: LIKELIHOOD OF SIGNIFICANT GROWTH AND EFFECT ON OTHER INCORPORATED OR UNINCORPORATED TERRITORY**

Prior to approving an annexation, LAFCO shall make a determination that the proposed conversion of open space lands to urban use is justified by probable urban growth within a 10 year-period of time. A determination on the likelihood of significant growth justifying the conversion shall be based on analysis of local and regional demand for the proposed use.

**Explanation and Discussion**

To satisfy this standard an applicant is to provide data that supports a determination of the likelihood of significant growth within a 10-year period of time, justifying the conversion of the affected open space lands as defined under the Cortese-Knox-Hertzberg Act as an urban use, and that such conversion will not be detrimental to the development of existing open space lands already within the affected agency's jurisdiction. This Standard in conjunction with the other standards is designed to discourage urban sprawl, to preserve agricultural land resources and to encourage orderly growth boundaries based upon local conditions and circumstances. Under this Standard, the applicant is required.

- a) To provide data supporting the proposed conversion of open space to urban use by analyzing appropriate factors of supply and demand, and the Comprehensive Annexation Plan where applicable;
- b) To discuss all lands currently within the city's jurisdiction which are intended for, or committed to similar land uses and how the proposal relates to them.
- c) To submit data to explain how the annexation will not significantly inhibit the timely development of existing vacant land currently within the city limits or inhibit the city's ability to meet its infill goals.
- d) To submit data that supports a determination that the conversion of the land to urban use within a 10-year period of time.

In reviewing the demand analysis for a proposed use, the Commission recognizes that it is more difficult to make determinations on long term market absorption rates for multi-family residential, commercial, industrial and mix use (high density residential, commercial and industrial) land use projects than for residential land use projects.

Another basis for analyzing an annexation's compliance with this standard will be the proposal's relationship to the annexing city's Municipal Service Review/Comprehensive Annexation Plan (MSR/CAP). LAFCO accepted MSR/CAPs are required prior to the consideration of annexations or sphere of influence amendments.

Compliance with the annexing city's MSR/CAP will be based on an analysis of the proposal and its relation to the goals and policies of the city's MSR/CAP including the city's growth strategy, projected growth and infill goals. LAFCO will consider its resolution of review and comment on the MSR/CAP in reviewing a proposal's consistency with the MSR/CAP.

Where large-scale and long-term projects are proposed through annexation, LAFCO may consider the likelihood of significant growth over a 10 – 20 year period of time if the project applicant and the city have entered into a development agreement. With respect to the purpose of Cortese-Knox Hertzberg, key provisions and a development agreement would include:

1. Phasing of development over a 10-20 year period in keeping with reasonable analysis of the market for new housing or other urban use consistent with policies of the General Plan.
2. Reasonable phasing to avoid premature conversion of prime agricultural lands to urban use, particularly those prime lands of greatest importance in Solano County as identified under Standard No. 9.
3. Reasonable phasing which will assure agency capability to provide urban services required without negative financial impact upon existing property owners and residents of the agency.

Finally, consideration will also be given to ABAG projections and to the preceding 10 years or more of building permit activity. Consideration will be given to the market conditions in analyzing past building permit activity.

It is on comparative analysis of the market study, the MSR/CAP, ABAG projections and past building permit activity that a judgment as to the likelihood of significant growth with a ten-year period will be made.

### **Required Documentation**

This standard requires for any applications for a change of organization or reorganization which will convert open space lands to urban use, each application shall include the following documentation.

1. For a change of organization or reorganization where 40 acres or more of commercial or industrial land use is proposed or where 100 acres or more of residential land use is proposed, a market study is required to document this analysis. Substantial inhabited annexations are excluded from the requirement for a market analysis. The market study should:
  - a) Clearly define the market area for the project. The level of detail provided in the market analysis shall be commensurate with the scale and complexity of the proposed development project.
  - b) Identify anticipated demand over the next ten years within the market area and document the assumptions in preparing the demand projections;

- c) Identify the supply of land which can be put to the same use within the market area that is anticipated to be available within the next ten years; including existing vacant land currently within the city limits; and
  - d) Where a Comprehensive Annexation Plan has been prepared, consistency of the proposal with the city's growth strategy and infill goals.
2. For a change or organization or reorganization where less than 40 acres of commercial or industrial land use is proposed or where less than 100 acres of residential land use is proposed, the proponent shall provide an analysis of likelihood of significant growth based on available information in responding to this standard.
  3. An analysis of consistency of the proposed project with a city Comprehensive Annexation Plan (if applicable).
  4. Documentation of the city's building permit activity over the past 10 years.
  5. A copy of the development agreement (if applicable).

## **STANDARD NO. 9: PROTECTION OF PRIME AGRICULTURAL LAND**

Urban growth shall be guided away from prime agricultural land unless such action would not promote planned, orderly, and efficient development for the agency. Development of existing vacant or non-prime agricultural lands within the agency limits should be encouraged before any proposal is approved for urbanization outside of the agency limits.

### **Explanation and Discussion**

This Standard goes to the heart of the major objective of Cortese-Knox Hertzberg. To make the first sentence of the Standard operative, there has to be a finding as to what “planned, orderly, and effective development” means for each agency.

The second part of the Standard is permissive, in that it encourages rather than mandates the development of vacant or nonprime land already within the agency limits before pushing outward into unincorporated territory.

### **Maintaining the Integrity of Agricultural Lands**

Maintaining the integrity of agricultural lands can only be construed as furthering the purpose of Cortese-Knox Hertzberg to avoid the premature conversion of commercial agricultural lands to urban purposes. LAFCO must evaluate the potential effect of a proposed annexation on neighboring lands in commercial agricultural use to avoid premature pressure for the conversion of such lands to urban use.

Lands included within agricultural preserves under the Williamson Act are to be protected except where land is proposed by the General Plan for eventual urbanization and where the owner had already filed a notice of non-renewal, or where an agency officially protested inclusion of the land under the Williamson Act. In the former situation, the filing of a notice of non-renewal by a landowner starts a ten-year period until the removal is completed, unless findings for cancellation of an agricultural preserve contract are made and penalty tax payments and other requirements for contract cancellation are met. In cases where cancellation of a contract will be required, evidence supporting the cancellation shall be provided to demonstrate that the findings can reasonably be made. In cases where lands were protested for inclusion in an agricultural preserve by an agency, the agency may choose not to succeed to the contract, in which case the agricultural preserve contract will terminate upon annexation.

## **Encouraging Infill Development**

This Cortese-Knox Hertzberg policy calls for “infill” on vacant lands within municipal boundaries before extending further out into agricultural areas. A reasoned assessment of this policy is needed when one or more of the following conditions exist.

1. Where owners of infill property are not willing to sell at a fair market rate.
2. Where too many recorded lots for single-family housing exists in relation to realistic market demands for all housing types.
3. Where available property is too small in an area to accommodate long-term building objectives of the developer.
4. Where surrounding land use may be incompatible.
5. Where surrounding older housing reflects a deteriorating environment.
6. Where established single-family areas object to higher densities often necessary to justify infill investment.

An absolute requirement for infill could have a negative impact through increases in land value and, in effect can retard growth. Conversely, where adequate lands exist to meet reasonable demands of the housing market for the range of housing types required, infill can be achieved.

## **Evaluation Criteria**

In reviewing and evaluating proposals under this Standard, LAFCO will consider the following five criteria:

1. An annexation may be considered to guide development away from prime agricultural land or other productive lands if one of the following two conditions exist.
  - a. It does not contain prime agricultural land as defined under the Cortese-Knox Hertzberg (Government code Section 56064). In determining whether or to what extent land is prime or productive a hierarchy of land classification shall be used based on the following criteria in descending order of importance.
    - 1) Land that qualifies for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
    - 2) Land that qualifies for rating 80 through 100 in the Storie Index Rating.
    - 3) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will

return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.

- 4) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous given calendar years.
- 5) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Handbook on Range and Related Grazing Lands, July 1967, developed pursuant to Public Law 46, December 1935.

Lands which are defined under (1) and (2) above, are considered prime agricultural lands which have greatest importance within Solano County. In reviewing lands identified as prime agriculture, consideration will be given to the economic viability of the property and whether the land can be economically and productively farmed.

- b. The area is wholly or largely surrounded by urban development.
2. If an annexation includes prime agricultural land, the annexation is considered to promote the planned orderly and efficient development of an area fit.
- a. The proposed annexation meets the requirements of Standard No. 8; and
  - b. The proposed annexation either abuts a developed portion of the agency or abuts properties which already are committed to urban development by the extension of streets and other public facilities where service extensions were predicted on adjacent lands within the proposed annexation area being developed to assist in meting bond obligations or other financial instruments against the property; and
  - c. It can be demonstrated that there are sufficient vacant non-prime lands within the Sphere of Influence planned for the same general purpose because of one or more of the following.
    - (1) Where land is unavailable at a reasonable market rate as determined by competent market analysis.
    - (2) Where insufficient land is currently available for the type of land used proposed, as determined by competent market analysis.
    - (3) Where surrounding land use clearly is incompatible because of the age and condition of structures or mixture of land uses.
3. Notwithstanding the factors listed above, it is the responsibility of an agency to undertake substantial actions to facilitate and encourage the infill of land within a

city's limit so to minimize the need for further annexation. Such actions include, but are not limited to, the following:

- a. Redevelopment plans and action programs.
  - b. Capital improvement programs.
  - c. Changes in land use policies and regulations.
  - d. Housing programs, including rehabilitations.
4. Consistency with the city's Comprehensive Annexation Plan policies and provisions for guiding future growth away from prime agricultural lands.
  5. Annexation shall be prohibited on land under an agricultural preserve contract unless an agency protested the establishment of the contract and the protest was upheld by LAFCO, and/or unless a notice of non-renewal has been filed; evidence that findings supporting cancellation have been made; and the adverse effects of the annexation on the economic integrity of lands in adjoining preserves are can be reasonably mitigated.

#### **Required Documentation**

This Standard requires that any application for a change of organization or reorganization containing open-space lands to be converted to an urban use shall provide the following documentation on its impact to prime agricultural land.

1. Documentation as to whether the affected territory contains prime agricultural land as defined under Government Code Section 56064 (evaluation criteria No. 1 above) and/or whether the affected territory is under an agricultural preserve contract.
2. If the affected territory contains prime agricultural land, provide demonstrate compliance with evaluation criteria 2, 3, and 4 above.
3. If the affected territory contains lands under agricultural preserve contract, provide documentation in compliance with evaluation criteria 5 above including a copy of the notice of non-renewal.

**STANDARD NO. 10:            PROVISION AND COST OF COMMUNITY SERVICES**

Adequate urban services shall be available to areas proposed for a change of organization or reorganization

**Explanation and Discussion**

This standard requires that the applicant obtain verifications from the affected agency(ies) that the full range of services required to serve the affected territory can be provided. For city annexations that propose to convert open space lands to urban uses, the proposal shall be consistent with the city’s Urban Services Delivery Plan, a part of a city’s Comprehensive Annexation Plan (see Part 4 Comprehensive Annexation Plans). Where an Urban Services Delivery Plan has not been adopted, the project’s environmental document shall fully address the servicing demands and impacts of the project on all affected agencies.

A “will serve” letter from the manager/director of the affected agency is required for all changes of organization and reorganizations. Where more than one agency is to provide services, a “will serve” letter, the manager/director of the agency shall provide LAFCO with a statement explaining why the agency is unable to do so. Where open space lands are proposed to be converted to residential use, an impact statement from the superintendent of the affected school district explaining how the project impacts on school facilities will be mitigated is required.

The Urban Service Delivery Plan and “will serve” letters(s) are intended to resolve any potential service problems related to an application prior to its submittal to LAFCO. LAFCO will consider both the Urban Services Delivery Plan and/or environmental documentation along with “will serve” letters(s) in reviewing this standard.

**Required Documentation**

This standard requires that an application of a change of organization or reorganization shall be accompanied by a “will serve” letter or a statement from the affected agency(ies) as follows:

1. If a district change of organization or reorganization, a “will serve” letter from the affected district’s director.
2. If a city change of organization or reorganization, a “will serve” letter from the city manager of the affected city and a “will serve” letter from the director of each special district providing services to the affected territory. (i.e. water agencies, sewer districts, recreation district).
3. If a city change of organization or reorganization that includes conversion of open space land to residential use, an impact statement from the superintendent of the affected school district.
4. When an agency will not issue a “will serve” letter, the agency manager/director shall provide a statement explaining why it is unable to do so.

**STANDARD NO. 11: THE EFFECT OF THE PROPOSED ACTION ON ADJACENT AREAS, MUTUAL SOCIAL AND ECONOMIC INTERESTS, AND ON LOCAL GOVERNMENTAL STRUCTURE**

The application shall describe the effect which the annexation could have on adjacent areas and outside the agency. It shall also describe any social and economic benefits, or detriments, which will accrue to the agency and other affected agencies. The proposal should not be motivated by inter city rivalry, land speculation, or other motives not in the public interest, and should create no significant negative social or economic effects on the County or neighboring agencies.

**Explanation and Discussion**

This Standard responds to the Cortese-Knox-Hertzberg factor listed under Section 56668(c). As worded in the law, the factor is somewhat vague and tends to overlap with the purpose of several other Standards, including those pertaining to the protection of agricultural land, meeting needs of the housing market, orderly growth, and the provision of urban services. Consequently, meeting this Standard requires placing in perspective the overall beneficial consequences of a proposal as compared to potential negative impacts, through qualitative analysis.

Examples of mutual social and economic benefits include achieving a balanced housing supply within the community, the provision of commercial areas where existing commercial development does not meet the needs residents, the creation of new employment opportunities to meet the needs of the unemployed or under-employed, protecting sensitive resources, advancing the time when public improvements needed by the larger community may be provided, improvement of levels of service within the community without incurring additional costs or harming other public service providers and protection of communities of regional/national economic and social importance, such as Travis Air Force Base, through the utilization of permanent open space and reserve areas.

These types of benefits may, in a given case, argue for a project as off-setting negative consequences or negative determinations identified in responding to other Discretionary Standards. The written response to this standard provides the opportunity to make a case for a proposal which, based on other standards, might appear to be questionable.

Potential negative impacts upon the County and neighboring agencies will also be considered. Examples include proposals that negatively impact Special District budgets or service provision or proposals that demand Special District services without the provision of adequate funding, threaten major employers, alter current/future military missions or otherwise cause hardship to communities of regional/national economic and social importance.

**Required Documentation**

In cases where Special Districts might be harmed, either through detachment or annexation, the applicant should work with the Executive Director to identify the affected agencies and work with those agencies to identify and mitigate the impacts prior to the LAFCo hearing. *LAFCo, will not normally approve detachments from special districts or annexations that fail to provide for adequate mitigation of the adverse impacts on the district. Where the adverse impact is fiscal, adequate mitigation will normally include a permanent, funding source for lost revenues or increased costs to the affected Special District.* Where potential

impacts on other agencies have been identified, the application may be deemed incomplete or the LAFCo hearing continued, until the applicant has met with the affected agencies and made a good faith effort to reach agreement with those agencies on appropriate mitigation.

This standard requires that an application for a change of organization or reorganization show the inter-relationship and effect of the proposed project on adjacent areas, both within and outside the boundaries of the affected agency, and to weigh the overall beneficial aspects of a proposal as compared to the potential negative impacts. The application shall provide a written response to this standard and all supporting documentation regarding mitigation.

#### LAFCo Action

If the applicant and the affected agencies have reached agreement on *permanent, annual* mitigation for the impacts to affected agencies, LAFCo will normally include the mitigation measures in its terms and conditions approving the change of organization. If the parties have failed to reach agreement, LAFCo shall hear from both sides and determine an appropriate mitigation, if any, and impose that mitigation to the extent it is within its powers. If the needed mitigation is not within LAFCo's authority and approval would, in the determination of the Commission, seriously impair the District's operation, the Commission may choose to deny the application.

## **SECTION V. CITY MUNICIPAL SERVICE REVIEW/ COMPREHENSIVE ANNEXATION PLANS**

### **I. PURPOSE**

To provide guidance to the Cities and Solano LAFCo in preparing and conducting municipal service reviews (MSR).

### **II. BACKGROUND**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCo to review municipal services. The service review provides LAFCo and cities with a tool to comprehensively study existing and future public service conditions and to evaluate organizational options for accommodating growth, preventing urban sprawl while supporting California's anticipated growth, and ensuring that critical services are efficiently and cost-effectively provided.

### **III. FUNCTION OF MUNICIPAL SERVICE REVIEW/COMPREHENSIVE ANNEXATION PLAN (MSR/CAP)**

Government Code Section 56430 requires LAFCo to conduct MSR/CAPs and prepare a written statement of determination with respect to each of the following:

- A. Growth and population projections for the affected area.
- B. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
- C. Financial ability of agencies to provide services.
- D. Status of, and opportunities for, shared facilities.
- E. Accountability for community services needs, including governmental structure and operational efficiencies.
- F. Any other matter related to effective or efficient service delivery, as required by commission policy.

The MSR/CAP process does not require LAFCo to initiate changes of organization based on service reviews; it only requires that LAFCo make determinations regarding the provision of public services per the provisions of Government Code Section 56430. However, LAFCo, local agencies, and the public may subsequently use the determinations to pursue changes to services, local jurisdictions, or spheres of influence. Service Reviews are intended to provide a broad analysis of service provision. In addition, Service reviews must be completed in order to update agency Sphere of Influence (SOI) boundaries. The State has mandated that SOI updates must be completed by January 1, 2013.

#### **IV. WHEN PREPARED**

LAFCo will determine when municipal service reviews are necessary. Generally, reviews will be prepared prior to SOI studies or updates; however, service reviews may also be conducted independent of the SOI process. LAFCo may conduct service reviews independent of the SOI updates based on a number of factors, including but not limited to, concerns of affected agencies, the public or LAFCo; public demand for a service review; public health, safety, or welfare issues; service provision issues associated with areas of growth and/or development.

Minor amendments to SOI, as determined by LAFCo, will not require a municipal service review. An amendment to the SOI of any agency may be processed and acted upon by the Commission if all of the following are met:

- The requested amendment, considered along with all other amendments approved in the last 12 months for the agency in aggregate, are less than 40 acres.
- There are no objections from other agencies that are authorized to provide the services the subject agency provides and whose SOI underlies or is adjacent to the subject territory.
- The Commission finds that the proposed amendment would not significantly interfere with the development of the updated SOI of the agency.

#### **V. ENVIRONMENTAL DETERMINATION**

Cities that submit MSR proposals to LAFCo will be considered lead agencies for purposes of environmental review and should approve whatever environmental determination is appropriate under the California Environmental Quality Act (i.e., exemption, negative declaration, environmental impact report).

#### **VI. LAFCo REVIEW OF MSR/CAP PROCESS**

Cities may consult with the LAFCo Executive Officer during preparation of the draft MSR. Municipal Service Review/Comprehensive Annexation Plans shall be adopted by the City. Upon adoption, LAFCo will review the document and shall accept or reject MSRs for the completeness of data required by the criteria listed below. LAFCo shall review, comment, and make determinations through resolution as to the consistency of the MSRs with these Standards, the Cortese-Knox-Hertzberg Act, and other considerations as appropriate.

#### **VII. SCHEDULE**

**Solano LAFCo has adopted the following schedule and deadlines for completion of the second round of City MSRs. At the request of a city, the Executive Officer may amend the schedule.**

## **SCHEDULE FOR COMPLETION OF CITY MUNICIPAL SERVICE REVIEWS**

<u>CITY</u>	<u>SUBMITTAL TO LAFCO</u>
Benicia	
Dixon	
Fairfield	
Rio Vista	
Suisun City	
Vacaville	
Vallejo	

### **VIII. FACTORS FOR REVIEW**

The Cities shall provide information and LAFCo shall provide written determinations, including requests for additional information, relevant to the topics listed below.

#### **A. Growth and Population**

Purpose: To evaluate service needs for the SOI based upon existing and anticipated growth patterns and population projections based upon adopted growth policies of the jurisdiction, with the horizon year identified in the jurisdiction's current General Plan.

1. City Background
  - a) Annexations since 1990
  - b) Sphere of Influence changes since 1990
  - c) Map of existing City Limits and existing sphere of influence
2. Population Information
  - a) Past growth trends
  - b) Future projections based upon current General Plan or ABAG Projections
  - c) Employment Projections
  - d) Jobs to housing ration, current and projected

3. Urban Growth Strategy – The urban growth strategy explains the city’s expansion plans, documenting growth potential, identifying planned annexations, geographic areas of special significance as determined by the city and showing the timing relationship between planned annexations and capital improvement plans. It is recognized that projections beyond five years will tend to be more conceptual and less reliable than near-term estimates. Annexations in the City’s long-term category, beyond the five year time increment, can be proposed for annexation within the near-term to LAFCo with a concurrent amendment to the City’s MSR.
  - a) Population and housing projections for the first ten-year period or the horizon year of the General Plan, whichever comes first.
  - b) The location of planned growth areas
  - c) Probable annexations within each time increment and identification of annexation interdependence necessitating either sequenced or concurrent annexation approvals
  - d) Identification of areas of critical concern
4. Agricultural Preserve Strategy – The agricultural preservation strategy shall include documentation identifying prime agricultural lands and lands under agricultural preserve contracts within the city’s Sphere of Influence, and shall contain specific provisions and policies for guiding future growth away from such land. This strategy does not apply to lands under agricultural preserve within existing city limits.
5. Infill Strategy – The purpose of Infill Strategy is to facilitate the Commission’s determination as to whether a proposed annexation will significantly affect a city’s ability to meet its infill goals. It is appropriate in some situations for municipalities to reserve lands for a needed use for which there is not now a market. For example, there is a need for high density and rental housing, but finance costs inhibit construction. A significant inventory of property zoned for these uses should not necessarily be a bar to annexation. Similarly, the existence of polices to promote infill may support a determination that the proposed annexation will not result in the premature conversion of open space because the city is taking effective measures to develop existing vacant lands. The ability to assess progress on Infill Goals, in conjunction with other appropriate considerations will further assist LAFCo in determining whether particular annexation proposals are premature.

In requiring Infill Goals, it is not LAFCo’s intent to base annexation decisions solely on the vacancy factor or the effectiveness of infill policies. Nor is it required that every unit projected for construction for a given year be actually built. Moreover, the Infill Goal is only one factor in the overall Comprehensive Annexation Plan which will be used to determine compliance with Standard No. 8. The significance of incorporated vacant lands will

depend on the particular circumstances of each city.  
The Infill Strategy shall include the following:

1. An inventory and extent of vacant lands larger than 5 acres by land use designations and the number of units in residential designations.
  - a) Location and extent of vacant lands larger than 5 acres by land use designation and the number of units in residential designations.
  - b) Approved – but as yet not built – projects, including tentative maps, final maps, master plans, and site plans for developments larger than five acres or accommodating more than 20 dwelling units.
  - c) Agricultural preserve contracts within the city limits and their status.
  - d) Factors which may impede the development of vacant land already within the city limits.
  - e) Past practices, existing policies, and future options to eliminate obstacles and to promote infill development.
  - f) Numerical goals for residential units of infill construction for each of the first five years of the plan. Infill goals will be based on the Growth Strategies, vacant land data, and other particular circumstances within affected city.

**B. Present and Planned Capacity Including Infrastructure Needs and Deficiencies**

Purpose: To evaluate each municipal service which serves both existing and future City development, identifying infrastructure needs and deficiencies. If any of the services are not provided by a city, the city may choose to either provide the information or defer to the Municipal Service Review of the service provider.

1. Water Supply and Distribution
  - a) Service area boundary in relationship to existing City limit and sphere of influence service provider.
  - b) Supply and demand information for, including description of amount of entitlement (include copies of all water entitlement documentation in appendices) from each source, existing and buildout of General Plan
  - c) Distribution, treatment and storage systems needs
  - d) Ability to provide service to existing and new growth
  - e) Opportunities for shared facilities
2. Wastewater Treatment
  - a) Service area boundary in relationship to existing City limit and sphere of influence, service provider
  - b) Treatment capacity, Permit Capacity, and wastewater flow information, existing and buildout of General Plan
  - c) Collection systems needs
  - d) Ability to provide service to existing and new growth
  - e) Opportunities for shared facilities
3. Storm Drainage and Flood Control Capacity
  - a) Service area boundary in relationship to existing City limit and sphere of influence, service provider

- b) Drainage system capacity and need for improvements, existing and buildout of General Plan
  - c) Ability to provide service to existing and new growth
  - d) Opportunities for shared facilities
4. Solid Waste Disposal Capacity
    - a) Service area boundary in relationship to existing City limit and sphere of influence, service provider
    - b) Solid waste disposal capacity and need for improvements, existing and buildout of General Plan
    - c) Ability to provide service to existing and new growth
    - d) Opportunities for shared facilities
  5. Circulation and Transportation
    - a) Service area boundary in relationship to existing City limit and sphere of influence, service provider
    - b) Existing and projected levels of service for major roadways and need for improvements, existing and buildout of General Plan
    - c) Ability to provide service to existing and new growth
    - d) Opportunities for shared facilities
  6. Public Safety
    - a) Service area boundary in relationship to existing City limit and sphere of influence, service provider
    - b) Existing and projected response time for emergency (Police and Fire) service and need for improvements, existing and buildout of General Plan
    - c) Ability to provide service to existing and new growth
    - d) Opportunities for shared facilities
  7. Parks and Recreation
    - a) Service area boundary in relationship to existing City limit and sphere of influence, service provider
    - b) Drainage system capacity and need for improvements, existing and buildout of General Plan
    - c) Ability to provide service to existing and new growth
    - d) Opportunities for shared facilities

**C. Financial ability of agencies to provide services**

Purpose: To evaluate factors that affects the financing of needed improvements and services

1. The cities shall demonstrate that it has/or will have financing ability to fund existing and/or future municipal infrastructure and services.
2. The Cities shall evaluate the cost of services versus revenue.

**D. Status of, and opportunities for shared facilities**

Purpose: To identify practices or opportunities that may help eliminate unnecessary costs

1. The cities shall identify overlapping/duplicative services with other agencies

**E. Accountability for community service needs, including governmental structure and operational efficiencies.**

Purpose: To evaluate the accessibility of the governing body and public participation

1. The Cities shall describe methods of public outreach and participation in the operation of municipal affairs

Purpose: To consider the advantages and disadvantages of different government structures that could provide public services.

1. The Cities shall identify opportunities to amend the sphere of influence to coincide with current or future planned municipal services
2. The cities shall identify non-city service providers of municipal services within the sphere of influence

**H. Any other mater related to effective or efficient service delivery, as required by Commission policy.**

**SECTION VI. ESSENTIAL REQUIREMENTS OF THE  
CORTESE-KNOX-HERTZBERG ACT**

**THE LEGISLATURE’S POLICY AND INTENT FOR LAFCO**

The State Legislature has set forth specific policy direction to LAFCO in carrying out its duties and responsibilities under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Specifically LAFCO is directed to:

- 1) *“Encourage orderly growth and development ....logical formation and determination of local agency boundaries” (Gov. Code Section 56001)*
- 2) *Encourage and provide for “Planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space lands” (Section 56300).*
- 3) *“Discouragement of urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances” (Section 56301.)*

In reviewing and approving or disapproving proposals, the legislature has established two priorities for LAFCO (Section 56377):

- 1) *“Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.”*
2. *“Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency shall be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency.”*

These policies and priorities are fundamental in their impact on LAFCO’s decision process. They give critical dimension to the manner in which individual standards are applied to the factors prescribed by the Cortese-Knox Hertzberg Act.

In addition to the basic policies and priorities discussed above, the Cortese-Knox Hertzberg Act has identified the following factors to be considered in the review of a proposal under Section 56668:

- a. *Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.*
- b. *The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services controls in the area and adjacent areas.*
- c. *The effect of the proposed action – and of alternative actions – on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.*
- d. *The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377 of this code.*
- e. *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.*
- f. *The definiteness and certainty of the boundaries of the territory, the non-conformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.*
- g. *Consistency with city or county general and specific plans.*
- h. *The “sphere of influence” of any local agency which may be applicable to the proposal being reviewed.*
- i. *The comments of any affected local agency.*
- j. *The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the boundary change.*
- k. *Timely availability of water supplies adequate for projected needs as specified in Section 65352.5*
- l. *The extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the appropriate council of governments.*
- m. *Any information or comments from the landowner or owners, voters, or residents of the affected territory.*
- n. *Any information relating to the existing land use designations.*
- o. *The extent to which the proposal will promote environmental justice. As used in this subdivision, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.”*